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House of Representatives

The House met at 10 a.m.

Monsignor James C. Kidder, Pastor, Holy Trinity Catholic Church, El Dorado, California, offered the following prayer:

O God, our loving Creator, our experience of Your fidelity in our lives can often be overshadowed by our fears of the future. We know the uncertainty of our plans and the difficulties we face in our aspirations. We need hope. Not false hopes that are unstable, but the hope of faith that can support and give courage. Your fidelity, Lord, is unchanging. You do not retreat. You do not know deception. Your fidelity is our hope.

Help us to be mirrors of Your fidelity, for the first, the last, and the greatest gift we have to offer others is our life. Help us to exist for those who entrust their well-being to us. A complete gift as great as this does require Your fidelity to us.

On this first day of April which could be filled with pranks, illusion, and humor, we thank You for the ability to laugh, which is a gift from You to release the tensions pent-up within and to open our eyes to envision Your truth all the more. We thank You, too, for the gift of a smile, a wonder that we can freely share to brighten the days of others. May we go forth today to share that gift generously. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from New York (Mr. ISRAEL) come forward and lead the House in the Pledge of Allegiance.

Mr. ISRAEL led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 275. An act to amend the Professional Boxing Safety Act of 1996, and to establish the United States Boxing Administration.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. There will be ten 1-minutes on each side.

THE OIL FOR FOOD SCANDAL

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, the United Nations has a terrible track record on appeasing dictators. The growing scandal surrounding the Iraqi Oil for Food program is a good example.

While the Iraqi people suffered from shortages of food and medicines, Saddam Hussein looted billions of dollars in U.N. aid to fund his military and buy friends around the world.

Manufacturers and trade brokers in Europe, Russia, China, and the Arab world benefited from billions Saddam Hussein funneled to them, all courtesy of the U.N. Oil for Food program. Those who profited from Saddam's generosity have become propaganda mouthpieces for his corrupt regime.

As Saddam's friends criticized how sanctions made the Iraqi people suffer, they pocketed billions of aid intended for the people they claimed to care about. No wonder they were against liberating the Iraqi people. They were profiting off of their suffering.

These coconspirators with Saddam Hussein should be exposed. Their selfishness and deceit have cost Iraqi lives.

WHITE HOUSE THREATENS VETO OF TRANSPORTATION BILL

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute.)

Mr. DEFAZIO. Mr. Speaker, 2.8 million jobs lost, 1.1 million long-term unemployed with expired benefits, 24 months into a jobless recovery spurred by record deficits and trickle-down tax cuts. But finally, today, hope is on the horizon.

Mr. Speaker, a $275 billion highway bill, it should be more, is pending. It would create real jobs to meet real needs, put Americans to work; and, yet, the White House is threatening a veto. April fool, or is it fools at the White House?

COURT OF APPEALS CONSIDERS PARTIAL-BIRTH ABORTION

(Mr. BURGESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. Speaker, currently, the Court of Appeals is working on the partial-birth abortion ban which we passed in this House twice during the past year and the President signed into law in December.

Mr. Speaker, it has been over 25 years since I first learned of the procedure of newborn circumcision, not something we normally think of in this House, but, Mr. Speaker, it would be unthinkable today to perform that procedure without some type of anesthesia, because we all know that a newborn feels pain.

But we are asked to discount the possibility of fetal pain perception when

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dealing with the language of partial-birth abortion. We are asked to suspend our knowledge of pain pathways and assume that a scalpel laceration, skull fracture, dural tear, and brain laceration will pass unnoticed by the child, as long as his or her head is still in the birth canal.

By any measure, intact dilatation and extraction performed in the last trimester of pregnancy is never the only option for concluding a pregnancy when the mother's health is compromised. Induction of labor or Cesarean section may both be used to complete a pregnancy when the mother's health is threatened.

The only theoretic advantage of a partial-birth abortion is this: It guarantees that the baby will be dead upon delivery.

BEWARE OF BUSH ADMINISTRATION OFFICIALS BEARING MEDICARE BENEFITS

(Mr. EMANUEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EMANUEL. Mr. Speaker, when the House voted on the Medicare bill, we and the American people were told its cost was $400 billion. Later, we found out that the Bush administration and congressional leaders knew all along it would cost actually $550 billion. What is a mere $150 billion among friends?

Not a single benefit has gone to a senior citizen, and the taxpayers are stuck with an additional $150 billion on top of the misappropriated $400 billion. Beware of Bush administration officials bearing Medicare benefits.

Prescription drug costs have skyrocketed over the last several years, six times the rate of inflation. It is like a sale at Nieman Marcus: Prices are jacked up by 50 percent before the discount of 25 percent.

In 2001, drug costs increased by 16 percent; in 2002, 18 percent; in 2003, 19.5 percent. The prescription drug benefit will do nothing to protect senior citizens from skyrocketing cost increases.

Instead of depending on a flawed Medicare law that punishes taxpayers and does little to help our senior citizens, we need to lower drug prices here in the United States by allowing competition and choice to exist in the market and allow people to buy their drugs in Canada and Europe where they are 50 percent cheaper than here in the United States.

RECOGNITION OF UPCOMING ELECTIONS IN BELARUS

(Mr. SHIMKUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHIMKUS. Mr. Speaker, I rise today to bring attention to the upcoming elections in Belarus.

While most of the former Eastern Bloc countries have demonstrated varying degrees of democratic progress since the Soviet collapse, Belarus has slipped back into a Soviet Union-style dictatorship. Belarus's current President, Alyaksandr Lukashenka, was elected in July, 1994. The country's political and economic repression intensified in 1996 when President Lukashenka orchestrated passage of a constitutional referendum that provided him control over all of the branches of government and society as a whole. The President then disbanded the parliament, and only those members loyal to him chose to serve in the new legislature. He extended his term of office to 2001, and the 2001 election lacked transparency and democratic administration.

In response to the repressive political environment, we need to focus our efforts on helping to promote an institutional survival of the country's democratic political organizations and helping their leaders and activists prepare for political and public policy roles in a future democratic Belarus.

The important thing for the current regime in Belarus to understand is that Washington and the world are watching.

MOURNING THE DEATHS IN FALLUJAH

(Mr. ISRAEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ISRAEL. Mr. Speaker, if we wanted to understand the line that divides good versus evil, it was drawn in Fallujah yesterday.

Four people were providing security to deliver food to the people of Fallujah, and some of the people that they were seeking to feed killed them, mutilated them, massacred them.

Mr. Speaker, today's Wall Street Journal said this of the situation in Iraq: ''It is not a good sign that Iraqis feel free to mutilate the bodies of dead Americans in front of the world's TV cameras.'' Then it goes on to say, ''A year without justice has also been a year without enough deterrence, and Fallujans now have more reasons to fear the consequences of working with the Americans than the consequences of killing them.''

Today we mourn the deaths of four people who believed in a better world.

In the White House, the Pentagon, and the State Department, we must redouble efforts to ensure that the perpetrators of these crimes are punished. Justice will lead to security, security will lead to stability, stability will lead to democracy, and democracy will bring again justice and liberty for all.

HONORING THE AMERICAN ASSOCIATION OF PHYSICIANS OF INDIAN ORIGIN

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, I rise today to highlight the important work of the American Association of Physicians of Indian Origin, or AAPI, which includes 35,000 physicians and 10,000 medical students and residents throughout America.

Indian-American physicians have been pioneers in medicine and health care for centuries, and by working together through AAPI, they have made important contributions to the American medical profession. In South Carolina, Indian-American doctors such as Dr. Kaushal Sinha are especially meaningful, giving service in rural communities.

Also, an Indian-American, Dr. Seshadri Raju, performed a life-saving double-lung transplant on my predecessor and mentor, the late Congressman Floyd Spence. Congressman Spence incredibly lived an additional 13 years thanks to Dr. Raju and then was able to serve his country as chairman of the House Committee on Armed Services.

I ask my colleagues to join me in thanking AAPI for their visionary leadership in health care, particularly President Dr. Sharad Lakhanpal, as well as Dr. Rakesh Shreedhar, Dr. Sampat Shivangi, and Dr. Raghavendra Vijayanagar.

In conclusion, may God bless our troops, and we will never forget September 11.

□ 1015

PRESIDENT BUSH SHOULD TAKE HIS OWN ADVICE TO HEART

(Mr. MARKEY asked and was given permission to address the House for 1 minute.)

Mr. MARKEY. Mr. Speaker, the Bush administration refuses to jawbone or pressure OPEC to increase oil production while the American consumer at the gas pump is being tipped upside down and money is being shaken out of their pockets every single day. This is wrong. The President should jawbone OPEC to increase oil production, not to lower the production of oil.

Here is what the President said to Bill Clinton 4 years ago. He said, ''What I think President Clinton ought to do is to get on the phone with OPEC and to say we expect you to open your spigots. One reason why the price is so high is because the price of crude oil has been driven up. OPEC has gotten its supply act together and is driving up the price like it did in the past. And the President of the United States must jawbone OPEC members to lower the price.'' That is the advice George Bush as candidate gave to Bill Clinton.

Now that he is President, he says he cannot jawbone OPEC, that it would be wrong; but the price is being paid by the consumer at the gas pump every single day.

HONORING THE ACHIEVEMENTS OF THE MORTON SALT PLANT

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, I rise today to honor the achievements of the Morton Salt plant, a company from Wayne County in Rittman, Ohio. I am confident that you will recognize this company by the Morton umbrella girl, a familiar sight on the Morton products, and by the slogan ''When It Rains It Pours.'' What you may not know is the long history of safety that the Rittman plant has experienced.

Today, I rise to recognize the dedicated employees of the Morton plant in Rittman, Ohio, for the recent achievement of 5 million work hours without a lost-time incident. This is a record within the Morton Salt Company as well as the entire North American salt industry.

Since 1848, the Morton Salt Company has been North America's leading producer and marketer of salt for home, water conditioning, industrial, agriculture, and highway use. Morton's Rittman's facility employees process thousands of tons of household salt each day.

As you know, Mr. Speaker, mining and manufacturing can be high-risk professions. This plant employs approximately 285 employees. And since June of 1995, injury accidents have not forced any worker to take time off from work. This milestone shows the dedication to health and safety of these people. I congratulate all of them for their outstanding achievement.

RECOGNIZING JACK DANIEL'S DISTILLERY ON THE 100TH ANNIVERSARY OF WINNING THE GOLD MEDAL AT THE 1904 ST. LOUIS WORLD'S FAIR

(Mr. DAVIS of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Tennessee. Mr. Speaker and Members of the House, as the current Member of Congress representing Jack Daniel's and its employees, it is my honor to pay tribute to this Tennessee treasure.

Since 1863, in the spirit of George Washington, the father of the American distillery industry, the Jack Daniel's distillery, has produced the most popular Tennessee whiskey. Jack Daniel's has produced and responsibly brought a part of Tennessee heritage to millions of adult consumers in 135 countries around the world. Jack Daniel's Tennessee whiskey is the United States' number one exported distilled spirit.

Jack Daniel's, located in Moore County in the 4th Congressional District of Tennessee, has a long tradition of bringing friends and neighbors together. Furthermore, it has been a major source for employment and tourism revenue in Moore County and Lynchburg, Tennessee.

I would like to express the U.S. House of Representatives' heartfelt congratulations on the 100th anniversary of Jack Daniel's 1904 World's Fair Gold Medal.

MEDICARE PRESCRIPTION DRUG DISCOUNT CARDS

(Mr. HASTERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HASTERT. Mr. Speaker, 2 months from today, American senior citizens will begin to realize discounts on their pharmaceutical medications. June 1 is when Medicare-approved prescription drug discount cards hit the streets, and savings between 10 and 25 percent on their life-saving drugs take effect.

This is a much-needed first step for seniors seeking relief on their monthly bills. These Medicare-approved discount cards are part of the new Medicare law that Congress passed and the President signed. It includes coverage of pharmaceutical costs, some new preventative care benefits, like free physical exams and better care for seniors with chronic illnesses.

To learn more, I am urging my constituents in northern Illinois to call 1–800–MEDICARE, that is, 1–800–MEDICARE, or log on to WWW.MEDICARE.gov. These two informative sources run by the Department of Health and Human Services will provide unfiltered, unfettered news seniors can use about their new drug benefits.

MEDICARE PROVIDES EMPLOYERS INCENTIVE TO KEEP PRESCRIPTION DRUG COVERAGE FOR RETIREES

(Ms. GINNY BROWN-WAITE of Florida asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to set the record straight on the Medicare prescription drug plan. Since the mid-1980s, the number of employers offering prescription drug coverage to their retirees has been declining steadily. In 1988, 66 percent of employers provided these benefits to retirees. In the year 2000, it was only 34 percent.

To address this alarming trend, the Medicare prescription drug bill provides employers an incentive to keep their coverage. They are going to get 28 cents for every dollar that they spend on prescription drug benefits for their retirees. This applies to all employer-sponsored prescription drug coverage and those of corporations, unions, and government entities.

Because of these incentives, AARP and the American Medical Association endorse the bill that we passed last year. It is unfortunate that Democrats continue to twist the truth and distort the facts by scaring seniors into believing that this bill would cause them to lose benefits. That is the furthest thing from the truth. What the Democrats do not tell seniors is that for the first time Congress has acted to slow this trend.

THE NEW HIGHWAY BILL

(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, since the days of the Roman Empire, nations have understood the connection between roads and prosperity and national security. And today Congress will deliberate on a new highway bill, which I will support only if it can be fiscally responsible and fair to so-called donor States like Indiana.

But I rise at the outset of this debate to congratulate the gentleman from Alaska (Mr. YOUNG) and the membership of the Committee on Transportation and Infrastructure for resisting the temptation to raise gasoline taxes. With the news this morning that OPEC will be cutting production and raising the cost of crude, that gasoline is at $3 a gallon on the West Coast, I am personally grateful to the chairman of the transportation committee and all of its membership for saying with regard to this highway bill, no new taxes.

LET US SOLVE THE INEQUITIES IN THE TRANSPORTATION EQUITY ACT

(Mr. FLAKE asked and was given permission to address the House for 1 minute.)

Mr. FLAKE. Mr. Speaker, as we debate the transportation reauthorization bill today, I think we need to abide by one simple principle: solutions for transportation safety, congestion, and pollution and transit should not be determined by which Members face difficult campaigns or which Members sit on influential committees. These kinds of determinations are being made in H.R. 3550 unless we make some changes to it.

This approach to funding is inconsistent, especially with the stated objectives of the bill, and it results in inequitable distribution of funding between the States.

As we debate the reauthorization, we need to consider solutions that give States discretion and flexibility in the use of funding, financed by their own citizens and highway users.

I have an amendment before the House today that would neither strike nor prevent Members from securing earmarks for their district. What it would do, however, is prevent those States that benefit disproportionately from earmarks from drawing funding away from States that, in spite of a few earmarks, end up faring much worse.

I urge support for this amendment.

HIGH-RISK NON-PROFIT SECURITY ENHANCEMENT ACT

(Mr. NETHERCUTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NETHERCUTT. Mr. Speaker, this morning I will be joining with my colleagues, the gentleman from New York (Mr. NADLER), the gentleman from Connecticut (Mr. SHAYS), and the gentleman from Indiana (Mr. PENCE), to introduce the High-risk Non-profit Security Enhancement Act.

Our legislation has three key components. It directs the Department of Homeland Security to provide $100 million in grants and loan guarantees for security enhancements at non-profit organizations that are at high risk of international terrorism. It assists local law enforcement agencies that provide security for regions with high concentrations of non-profits with $50 million in grants. And the bill establishes an Office of Community Relations and Civic Affairs at the Department of Homeland Security to facilitate this program.

Since September 11, the Federal Government has dedicated significant resources to improving the security of government facilities. We have successfully deterred attacks for more than 2 years, but we must remain vigilant and continue to devote resources to potential targets.

As government facilities have fortified against the threat of terrorism, terrorists may turn their attention to less fortified, but equally symbolic, targets. Leading non-profit organizations may become targets as an unintended consequence of our efforts. They represent the heart and soul of our communities, and the forces that want to destroy America understand their value. They believe they understand the importance of these organizations in our culture and our society.

This legislation will protect non-profit organizations throughout America, and I urge my colleagues to support this very important legislation.

GENERAL LEAVE

Mr. YOUNG of Alaska. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3550.

The SPEAKER pro tempore (Mr. NETHERCUTT). Is there objection to the request of the gentleman from Alaska?

There was no objection.

TRANSPORTATION EQUITY ACT: A LEGACY FOR USERS

The SPEAKER pro tempore. Pursuant to the order of the House of Tuesday, March 30, 2004, and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3550.

□ 1027

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3550) to authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes, with Mr. SHAW in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, March 30, 2004, the bill is considered as read the first time.

General debate shall not exceed 2 hours and 40 minutes with 2 hours and 10 minutes equally divided and controlled by the chairman and ranking member of the Committee on Transportation and Infrastructure including a final period of 10 minutes following consideration of the bill for amendment and 30 minutes equally divided and controlled by the chairman and ranking member of the Committee on Ways and Means.

The Chair now recognizes the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I feel somewhat like the sinner appearing before the bishop when Your Honorable is in the Chair; but with all due respect, I do relish this moment. We are here today to support H.R. 3550, the Transportation Equity Act: A Legacy for Users, known as TEA LU.

This bill is a result of a great deal of hard work and cooperation by the Members of the Committee on Transportation and Infrastructure on a bipartisan basis.

I want to first thank the ranking minority member of our committee, my good friend, the gentleman from Minnesota (Mr. OBERSTAR). He has been a real champion of transportation, working with me to craft this legislation.

I also want to thank the chairman of the Subcommittee of Highways, Transit and Pipelines, the gentleman from Wisconsin (Mr. PETRI). His leadership and dedication contributed greatly to bringing this bill to the floor today.

□ 1030

He has traveled many, many miles to try to bring the information and gather the information from the citizens of this great Nation.

In addition, I appreciate the support and cooperation of the gentleman from Illinois (Mr. LIPINSKI), ranking minority member of the subcommittee. This effort demonstrates that, through bipartisanship, working together in cooperation, we can achieve I believe great things and legislate great things in this body.

I particularly want to thank our Speaker, the gentleman from Illinois (Mr. HASTERT), for his leadership in moving this important legislation along. He has ensured that this body will be able to work its will and proceed as an independent branch of our government under our Constitution, and I do deeply appreciate his support.

In addition, we could not have brought this bill to the floor today without the support and assistance of the gentleman from California (Mr. THOMAS) from the Committee on Ways and Means. Chairman THOMAS is proposing some changes to existing law that will provide additional revenues into the Highway Trust Fund. His proposal makes it possible to achieve a better bill, and I appreciate his advice and counsel.

Lastly, I want to thank the gentleman from Iowa (Chairman NUSSLE) of the Committee on the Budget. He and his staff have been invaluable in ensuring that we continue the principles contained in TEA 21 that guarantee that highway trust funds will be spent on transportation, as promised to the American people. We have worked closely together to reach an agreement that meets both our needs at this point in time.

We have worked with other committee chairmen on provisions contained in the bill; and, without their help, we would not have been able to bring this bill to the floor today. We will continue to work with other committees in a cooperative fashion as we proceed to conference.

Mr. Chairman, traffic congestion, poor roads and hazardous highways are not Republican or Democrat problems. These are problems shared by all Americans, from all walks of life or economic conditions and all political parties.

Today, congestion on our highways is greatly reducing the quality of life for American families. Congestion, congestion, congestion causes over $67 billion in lost productivity and wasted fuels, $67 billion lost that produces nothing. It costs the average driver $1,160 a year and more than a week and a half spent stuck in traffic. I want to stress that again. Average driver, $1,160 a year and more than a week and a half spent stuck in traffic.

H.R. 3550 provides a new emphasis and a new program to relieve congestion, maximize roadway capacity and remove bottlenecks. In addition, more than 42,000 Americans are killed and 3.3 million are seriously injured each year on our highways. Nearly a third of the fatal crashes are caused by poor roads and roadside hazards. These fatalities are totally preventable.

H.R. 3550 creates a new core program for highway safety infrastructure improvements, a new high-risk rural road safety program and supports a number of safety programs aimed at human factors that contribute to accidents.

Mr. Chairman, we live in a global economy. Moving freight quickly and on time is absolutely essential to remain competitive and to retaining our

economic well-being. Other countries, such as China, are investing first in their transportation infrastructure because they know that without roads they cannot grow their economies. The United States must be willing to make transportation a top priority if we are to retain our economic leadership.

H.R. 3550 funds five programs designed to improve movement of freight, including funding for border infrastructure, intermodal connectors, projects of regional and national significance and a new corridor infrastructure program.

The bill also provides funding for construction of dedicated truck lanes. This will mean not only faster moving of freight but a vast improvement in safety on increasingly crowded interstates.

Public mass transportation is a key component in our cities. Seniors, the disabled and low-income families rely heavily on public transportation. In addition, without transit our highways would be so congested that we would not be able to move at all.

Therefore, H.R. 3550 continues our commitment to provide for public transportation both to our cities and to many rural areas where the need is great.

America's transportation needs are obvious to anyone who spends time on our roads and highways. We are a Nation stuck in traffic. We based the funding level of H.R. 3550 on the administration's conditions and performance report which set forth the needs of our transportation system.

In addition, we received far more requests from Members for funding of projects than we could possibly accommodate. That proves to me that the needs are real and that they are growing.

Mr. Chairman, this has been never been a want bill. This is a needs bill for this great Nation. So I am disappointed we have had to reduce the funding for many of the very good programs that we proposed in H.R. 3550 as introduced.

Failure to address our transportation needs will leave our country behind in protecting our economy. Mr. Chairman, that is not acceptable to this chairman. It will reduce the quality of life of our citizens if we do not pass this bill.

H.R. 3550 is a bill which embodies our vision for a better transportation legacy for America's future. I urge everyone during this debate and discussion of the bill to be able to listen to the merits of the legislation and support what is right for America.

Mr. Chairman, I reserve the balance of my time.

Mr. OBERSTAR. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, I am very deeply touched by the words of the gentleman from Alaska (Mr. YOUNG), our committee chairman. We have worked closely together on shaping this legislation.

In a time when the image of the U.S. Congress to the rest of America is one of divisiveness and partisanship, this committee may well have set a model for how a legislative body ought to work, an interplay of ideas coming at the same issue, toward the same objective, with different viewpoints, openly debated, intensively discussed, thoroughly explored and a resolution that is in the public interest. It has been inclusive. It has been partnership rather than partisanship on this committee.

That is a great tribute to the gentleman from Alaska (Chairman YOUNG), the gentleman from Wisconsin (Mr. PETRI), and the gentleman from Illinois (Mr. LIPINSKI), who have put their best efforts forth, and to our respective professional staff who have carried the burden of the day time and again on what to others might be an arcane aspect of very complex issues but which are vitally important.

So, as the Chairman said, we come to the floor with a bill that serves the best, broadest interests of transportation in America. It is a bipartisan product. It is one that should be $100 billion more, as the Chairman alluded to, without using that number, but we all know where we need to be, and to the gentleman from Alaska's (Chairman YOUNG) great credit, Mr. Chairman, he has advocated openly, vigorously in every venue, in this body, with the executive branch and in the public, as I have, the gentleman from Wisconsin (Mr. PETRI) and the gentleman from Illinois (Mr. LIPINSKI) have done for a more robust funding which we need, which we all know is necessary to address the transportation needs of America, keep our economy mobile, growing, productive and competitive in the world marketplace.

We do in the political arena what we can do, and what we can do here today under the circumstances is bring a bill at $275 billion that is good policy, sound policy for America, will move America forward.

Congestion is clogging the arteries of transportation in our urban areas, in our close-in suburban areas and is affecting rural America as well. Congestion is slowing the movement of people and goods, extending our daily commute, driving the cost of goods up in the marketplace, driving up the frustration of American drivers, making our roadways less safe, costing America more in the long run.

UPS, for example, estimates that for every 5-minute delay they lose $40 million nationwide. There are numerous other examples of costs of delay. The Texas Transportation Institute annually does a study of congestion in America. Their report in January of this year of 75 major metropolitan areas put the cost of congestion at $69.5 billion in just those 75 major metropolitan areas. That means that people are spending a week longer in their cars than they would if they could drive at posted highway speeds, buying four tanks of gasoline more than they would if they could drive at posted highway speeds, and using the name of the Lord more frequently in traffic on weekdays than they do in church on Sundays, I suspect.

We propose to address that problem by attacking bottlenecks in our transportation system, addressing with a megaprojects program huge conflagrations of people, goods, all modes of transportation, passenger rail, freight rail, trucks, passenger cars, maritime, aviation, and loosen the bonds of congestion in those areas with an initiative we call megaprojects, whose result will be net national benefits, net regional multistate benefits and net benefits to our national economy.

We are not just a continental economy. We are a global economy. China is investing, Japan is investing in its infrastructure, Europe is investing in its infrastructure to move goods and people faster, more efficiently, but America is not moving fast enough.

The study that in TEA 21 we commissioned the Department of Transportation to do, an assessment of pavement conditions, bridge conditions, congestion and safety, produced a report that recommended an investment of $375 billion on the grounds that we ought to be investing at all levels of government $125 billion a year in infrastructure improvement and we were only investing $75 billion. We are $50 billion a year short.

So, to keep our place in the competitiveness in the world marketplace, we need to do this. This is an investment that stays here in America. It stays home. The jobs created are American jobs. They are not created in Taiwan or Korea or Japan. They are created here in America, with American goods, American materials; and we ought to make that investment to make our economy move more efficiently, to put 1.7 million more construction workers back to work, generate an additional $80 billion a year in economic activity and keep America moving.

This bill will get us on the right track toward that objective.

Mr. Chairman, I reserve the balance of my time.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin (Mr. PETRI), the chairman of the Subcommittee on Highways, Transit and Pipelines.

Mr. PETRI. Mr. Chairman, I would first like to salute the chairman of our committee for bringing us to this day and to the gentleman from Minnesota (Mr. OBERSTAR) and my colleague, the gentleman from Illinois (Mr. LIPINSKI), the staff on both the majority and minority of the committee. It has been a lot of work and a long road, and we still have far to go, but this is an important milestone in the passage of our Nation's transportation policy for the next 6 years.

This legislation will have an impact on each of our constituents literally every day as they go about their daily lives, whether it is driving kids to school, hopping on a train as part of a daily commute or picking up a gallon

of milk that has been brought over the road on a truck.

We on the committee had hoped to be discussing a somewhat different bill today. TEA LU, as introduced at $375 billion, is the right thing to do. It was fashioned to start to address the needs as identified by our own United States Department of Transportation. Anything less will not maintain and improve our transportation system. Nonetheless, this bill at $275 billion is a step toward meeting the needs we as a Nation have with a reduced amount of resources and is the best that we can achieve at the current time, given the situation that we find ourselves in.

This bill provides increases each year in funding for the core highway formula programs for the States so that every State will see an increase in its funding. It includes important programs for safety, infrastructure safety on the road, work safety, motor carrier safety and behavioral safety programs to address drunk driving, occupational protection programs and other hazards.

There are many provisions that facilitate the movement of freight, an important element to interstate commerce and a primary Federal interest in transportation. It will allow us to meet the needs of emerging trade corridors in this post-interstate construction era and other projects that have regional or national benefits that overwhelm the capabilities of any one State.

We retain funding for transit at the 80/20 split and include programs that will help States meet the mobility needs of both urban and rural communities and improve opportunities for the elderly and for the disabled.

It is forward looking in providing for a robust research program and innovative payments in bridges, recycled materials, freight movements and environmental programs. We prepare for the future in beginning to tackle the problem of identifying new financing mechanisms to replace the gas tax as a source of revenue for the Highway Trust Fund in the future and consider the future of the interstate system.

□ 1045

Are there concerns about funding formulas or other policy issues? Of course. In a bill of this size it is inevitable. We face the same questions literally every time that the House considers a reauthorization bill.

In order to make progress in providing what some are calling for in terms of equity and donor State issues, you need more funds. Unfortunately, we do not have that today. But as we move through conference and in the future, we want to try to address those needs, if given the resources to do so.

It is important to note, too, that the spending in this bill is paid for by the revenues coming into the Highway Trust Fund. We retain the guarantees that we fought so hard for in TEA 21 and maintain the trust with the traveling public that the gas taxes they pay will actually be spent on transportation improvements.

So, Mr. Chairman, I would ask support for the bill so we can provide jobs, protect our citizens' safety and maintain and improve our economic standing in a fast-changing world.

Mr. OBERSTAR. Mr. Chairman, I yield myself 25 seconds to express my deep gratitude to the gentleman from Illinois (Mr. LIPINSKI), ranking member of the Subcommittee on Highways, Transit and Pipelines. He has been a true partner in this enterprise with the chairman of the full committee, the gentleman from Alaska (Mr. YOUNG), the chairman of his subcommittee, the gentleman from Wisconsin (Mr. PETRI), and myself, contributing his time, days and nights and weekends, calling from home, calling from his district office, lending his consummate grasp of transportation issues from the transportation hub of America, Chicago, where all of America's complexities are joined.

Mr. Chairman, I yield 6 minutes to the gentleman from Illinois (Mr. LIPINSKI), who is a great friend and a great contributor to this product.

Mr. LIPINSKI. Mr. Chairman, I want to thank the gentleman from Minnesota (Mr. OBERSTAR), my partner in this endeavor, very much for those extremely kind words and for yielding me this time. It is always a pleasure working with him on any transportation issue, because no one, not only in this country but no one on this Earth, knows as much about transportation as the gentleman from Minnesota does.

I want to begin today by thanking all of my colleagues on the Committee on Transportation and Infrastructure from both sides of the aisle for all of their efforts and dedication. Many of my colleagues in this body have spent many, many hours meeting with countless numbers of individuals and organizations to hear their views.

In particular, I give special mention to three individuals, the chairman of our committee, the gentleman from Alaska (Mr. YOUNG), who has been tireless in trying to develop a bill that will aid and assist us in this country in improving our transportation and infrastructure; the gentleman from Minnesota (Mr. OBERSTAR), who I mentioned earlier, and who, as I said, knows more about transportation than anyone that you will ever encounter, for the great help that he has been in formulating this bill; and the gentleman from Wisconsin, (Mr. PETRI), who has gone around the country and seen firsthand so many, many of the needs we have here. He has really been the individual who has brought so much information back to us, telling us where the needs really existed in this country.

These three Members have provided tremendous leadership in getting this bill to where we are today. However, it should not be viewed that this bill was crafted only by members of our committee. Since our committee began to work on this bill, we have asked for and received input and comments from almost every single Member in this body. We have held dozens of hearings, with the active participation of many of my colleagues in this Chamber. And, most importantly, we have listened to what they had to say.

Because of this and the bipartisan history of this committee, I believe we have a very good piece of legislation that reflects many different priorities promoted by Members who represent diverse constituencies and interests. It truly is democracy at work.

As I have said, I believe we have a very solid piece of legislation. While I will be the first one to say that it is not entirely perfect, there is no doubt in my mind that at this particular time this bill is as perfect as we can make it. We have made some significant strides in improving this country's infrastructure, and these accomplishments will benefit Americans now and into the future.

In this bill we have increased funding from $218 billion to $275 billion. While this is not the original funding level proposed by the committee, this still represents a decent increase.

It is important to bear in mind that this legislation is not just about money. It is not just about funding. It is also about innovation and moving transportation policy in new directions. There are many, many things we can point to in this bill. This bill contains new initiatives that will improve our quality of life. We have strengthened current programs to meet our existing conditions, and we have expanded and created new programs to address the needs of today and prepare for the needs of the future.

This bill creates a number of such programs, such as a new and improved National Corridor Infrastructure Improvement program, Highway Safety Improvement program, Small Starts Transit program, and Safe Routes to Schools. This is certainly not the entire list of new programs, but these are examples of new programs that will represent the collected efforts of many individuals and many organizations that have contributed to this bill on the floor today.

Other important programs included are an improved clean fuels formula grant for nonattainment areas like northeastern Illinois, Southern California, New York City, and Washington, D.C. These funds will help transit agencies purchase clean fuel buses and help improve our air quality. Improving air quality is just one of the many important public policy needs that the TEA LU bill addresses.

In this bill, it is recognized that transit is not just for big cities; it is also a growing need in rural communities. To help meet the needs of rural America, we have increased funding to the section 5311 program.

Time after time, survey after survey, Americans point to traffic congestion as a growing and serious problem in

this country. In 2001 alone, congestion costs this country $69.5 billion. And, on average, Americans lose 27 hours a year due to delays. As congestion levels continue to rise in the United States, we must focus on modernizing our vital transportation infrastructure and improving the quality of life for all Americans. By targeting Federal resources for specific purposes, this bill would also help improve congestion in major urban areas across this country by creating a safer, more efficient infrastructure for the millions of Americans who use our roads, highways, railways, and bridges each day.

As we continue to move forward with TEA LU, it is easier to think about what may have been. Yes, it would have been nice to have a $375 billion bill; but because of this administration's opposition to raising the highway user fee, this is the hand that we have been dealt. Right here and right now, this is the most practical way to maintain highways, roadways, buses and subways, and protect the safety of the American public.

This bill is a significant step in the right direction. It is a step towards improving our communities, a step towards helping folks spends less time commuting and more time with their families and loved ones; it is a step towards safer travel; and it is a step towards cleaner air. I hope you will take this step with me and lend us your support.

I urge my colleagues to support H.R. 3550, the Transportation Equity Act: A Legacy for Users.

Mr. PETRI. Mr. Chairman, I yield 3½ minutes to the gentleman from east Tennessee (Mr. DUNCAN).

Mr. DUNCAN. Mr. Chairman, I rise in strong support of this very important legislation, which will improve our transportation infrastructure and create millions of jobs, and I want to thank the gentleman from Wisconsin, (Mr. PETRI) for yielding me this time.

I especially want to commend the chairman, the gentleman from Alaska (Mr. YOUNG); chairman of the subcommittee, the gentleman from Wisconsin (Mr. PETRI); and the ranking members, the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Illinois (Mr. LIPINSKI), all very close friends of mine, who are to be commended for their great leadership on this bill.

Mr. Chairman, this is the biggest jobs bill that we will vote on in this Congress. I am sick and tired of seeing millions of American jobs go to other countries. All over this Nation there is tremendous concern about this. We are spending hundreds of billions in other countries. This bill is one that puts our own people first once again.

But it is more than just a jobs bill, Mr. Chairman. This is a safety bill. I chaired the Subcommittee on Aviation for 6 years. Unfortunately, there are more people killed on our Nation's highways in just a little over 4 months than in all U.S. aviation accidents combined since the Wright Brothers flight of 1903. This bill is one that will make our Nation's highways much safer and will save many thousands of lives.

We need to take terrorism very seriously, Mr. Chairman; but we are spending hundreds of billions on terrorism, when we count up all the military and Federal, State and local spending, and what all the private companies are doing on security. Yet, as the very respected National Journal magazine pointed out a few months ago, people are thousands of times more likely to be killed in a car wreck than by a terrorist. Surely we can spend $45 billion a year on our Nation's highways and our National Transportation System.

This is an efficiency bill. One leading national magazine said recently, ''Congestion costs the Nation about $67 billion a year. Americans waste 3.6 billion hours and 5.7 billion gallons of gas sitting in traffic, all at an average cost of $1,160 per commuter per year.''

This bill will save huge amounts of tax dollars by speeding up the time in which projects can be completed. Everything in our economy, Mr. Chairman, everything in our personal lives depends on, or is affected by, a good transportation system.

I am especially pleased that in this bill there is language promoting technology to decrease or cut down or eliminate the time that trucks have to idle at truck stops. I also want to work on the language, though, that is in the bill concerning parking areas for trucks along our Nation's interstate highway system so that those parking areas do not compete against companies in the private sector.

No one on our committee, Mr. Chairman, wants to pave over the entire country, but vehicle miles traveled keeps going up at three to five times the rate of our population growth. This means we have to improve and widen our highways.

Paul Craig Roberts, the nationally syndicated conservative columnist wrote recently: ''Before we can reconstruct the rest of the world, we need to stop deconstructing our own country.'' I have nothing against any other Nation, but this is one bill that is pro-American. It is not only pro-American, it is pro-jobs, pro-environment, pro-safety; and I urge its passage because this is one of the best things we will be able to do this year in this Congress.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr.Holden), a distinguished member of our committee.

Mr. HOLDEN. Mr. Chairman, I want to take this opportunity to commend the chairman of the full committee, the gentleman from Alaska (Mr. YOUNG), and the chairman of the subcommittee, the gentleman from Wisconsin (Mr. PETRI), and the ranking members, the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Illinois (Mr. LIPINSKI), for all their hard work in bringing this legislation to the floor.

This legislation is very important to my home State of Pennsylvania where we have more road miles to maintain than our friends in New Jersey, New York and New England combined. But, Mr. Chairman, this is not only important to Pennsylvania; it is important to every one of our congressional districts where we have congestion problems, safety hazard problems, and economic development needs and concerns.

I want to thank my leader and my friend, the gentleman from Minnesota (Mr. OBERSTAR), for personally not once but twice coming to my congressional district and looking at the problems we face, where we are, in Harrisburg, Pennsylvania, looking at that unbelievable amount of truck traffic that comes through every day; and in Lebanon, Pennsylvania, where we have the Norfolk Southern coming through 50 times a day, not only disrupting traffic but also the safety concerns of having ambulance crews and fire companies being able to address concerns in the city; and in Schuylkill Haven, Pennsylvania, where there is a bike path that has been on the books for 2 decades.

This legislation will allow us to move forward on projects like that. So I want to commend the big four for all their hard efforts in bringing this legislation to the floor. And as was mentioned by the gentleman from Minnesota (Mr. OBERSTAR) and by the gentleman from Tennessee (Mr. DUNCAN), not only is this good for our highway and transit systems, this legislation is good for our economy.

This legislation truly is a jobs bill, and I commend the big four for all their hard efforts.

Mr. PETRI. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. LATOURETTE).

□ 1100

Mr. LATOURETTE. Mr. Chairman, I want to give a piece of praise this morning to the gentleman from Alaska (Mr. YOUNG), the gentleman from Wisconsin (Mr. PETRI), the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Illinois (Mr. LIPINSKI) for the mighty work and just the first names of some people on the staff: Levon and Liz and Lloyd and Fraser and Graham and some other people that I will forget because they literally had to write this bill three, four, five different times from where it started at $375 billion.

So when the gentleman from Minnesota was talking rightly about the contributions that the gentleman from Illinois has made, the staff of both the majority and minority have done yeomen's work to produce this piece of legislation, a piece of legislation that is desperately needed in the United States.

But I do feel constrained this morning to say despite the need, despite the need that everybody on the committee recognizes, this bill has been bungled,

not bungled by the able leadership of the committee but it has been bungled. By not getting a signal to reauthorize this legislation when TEA 21 expired last September, AASHTO tells us that we have cost the economy over $2 billion, and 90,000 jobs that could have been created have not been created.

The failure to make this bill $375 billion, and the gentleman from Minnesota was right on the money. This is not a number that the committee made up. Those numbers came from the Department of Transportation as the need that exists in this country.

When I go home to Ohio, a lot of people say to me, I see that you're spending $18.4 billion this year alone to rebuild the infrastructure of Iraq. That is again something that a lot of people in this House think that we need to do after what we have done in Iraq. We are begging, trying to squeeze out $18 billion over 6 years to build roads in the United States. My constituents do not understand that and they have difficulty and, quite frankly, so do I.

There was a lot of talk yesterday in our Republican Conference and criticism of Chairman YOUNG that this bill does not embrace Republican principles. I have said it on the floor before: Abraham Lincoln in 1865, I just saw the special on the History Channel, got the guy that ran the Ames Shovel Company in Massachusetts to build the transcontinental railroad. That is a Republican principle. Dwight David Eisenhower was the spearhead behind the national highway system that we enjoy and use today for national defense. Richard Nixon, Ronald Reagan, George H.W. Bush all recognized, and it is not to say anything about Democratic values, that Republican values in this country are based upon a strong defense and a strong infrastructure in this country.

We are told that 32 percent of our major roads are in poor condition and that 26 percent of our bridge infrastructure is totally deficient. Last year, 1,400 Ohioans died on the roads in Ohio. One-third of those deaths, Mr. Chairman, are directly attributable to poor roads and roadside hazards. So why some bean counters have determined that we can do this bill on the cheap when the infrastructure needs of this country are crying out for repair is beyond me.

But, having said that, again the gentleman from Alaska, the gentleman from Minnesota and the chair and ranking member of the subcommittee have done their level best. This is a good bill, it will help us, but we need about $100 billion more to get the job done.

Mr. OBERSTAR. Mr. Chairman, I yield 3 minutes to the distinguished gentlewoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-MCDONALD. Mr. Chairman, let me rise to thank the chairman and the ranking member for their leadership and also the subcommittee chair and ranking member. I am talking about the gentleman from Alaska (Mr. YOUNG), the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Wisconsin (Mr. PETRI) and the gentleman from Illinois (Mr. LIPINSKI). These are the leaders that put this bill on the floor today. They are the ones who have heard from the mayors and the county supervisors about the congestion that is on our roads. They are the ones who have brought forth this very principled and balanced bill.

This bill speaks to, and the initial bill that we had for $375 billion, Mr. Chairman, did speak to recommendations and needs, assessments, provided by the Department of Transportation. That first bill was based on the administration's own numbers. But this bill speaks to the traffic congestion that costs American motorists some $67.5 billion a year in wasted time and fuel cost. Americans spend an additional 4.5 billion hours a year stuck in traffic.

This bill addresses the immediate needs of our communities. Our communities have spoken loud and clear: They want congestion relief. This bill also speaks to projects of national and regional significance.

I want to thank the leadership again, the chairman and the ranking member, the gentleman from Wisconsin and the gentleman from Illinois, of the subcommittees, for their leadership in bringing this particular language to the bill. This bill and that language, Mr. Chairman, speaks to a new program that will go a long way in relieving our Nation's congestion on the roads and those choke points that will help to reduce that congestion in our cities and in our communities.

This program and funding addresses the increasing importance of moving goods safely, securely and efficiently among our freeways and highways. It also speaks to the mobilization of people. This bill is good for not only communities, mayors and county supervisors but also for businesses. This is why the U.S. Chamber of Commerce, the Conference of Mayors and all are supporting this bill as it is. They recognize that when we go to conference, there will be some adjustments made, but they want this bill to go out as it is because it represents all that is necessary for a balanced approach in the national scope of providing relief from congestion.

This bill also speaks to I–710, which is a high-priority corridor in California. Fifteen percent of our Nation's total commerce of inbound and outbound containerized goods are moved along I–710. This is truly a high-priority corridor.

This is also a jobs bill, Mr. Chairman, because we recognize that over 3 million jobs have been lost. This bill creates the type of opportunities for jobs. What else can we say? This is a win-win bill, and this bill should pass off the floor.

Mr. PETRI. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. QUINN).

Mr. QUINN. Mr. Chairman, I want to join the others associating myself with the remarks of the gentleman from Ohio (Mr. LATOURETTE) in thanking the gentleman from Alaska (Mr. YOUNG), the gentleman from Wisconsin (Mr. PETRI), the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Illinois (Mr. LIPINSKI) for actually trying to hit a moving target these last months. That is not an easy thing to do here in Washington.

But this bill, as important as it is, and those remarks and numbers that the gentleman from Ohio just offered could not be truer in Buffalo and western New York.

Mr. Chairman, when I came here I followed a great public works Member, Henry Nowak, who understood the importance not only in western New York but all across the country of public works projects. He taught me that a public works project and the things that we do or are trying to do in this bill is a double win. It is almost like chopping your own firewood. You chop the firewood, and you are warmed. You are also, when you use the firewood, warmed.

These public works kinds of projects are a double win. We as country, as a nation, get the projects; and we also get jobs that go with those projects. At a time when our country talks about losing jobs more and more, this is the jobs bill of this session of Congress. It is not the number that we wanted. It is not high enough. A little give and take in compromise here I believe will get us to where we want to be for this part of the Congress, and I am hopeful that we renew ourselves next year to get to this kind of planning that is necessary all across the country.

When we talk to our local and State representatives, they know they need 5 and 6 years to plan some of these important projects. It gets the money out.

I do want to say a word, if I might, Mr. Chairman, about the railroad situation. As the chairman of the Subcommittee on Railroads and my partner, the gentlewoman from Florida (Ms. CORRINE BROWN), we know that we are not going to have a discussion about the rail issues in this bill today.

We had some plans in the manager's amendment to talk about the R-RIF program, a renewed loan program to get loan money out to railroads to better put themselves in a position for the railroad business of the country. We also talked about the short lines and some infrastructure money for them. No word is going to be mentioned here today in the bill on the floor about Amtrak. These are all important projects for all of us in the House and across the country.

I am hopeful, as the gentlewoman from Florida and I continue our work on the Subcommittee on Railroads this year, to work with both sides of the aisle and our counterparts in the Senate to get a bill where we can talk about rail infrastructure and railroad needs.

Certainly we have spoken at all of our hearings about a backup to our airline industry. We have talked about the need for rail to take congestion off the roads and away from the airports. Whether it is passenger or freight, the railroad system in this country desperately needs some help. We, although silent on it here today and tomorrow in this discussion, fully expect to be engaged in every bit of the process.

Mr. Chairman, I want to thank both sides of the aisle for their help. We look forward to our continued work as probably the most bipartisan committee in the House of Representatives to get the job done.

Mr. OBERSTAR. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Oregon (Mr. BLUMENAUER), our resident urban planner and thoughtful member of this committee.

Mr. BLUMENAUER. Mr. Chairman, I appreciate the gentleman's courtesy in permitting me to speak in support of what is the most important jobs and environmental bill of this session. Because of the structure that has been maintained under ISTEA, this legislation also is the most important tool for the preservation and revitalization of our communities.

This is an opportunity to give a balanced approach. In some cases, it is a need for repairing crumbling bridges. In some cases, it is new roads. In others, it is bike paths, transit, street cars, historic preservation. This legislation has a wide range of options that is available to America's communities, and it gives them the flexibility to use those tools.

Sadly, what it does not give them is enough resources really to meet the needs that have been identified by this administration and which have so ably been championed by the leadership of our committee.

There has been a lot of talk about the costs that are involved. We have documented time and time again that the American public is paying the price right now with increased pollution, with delays as a result of congestion, with load limits on bridges, with the lost opportunity for the economy, as our friend from Ohio mentioned, of several billion dollars lost just in the delay that we have reached to this point.

We all know that this investment in our communities is going to spur additional private sector and public investment. This bill will pay for itself many times over if we are only able to move it forward.

What we have seen, Mr. Chairman, has been the hard choices. In the last 24 hours there has been a great deal of controversy by some. In some cases, they are saying their States do not get back enough. In others, they are concerned that there are specific things that are not met. That is a product of not having a bill that is right-sized.

Our committee leadership brought forward and worked very hard to balance the safety, the equity, the environment and Members' requests. The gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Alaska (Mr. YOUNG), the gentleman from Illinois (Mr. LIPINSKI) and the gentleman from Wisconsin (Mr. PETRI) worked very hard to weave it together. But the fact is, at $275 billion, it is a very tenuous prospect and it may well crumble if we are not careful.

It was wrong for the President of the United States to draw a line here that he is going to veto his very first bill. I, frankly, do not think he will. It would be a tragedy for our communities, and I know that many of my Republican friends do not think that that is appropriate. I note that the Senate bill at $318 billion passed with over 70 votes. I do not think that this is the place to try to make the claim for fiscal responsibility. I have stood in this well and I have watched this House move forward legislation that frankly were not America's priorities. It is the wrong time to do that now.

I would suggest that this is a vote for America's future. We should keep faith with the broadest coalition of interests we have seen, from the Sierra Club to the Chamber of Commerce, from the bicyclists to the truckers, pass this bill and work to right-size it in the future, not bring it down.

Mr. PETRI. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I rise today in strong support of H.R. 3550, the Transportation Equity Act: A Legacy For Users, or affectionately known as TEA LU.

I want to begin by extending my appreciation to the chairman of the full committee as well as the ranking member for their work in this extremely important bipartisan piece of legislation. They have fought the good fight, and here we are today. We need to pass this important legislation to improve our transportation system.

I would like to remind my Republican colleagues who may have some questions about this bill, whether we should pass it or not, that the Founding Fathers charged the Federal Government, the United States Congress, to oversee interstate commerce, to encourage interstate commerce. That is what this bill is all about, interstate commerce, improving the efficiency of our economy.

In addition, as the gentleman from Ohio reminded us, this is a core principle, a core legacy of the Republican Party in this country, from Abraham Lincoln and the transcontinental railroad, to Teddy Roosevelt and the Panama Canal, Eisenhower and the interstate highway system. This is extremely important for us as Republicans. We can be proud to pass this and improve our country and improve this economy.

The modern highway and transit system maps this Nation's economic strength as it weaves through our cities and small towns. However, heavy traffic and increased congestion have taken a heavy toll on our highways, bridges and transit systems. As stewards of our highways, we cannot wait any longer to fix transportation systems that are listed as substandard or poor or bridges that are considered structurally deficient.

As a Pennsylvanian who represents a broad geographic region, I know the issue of transportation is critical to our constituents. I hear it each day and every day from small business owners, from large employers and from even average family members who sit on the front porch and watch the traffic back up over the horizon. Our roads, highways and transit systems link our cities, businesses and lives to one another. To let them deteriorate is unjust to any one person who uses them.

□ 1115

The need, Mr. Chairman, is clear. While I am disappointed that we were unable to pass a larger bill, I believe that the legislation before us today will go a long way in alleviating the troubles that plague our highway and transit systems. Over the 6-year life of TEA LU, it will provide $232 billion in funding for highways and highway safety, $52 billion for our transit system. These funding levels take critical steps to ensuring our Nation's infrastructure remains strong.

A key component of this bill is the fulfillment of a longstanding need to improve safety, and it takes steps to combat the 42,000 lives that are lost each year on our Nation's highways.

As a Member who represents a rural area of Pennsylvania, I am very pleased that we are including a new program to upgrade and make improvements to roads and rural areas where over 60 percent of auto fatalities take place. This legislation includes important measures to relieve congestion on our Nation's highways. The investment of our transit system not only strengthens transit, but also encourages the use of mass transit to relieve congestion. It also creates a program to help fund smaller transit programs, offering States more options in improving their transit systems.

To further relieve bottle necks on our roads, TEA LU contains innovative real-time and intelligent transportation initiatives that allow States to monitor and improve traffic flow and enhance safety. Building on these innovative programs, I also encourage support of an amendment that will be offered by the gentleman from Minnesota (Mr. KENNEDY) to create voluntary toll lanes, or fast lanes, which pay for new lanes and highways to increase capacity. Drivers who choose these fast lanes will be charged electronically, eliminating the toll booths that add to the backups and congestion.

And finally, I was very pleased that TEA LU funds Maglev. Maglev is an exciting new transportation technology that is a vital next step in the future of

our Nation's transportation system. Additionally, funding for Maglev is an essential step in addressing some of the most pressing needs facing our domestic steel industry by creating the demand for steel. For instance, a typical Maglev project would require 4,000 tons of plate steel per mile for the tracks.

Mr. Chairman, this is a good bill and a solid step in the right direction, providing State DOTs with the long-term stability they need to plan for projects. I want to again thank the gentleman from Alaska (Chairman YOUNG), the gentleman from Wisconsin (Chairman Petri), the gentleman from Minnesota (Mr. OBERSTAR), and the gentleman from Illinois (Mr. LIPINSKI) for their tireless efforts and leadership on behalf of American motorists, passengers, and transit systems. We need to pass this bill to increase the efficiency of our economy, to create jobs, and improve safety. I urge passage.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Utah (Mr. MATHESON).

Mr. MATHESON. Mr. Chairman, I rise in support of this legislation. I concur with many of the previous comments about the need for greater investment than what this legislation calls for, but this is such an important step. I also rise to praise the gentleman from Alaska (Chairman YOUNG), the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Wisconsin (Mr. PETRI), and the gentleman from Illinois (Mr. LIPINSKI), the leadership of this committee. They have operated in the great tradition of the Committee on Transportation and Infrastructure, working together to pursue a bipartisan outcome. I am proud to be associated with this committee because of that type of leadership. I think everyone in Congress could take a good cue from taking a look at the behavior exhibited by leadership of this committee.

This is a program that represents an investment. People talk about whether this is increased spending or whatnot. The reality is when we spend money on infrastructure, we are investing. We are investing in good jobs, and we are investing in our economy. And in an increasingly globalized world where we feel the pressures of globalization and competition from around the world, the notion of investing in our own transportation infrastructure and making our economy more efficient in the way we move people and the way we move products seems to be all the more compelling in our current circumstances. That is what this legislation helps to do.

There are significant and important needs in this country to invest in this type of infrastructure to allow our economy to realize those efficiencies, to put the United States in a better position to compete with the rest of the world.

We hear so much these days about job loss. We hear so much about outsourcing. We hear so much about globalization. Vote for this bill today because it puts us on a path to take on those issues. I wish we were at the higher number, a majority of the Committee on Transportation and Infrastructure, I suspect, wishes we were at that number as well. But this is an important first step and the legislation will give us opportunities in the future to address adjusting that level of investment in the future. But today is the day, with this bill in front of us. I encourage all of our colleagues to support this legislation.

Mr. PETRI. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina (Mr. COBLE).

Mr. COBLE. Mr. Chairman, I thank the gentleman for yielding me this time. And I too want to extend kudos to the gentleman from Alaska (Chairman YOUNG), the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Wisconsin (Mr. PETRI), and the gentleman from Illinois (Mr. LIPINSKI), and for that matter members and staff on both sides of the aisle who sit on the Committee on Transportation and Infrastructure. This has been a team effort personified.

I am an avid supporter, Mr. Chairman, of H.R. 3550, the Transportation Equity Act: A Legacy for Users; and I am pleased it is now being considered on the floor today.

I realize that Members have worked tirelessly at the end of a long day, but at a time when we have much work to do to address our Nation's critical infrastructure, while this country is indeed in dire need of upgrade and repair, this legislation is also a jobs bill; and I think some people casually overlook that fact. And the fact that it is a jobs bill will offer new opportunities to many of our Nation's recently unemployed workers. I want to thank the gentleman from Alaska (Chairman YOUNG) and the gentleman from Wisconsin (Mr. PETRI), with whom I have talked concerning an ancillary problem which involves the donor States of which North Carolina is one, among several others. First of all, I thank them for recognizing the problem, and I hope that we will be able to resolve this problem which continues to plague donor States such as my home State.

This bill, Mr. Chairman, as I have said before the full Committee on Transportation and Infrastructure, has jobs written all over it. It is an important step to address the problems that are a direct result of unsafe bridges and highways that continue to deteriorate. Mr. Chairman, unsafe bridges and unsafe highways abound in this great country from border to border, from ocean to ocean; and improvements must be forthcoming.

This bill, it is my belief, will have the assurance that vehicular traffic will be allowed to flow more freely, resulting in the delivery of people and goods at their respective destinations in a safe and timely manner. I again thank the gentleman from Wisconsin, the chairman of the subcommittee, for yielding me this time.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from Nevada (Ms. BERKLEY).

Ms. BERKLEY. Mr. Chairman, before I begin my remarks, I would like to also add my voice to thanks for the gentleman from Alaska (Chairman YOUNG) and the gentleman from Minnesota (Mr. OBERSTAR), ranking member. Sometimes I think they represent my community as well as I do, and I appreciate the help; also the gentleman from Wisconsin (Mr. PETRI) and the gentleman from Illinois (Mr. LIPINSKI) for their leadership in getting this bill to the floor today.

This bill is one of the most important pieces of legislation that we will vote on in this Congress. While the amount is significantly less than what I would like and what I believe the country needs, I rise in strong support. This bill will alleviate congestion, address air quality needs, and improve the quality of life in all of our communities. My district, the Las Vegas Valley, is the fastest growing community in the country, and we are struggling with the needs for new roads and highways and more transit options. Without this investment in our transportation programs, Las Vegas will be unable to complete the projects needed to keep traffic moving and to keep our commuters safe.

Sitting in traffic takes precious time from families spending time together, and it forces businesses to pass along higher costs for goods and services, and it adds to air pollution problems as drivers sit stuck in traffic wasting gas and money. Without this bill we will also increase the risk to drivers as too many cars crowd our roads causing accidents to rise. Increased funding for pedestrian overpasses, new traffic safety devices, and information systems to alert drivers to dangers ahead are all investments in saving lives.

And finally, Mr. Chairman, this is a jobs bill. In the past 3 years we have seen the highest job loss in this Nation since the Depression. Today we have a chance to do something about it. For every billion dollars invested in highway and transit programs, we stand to create 47,000 jobs, real good-paying jobs. This is 12,500 jobs in my home State of Nevada.

I cannot emphasize the importance of this particular highway bill. I urge all of my colleagues to join me, join with the people of the State of Nevada, and let us vote for this legislation with great enthusiasm.

Mr. PETRI. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. BOEHLERT).

(Mr. BOEHLERT asked and was given permission to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Chairman, once again I want to voice the strong opinions of the fair coalition in my home State of New York that we preserve the highway equity established in TEA 21. Transportation is one of the only programs where my State gets back from

the Federal Government more than it contributes in taxes. Every year New York sends $20 billion more to Washington than it receives back in various Federal assistance programs. That is a fact. In this bill we have to strive to be fair. What is fair is that we preserve a needs-based highway and transit program and create a stronger integrated national transportation system.

New York's highways and transit infrastructure serve the entire Nation through its roads and its ports and its rail facilities and its airports. However, our infrastructure is aging, and much of it needs to be repaired or replaced. With 33 percent of the Nation's transit riders, New York receives only 14 percent of the total transit funding. We simply cannot afford any changes to a formula that would give us even less. We have Federal support capped at 10 percent for our bridges; yet we have 20 percent of the identified national need.

As a result, the most critical feature of the bill is that we make no immediate changes to the current minimum guarantee of 90.5 percent. If the overall level of funding does not remain at its current level, it would be unfair to New York and many other States.

Next I want to thank the T&I staff for working so hard with my staff to include language in the manager's amendment to support efforts to reduce wildlife vehicle collisions. In America last year, accidents involving wildlife took over 200 lives. It cost more than $2 billion in property damage and killed over a million game animals. In many parts of the country, cars are killing more game than hunters. So I look forward to continuing to work on conservation and wildlife measures with my colleagues.

Finally, I want to voice my support of the House language governing charter service. The language helps clarify charter service rules. Without this, all across America providers of transportation services including school bus contractors will be irrevocably harmed.

Last but not least, while this is a massive infrastructure bill to take care of identified needs across this Nation, it is also a bill that concentrates on my favorite four-letter word, and do not get nervous. People can use it in polite company. This is a jobs bill. This will get more Americans back to work, good pay, good benefits, doing things that all America needs.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from the District of Columbia (Ms. NORTON), our committee resident legal scholar.

(Ms. NORTON asked and was given permission to revise and extend her remarks.)

Ms. NORTON. Mr. Chairman, I thank the gentleman for yielding me this time. And I thank the so-called big four, the gentleman from Alaska (Mr. YOUNG), the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Wisconsin (Mr. PETRI), and the gentleman from Illinois (Mr. LIPINSKI), who stood tall and strong for this bill. We do have a stripped-down bill fiscally. Although they took the number, the $375 million number, from the Department of Transportation which regarded it as the minimum number for our infrastructure this year. One would think that everybody would rush forward to embrace that number 2 years into a jobless recovery. Nevertheless, I strongly support this bill. It must, in fact, be passed. It is full of good provisions. I particularly commend the minority business section and the training to take advantage of minority businesses. There are many new sections as well.

I want to concentrate on one issue, the issue that drove African Americans and people of color to the polls in 2000, and that was racial profiling on the roads of the United States bought and paid for by the U.S. Congress. It is the last remaining widespread, overt and intentional discrimination in our country.

□ 1130

Racial profiling is a violation already of title VI of the 1964 Civil Rights Act, because it means that the government is subsidizing discrimination. That is why there have been so many successful lawsuits in the States. It is an unconstitutional violation of the 14th amendment, because it is carried out by police officers.

The President understood this. This is why he instructed his own Justice Department to issue guidance on racial profiling for Federal officers. It is excellent, tough guidance. I asked for the same in this bill.

I regret we were not willing to do for the States what the President has done for the Federal service. I wrote a provision that would have been parallel to what we have done with speeding and drunk driving. Nevertheless, we have a grant provision that encourages the States to create racial profiling laws and allows the States that do so to get funded to develop and maintain data and do law enforcement training. This is a tough provision. States must show that they have tough racial profiling laws.

It also is time that we had racial profiling as part and parcel of our civil rights laws. That is why I am a cosponsor of the bill introduced by the gentleman from Michigan (Mr. CONYERS) that would do just that. (H.R. 3847)

Meanwhile, this is the first racial profiling provision in Federal law. Every Member of this House should be proud we were willing to put it in this bill. It is an important start.

Mr. PETRI. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. GILCHREST).

Mr. GILCHREST. Mr. Chairman, I rise in strong support of this legislation coming up this afternoon, the highway transportation bill. I implore that my other colleagues in the House also support this measure.

One of the sticking points here is the highway formula about donor States and donee States. I would like to remind my colleagues, Maryland is a donor State through the formula.

I would like to remind my colleagues that everybody that goes through your State, from near or very far away, pays those gasoline taxes, pays those tolls, et cetera, et cetera. So we as Americans contribute in a collective way all across this country to ensure that the interstate highway system provides sufficient opportunity and avenues to continuously stimulate our dynamic economy.

There are some questions about the formula here, but those questions I think should not hold up this important piece of legislation.

Our truckers, the people that ride trains, the cargo that go across this country on trucks and trains, our commuters, our salesmen, our vacationers, our explorers, they travel across the Nation's highways, which is the foundation for the infrastructure of this Nation. I hope my colleagues will vote for this piece of legislation.

There is one provision that is in the Senate version of the highway bill that is not in the House version of the highway bill, and that is a 2 percent set-aside to understand how you can engineer, in other words, do it right the first time, a highway, so you do not contribute to the pollution of the Nation's waterways, which is also important for the infrastructure, the environmental infrastructure, of this Nation.

So I would like to work with the House and the Senate and will work with the chairman of the Committee on Transportation to ensure that that Senate version provision, the 2 percent set-aside to engineer our highways, to reduce or eliminate storm water runoff into the Nation's water system, remains intact.

This is a bill that deals with human infrastructure, and we have an opportunity to take the first big step to ensure that human infrastructure is compatible with nature's infrastructure.

Mr. PETRI. Mr. Chairman, I yield such time as he may consume to the gentleman from Louisiana (Mr. MCCRERY).

Mr. MCCRERY. Mr. Chairman, I thank the gentleman for yielding me time. It is a pleasure to be on the floor this morning to talk about some of the advantages that are in the 6-year reauthorization of our transportation funding.

One of the innovations that the committee came up with that I think is remarkably farsighted is setting aside some of the Highway Trust Fund money, in particular funds that will be available for grants to States to participate in building highways of national significance. These are highways that could be very important for trade in our hemisphere, they could be very important for easing congestion, they could be very important for moving

commerce from one region of the country to other. But in each case they will be highways that truly have national significance.

What is just as important is these highways, in the main interstate highways, probably would not be built were it not for the availability of funds in these particular categories that are set up by this bill. Because if the funding were not available through these categorical grants or these categorical funds, the States individually would not be able to build these highways out of their regular annual allocations.

So I think that is a very innovative, far-sighted approach to solving the problem of continuing to improve our highway infrastructure, particularly in terms of those highways which will add significant economic benefits to not just one particular region of the country but to the whole country.

So as we move forward in this age of increased global trade, of increased need to create jobs and grow our economy, these highways of national significance are going to be extremely important in moving us forward.

So I commend the committee for their far-sightedness in making it possible for these highways of national significance to be built in the next 6 years; and then, of course, I would expect this to be continued until we have quite a more extensive network of highways across our Nation, which will enable us to grow jobs and grow our economy.

Mr. PETRI. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan (Mr. EHLERS).

(Mr. EHLERS asked and was given permission to revise and extend his remarks.)

Mr. EHLERS. Mr. Chairman, I thank the gentleman for yielding me time.

Our transportation system continues to face tremendous challenges. Tens of thousands of lives are lost each year on our highways. More drivers are driving more miles, causing severe congestion. An aging infrastructure is putting a strain on State and local transportation budgets. The public rightly demands safer, less congested roads and more transportation choices.

Fundamental improvements to the entire transportation system depend on solid research. Solid research will translate to saved lives, saved money and saved time by providing the tools and information needed to produce solutions. How many of us have used an EZ Pass to breeze past congestion at a toll booth? Or been gently reminded to stay on the road by a rumble strip?

Examples abound of these sorts of benefits gained by transportation research, such as research on pavements focuses on manipulating substances at the molecular level to create materials that are more durable and last significantly longer. This saves money, because more durable pavements need less maintenance and are replaced less frequently. It also saves time, reducing construction zones that are a major cause of congestion.

Furthermore, research on transit focuses on how to make transit systems more cost-effective and efficient. Better transit systems give people more choices and save time by reducing the number of cars on the road.

Research in the social sciences focuses on understanding how future changes in where people live and work will affect future transportation usage, so that planners can make early, smart investments to ensure that we meet future transportation needs.

As chairman of the Subcommittee on Environment, Technology, and Standards of the Committee on Science, I introduced H.R. 3551, the Surface Transportation Research and Development Act. This legislation, which was approved by the full Committee on Science on February 4, increases stakeholder input, expands competition and peer review of research proposals, and ensures greater accountability so that this research actually supports the goals of our transportation system.

I am pleased that the gentleman from Alaska (Chairman YOUNG) and his staff have worked very closely with me and my staff to incorporate much of the Surface Transportation Research and Development Act and its intent into TEA LU. While I wish we could have provided more funding for research, I must especially thank the gentleman from Alaska (Mr. YOUNG) for ensuring that, as funding for TEA LU was reduced from $375 billion to $275 billion, research was treated fairly. That was not the case 6 years ago during consideration of TEA 21.

I especially wanted to thank the gentleman from Alaska (Mr. YOUNG) for his pledge to work with me to continue to improve the research title and its funding as we discuss this issue with the Senate.

Mr. Chairman, when most of us think about the highway bill, we ten to focus on funding levels for our States and projects. Few of us think about transportation research. But transportation research is fundamental to all aspects of our transportation system. How many of us have used an EZ Pass to breeze past congestion at a toll both? Or have been gently, or not so gently reminded to stay on he road by a rumble strip? How many of us have benefited from pavements that are quieter and last longer than they did 30 years ago? Every driver and passenger is better off today because of past investments in transportation research and technology development.

Our transportation system continues to face tremendous challenges. Tens of thousands of lives are lost each year on our highways. More drivers are driving more miles, causing severe congestion. An aging infrastructure is putting a strain on State and local transpiration budgets. Changing patterns of where people live and work demand innovative planning for our future needs. The public rightly demands safer, less congested roads, and more transportation choices realizing that we can't simply build more roads to address all of these challenges, especially in urban areas, we must look for new ways to improve the overall system.

Fundamental improvements to the entire transportation system depend on solid research, Solid research will translate to saved lives, saved money and saved time by providing the tools and information needed to produce solutions. For example:

Research on pavements focuses on manipulating substances at the molecular level to create materials that are more durable and last significantly longer. This saves money, because more durable pavements need less maintenance and are replaced less frequently. It also saves time, reducing construction zones that are a major cause of congestion;

Reseach on operations focuses on improving the design of dangerous merges and intersections. This research saves lives by providing planners the information to design safer roads. It also saves time by reducing accidents, which cause congestion;

Research on transit focuses on how to make transit systems more cost-effective and efficient. Better transit systems give people more choices, and save time by reducing the number of cars on the road; and

Research in the social sciences focuses on understanding how future changes in where people live and work will affect future transportation usage, so that planners can make early, smart investments to ensure that we meet future transportation needs at lower costs.

As chairman of the Environment, Technology and Standards Subcommittee of the Committee on Science, I introduced H.R. 3551, the Surface Transportation Research and Development Act. This legislation, which was approved by the full Science Committee on February 4:

Provides necessary but prudent increases to transportation research funding;

Increases stakeholder input to ensure that the people who must implement and use the research agree that it is worthwhile and applicable;

Creates the highest quality research through increased competition and peer review; and

Ensures greater accountability so that this research actually supports the goals of our transportation system.

I am pleased that Chairman YOUNG and his staff have worked very closely with me, and my staff, to incorporate much of my legislation and its intent into TEA–LU. While I think we all agree that we wish we could have provided more funding for research, I must especially thank Mr. YOUNG for ensuring that as funding for TEA–LU was reduced from $375 billion to $275 billion, research was treated fairly. That wasn't the case 6 years ago during consideration of TEA–21. And I want to thank Mr. YOUNG for his pledge to work with me to continue to improve the research title and its funding in conference as we discuss these issues with the Senate.

Mr. PETRI. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. On behalf of the Committee on Ways and Means, the gentleman from Louisiana (Mr. MCCRERY) and the gentleman from

North Dakota (Mr. POMEROY) are recognized for 15 minutes each.

The Chair recognizes the gentleman from Louisiana (Mr. MCCRERY).

Mr. MCCRERY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today this transportation bill contains a number of tax-related provisions, and I am going to summarize those very quickly. But the thrust of what we are doing here with these tax provisions, and I think the most important thing to point out, is that with these changes we have added $18 billion over 6 years to pay for highway funding here in the United States, and that was a very important part of getting the number high enough so that we could do at least the basic necessities through the transportation bill that is on the floor today.

So I want to commend my chairman, the gentleman from California (Mr. THOMAS), for working with the chairman of the full Committee on Transportation, the gentleman from Alaska (Mr. YOUNG), in arriving at these approaches to increasing the revenues going into the Highway Trust Fund. I will just briefly summarize what those are.

The tax provisions of this bill extend the authority to spend money out of the Highway Trust Fund and updates the purposes for which that money can be spent.

It extends the gas tax through 2011 at current rates and maintains the current law deficit protection rule that requires a 2-year cushion of reserves in the Highway Trust Fund.

It increases Highway Trust Fund receipts by $18 billion over 6 years to pay for the highway spending authorized in this bill. Receipts are raised by, number one, reducing the fuel tax evasion that goes on around the country; number two, crediting the Highway Trust Fund with the full gas tax; and, number three, by restructuring the ethanol subsidy so that the trust fund is made whole, so the trust fund does not lose money to the general fund as a result of the ethanol subsidy.

The bill also extends the ethanol subsidy through 2010.

It simplifies and reforms the rules relating to certain highway excise taxes.

It provides alternative minimum tax relief, particularly for small businesses and farmers.

□ 1145

Finally, it extends the enhanced section 179 expensing for small businesses, allowing them for 2 more years to expense up to $100,000 of purchases for use in their small business.

So, Mr. Chairman, those are the essential provisions of the tax portion of this bill.

Mr. Chairman, I reserve the balance of my time.

Mr. POMEROY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, included in this bill is a provision drawn from H.R. 3119, the ''Renewable Fuels and Transportation Infrastructure Enhancement Act of 2003.'' This is a proposal which I introduced along with my friend and colleague on the Committee on Ways and Means, the gentleman from Missouri (Mr. HULSHOF). I am very pleased that this provision has, through this action, been included in this legislation.

The bill restructures the ethanol tax incentive from an excise tax exemption to an excise tax credit, and it eliminates hundreds of millions of dollars of waste, fraud, and abuse by those blending gasoline with ethanol.

The provisions attributed to the ethanol tax incentive will add up to $14.2 billion in revenues to the Highway Trust Fund over the 6-year life of the transportation bill. As we wrestle with the size of the highway package, let us keep in mind this provision alone relating to ethanol is generating $14.2 billion in revenues.

Mr. Chairman, the provision is important for a number of reasons, but I want to especially mention the jobs that will flow from this highway bill. According to the U.S. Department of Transportation, each billion dollars spent on transportation and highway projects creates 47,500 jobs. Therefore, the ethanol proposal will create an additional 674,500 jobs, much-needed jobs, in this economy.

Separately, the ethanol industry itself is a significant generator of additional jobs for our economy. The industry has built 74 ethanol plants, created nearly 150,000 new jobs, 12,000 jobs in America's beleaguered manufacturing sector. In 2004 alone, the industry will add 22,000 new jobs and more than $1.3 billion to the gross output of the American economy.

The industry is going to continue to grow with this legislation. There are thirteen plants already under construction and dozens more in the final planning stage.

Further, as newly-drafted, this ethanol tax incentive will have no negative impact on the Highway Trust Fund. According to the U.S. Department of Agriculture, it will save the Federal Government more than $3.2 billion in lower farm program payments this year.

The ethanol tax incentive makes a particular difference with the creation of jobs in rural America. The one new 40 million gallon ethanol plant can expand the economic base of the local economy by $110 million, creating as many as 694 permanent new jobs throughout the entire economy and generating $1.2 million in new tax revenues for State and local governments. Beyond all of that, it increases the local average basis of corn by an estimated 5 cents to 10 cents per bushel.

Mr. Chairman, our Nation is suffering from a growing energy crisis, a stagnant economy where job development is scarce, particularly across rural America. That is why Congress's commitment to the increased production and use of ethanol is so important.

This brings me to my next point, the one issue where the gentleman from Missouri (Mr. HULSHOF) and I will continue to work, because this provision was left out of the bill. Other domestically-produced renewable fuels can and should have a role in our total fuel strategies as a Nation. To this end, I specifically encourage the inclusion of a new tax incentive for biodiesel, consistent with the agreement reached during the energy bill conference last year.

Together, ethanol and biodiesel can enhance the country's energy independence, increase domestic fuel supplies, reduce crude oil imports, reduce the U.S. trade deficit, and improve air quality. Together, the transportation and ethanol sectors are creating jobs across America. This bill establishes that good transportation policy and good energy policy can go hand in hand.

Mr. Chairman, I reserve the balance of my time.

Mr. MCCRERY. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. SHAW), a distinguished member of the Committee on Ways and Means.

Mr. SHAW. Mr. Chairman, I thank the gentleman for yielding me this time.

There are many good things in this highway bill. One that I would like to highlight at this particular point came out of the Committee on Ways and Means which I had the privilege to offer, and that was the provision that repeals the 4.8 cents-per-gallon of fuel receipts from the use in motor boats and small engine equipment be retained in the general fund. As a result, the full fuel tax will be credited to the Highway Trust Fund and subsequently transferred to the Aquatic Resources Trust Fund where it belongs. It increases the Aquatic Resources Trust Fund receipts by .7 billion dollars over 6 years.

Anyone who is concerned about the waterways, as I know the gentleman in the chair is certainly concerned about the Chesapeake Bay, these are very important dollars that are desperately needed in these areas; and I congratulate my colleagues on the Committee on Ways and Means for including that.

Unfortunately, when this comes up to a final vote sometime tomorrow on the highway bill, unless there is a dramatic correction in the way the funds are distributed, I will be forced to vote against it. In my 24 years in Congress, I have never voted against a roads bill. I have supported it; and, as a matter of fact, I very much enjoyed the time that I spent on the Committee on Transportation and Infrastructure.

The committee has been frustrated by the reduction in the funding that they had anticipated and, as a result, they have treated the donor States very, very unfairly. Right now, the donor States are guaranteed approximately 90 percent of the monies that they pay into the Federal fund. This is

dramatically reduced. States such as Ohio, Tennessee, North Carolina, South Carolina, Georgia, Florida, Texas, California, Arizona, and that is not a complete list, are going to find themselves losing up to 25 percent of their gas revenue that will no longer come back into their State.

I would ask my colleagues from New York and Massachusetts to look carefully at what is going on here. Even though the New England States and many of those States will be gaining, it is still wrong. It is wrong. Those of us in these States that are donor States are all fast-growing areas. We have a desperate need for highways and improvements.

I would like to support this bill, and I will, if the gentleman from Georgia's amendment is passed by the House. I would be proud to stand by my colleagues and vote for this bill, even though we would only receive back approximately 90 percent of what we paid in, but at this time we just have to wait and see.

Mr. Chairman, I would ask at the appropriate time that all Members not only just consider their own district but also consider the fairness of their vote. This matter must be corrected, and I would hope that the committee would look very, very hard at the amendment that is offered by the gentleman from Georgia (Mr. ISAKSON) at the time that it is voted on, whether it be this evening or tomorrow morning.

Mr. POMEROY. Mr. Chairman, I have learned that my cosponsor on the portion of ethanol tax that is included in this bill, the gentleman from Missouri (Mr. HULSHOF), is not participating in debate this morning because he is attending, tragically, the funeral of his mother. We will all remember the gentleman from Missouri in our thoughts and prayers as he deals with this issue, even while the work of the Congress continues.

Mr. Chairman, I yield 4½ minutes to the gentlewoman from Ohio (Mrs. JONES).

(Mrs. JONES of Ohio asked and was given permission to revise and extend her remarks.)

Mrs. JONES of Ohio. Mr. Chairman, I want to thank my colleague, the gentleman from North Dakota (Mr. POMEROY), for yielding me this time.

I want to add my condolences also to our colleague, the gentleman from Missouri (Mr. HULSHOF). I had an opportunity to speak with him yesterday, and as well as he can be he is doing okay, and for the RECORD, we did win the basketball game for the gentleman from Missouri (Mr. HULSHOF) last night against the Georgetown faculty. He is a member of my team.

Mr. Chairman, I rise in support of H.R. 3550 as it currently stands but ask that we take into account the need to do some work in conference. Transportation is a crucial aspect of our economy. This bill is not only a transportation bill, but it is also a jobs bill. We must work together to put forth a comprehensive highway bill.

I want to give my colleagues some general economic facts. Maybe I will skip over a few.

According to the American Road and Transportation Builders Association, the transportation construction industry employs 2.5 million Americans and generates more than $200 billion in U.S. economic activity. A $100 million investment in highway and bridge improvements yields 4,750 jobs across the economy, with less than 25 percent of those in the actual construction field. This same level of investment also generates $200 million in family income, $54 million in Federal income tax and Social Security and more than $6 million in State and local tax revenues.

Assuming a similar effect in the great State of Ohio, the Ohio Department of Transportation's 2004 major new construction program totals $400 million, and that will support the employment of 19,000 people. The top 12 percent of Ohio's most congested freeway sections experience 45 percent of all freeway accidents in the State. The Ohio Department of Transportation's major new construction program is expected to total $400 million during the next several years, and it will help to improve many of these high-crash and congested locations and reduce accidents by between 30 and 50 percent.

There is one place right in my congressional district that is called Dead Man's Curve, and the reason it is called Dead Man's Curve is because the curve is so distinct that it has caused the death of so many truckers and regular passengers or drivers through my area.

The National Highway Traffic Safety Administration estimates that each critically injured survivor of an auto accident costs an average of $1.1 million in medical costs and lost productivity. Each fatality of a crash represents a loss of $977,000 in lifetime economic costs to society.

Ohio is only 35th in geographic size but has a disproportionately large transportation system. Ohio has the Nation's tenth largest highway network, the fifth highest volume of traffic, both car and truck traffic, the Nation's fourth largest interstate network, and the second largest inventory of bridges. Ohio has such a large transportation system because it is a populous State with a manufacturing economy, and it lies in the middle of America's population and economic centers.

Within a day's drive, Ohio is accessible to 50 percent of North America's population and 70 percent of North America's manufacturing capacity. Ohio's transportation supports the vast Ohio economy. If Ohio were a nation, it would be the world's 20th largest economy.

Ohio faces unprecedented transportation challenges. It must expand its 1960's transportation system to meet the 21st century demands. Ohio's vast interstate system was built from 1950 to 1960 to meet the demands of the 1980s. It is now 2004, and nearly all of our urban interstate routes are over capacity.

Mr. Chairman, I just want to close with this: This bill is so very important to the State of Ohio. We are a donor State. We want to see that this gets done. We need the jobs in Ohio, and I encourage all of my colleagues to work in support of this legislation.

Let us get to conference. Let us take care of the issues and get it done. Jobs are needed in Ohio.

Mr. MCCRERY. Mr. Chairman, I have no further speakers at this time, and I reserve the balance of my time.

Mr. POMEROY. Mr. Chairman, I yield 2½ minutes to the gentlewoman from California (Ms. WATSON).

Ms. WATSON. Mr. Chairman, this bill is long overdue, and I want to thank the gentleman from Alaska (Chairman YOUNG) and the gentleman from Minnesota (Mr. OBERSTAR). They have been working hard for a long time on the bill. The committee has put together the best bill they could, working within the constraints imposed upon them.

The obstacle here comes from an administration that is fundamentally opposed to government investment in the infrastructure. I fear that the President's opposition will further slow our economic recovery and put a brake on economic growth for years to come.

My hometown of Los Angeles has a well-earned reputation as the most congested region of the country, a status that it has held for many years. Each Angeleno wastes an average of 52 extra hours stuck in traffic each year, time that could be spent working or with their families. The overall economic costs of this congestion is estimated at $12.8 billion per year, just in the Los Angeles area.

□ 1200

That is close to $13 billion that could be better invested in business and job growth. Instead, it is being burned up in traffic.

Frustrating as it is for the people who live there, Los Angeles' congestion causes problems for the rest of America too. The seaports of Los Angeles and Long Beach are the first and second busiest container ports in the United States. More than 20 cents of every dollar of goods exported from the United States each year, and that is $42 billion of goods, passes through California ports every year. Getting these goods from American factories to foreign consumers is critical to our economic recovery. And the goods cannot get to the foreign consumers if they cannot get across the highways to those ports.

We need this bill. I am disappointed that the constraints imposed on us have prevented Congress from doing all it must do to improve our transportation infrastructure.

I urge full support of this bill.

Mr. MCCRERY. Mr. Chairman, I have no further speakers. I yield back the balance of my time.

Mr. POMEROY. Mr. Chairman, I have no further speakers. I urge passage of this bill and yield back the balance of my time.

Mr. PETRI. Mr. Chairman, I reserve my time.

Mr. LIPINSKI. Mr. Chairman, I yield 1½ minutes to the gentleman from Oregon (Mr. DEFAZIO), the ranking member of the Subcommittee on Aviation.

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman from Illinois (Mr. LIPINSKI) for his hard work on this bill. This bill will fund thousands of critical highway bridge and transportation projects across the United States, putting millions to work, maintaining and improving our critical transportation infrastructure. Unfortunately, it is not enough to both catch up with the maintenance backlog and make the needed capacity improvements.

It is not for lack of trying by the gentleman from Illinois (Mr. LIPINSKI) or the ranking member, the gentleman from Minnesota (Mr. OBERSTAR), or the chairman or the gentleman from Wisconsin (Mr. PETRI), but at the insistence of the White House they insisted that the bill be reduced by $100 billion.

That means thousands more weight-limited bridges across this country and detours; it means more congestion because the White House says we cannot afford to invest in America. That means 800,000 jobs a year that will not be created, 4.8 million over the life of the bill.

The White House also objects to the fact that this bill does not gut the environmental laws, so they have threatened to veto. If I were sitting in the White House and I presided over the lives of 2.8 million jobs, as has President Bush in a so-called jobless recovery, I would be a little bit more anxious to get out and cut ribbons for critical projects to put real Americans to work on real needs and create real jobs. But not this White House. They say they will veto the bill. Is it an April fool or are they just fools at the White House?

Mr. LIPINSKI. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. HONDA).

Mr. HONDA. Mr. Chairman, I would like to begin by commending the gentleman from Alaska (Chairman YOUNG) and the gentleman from Minnesota (Ranking Member OBERSTAR), as well as the gentleman from Wisconsin (Mr. PETRI) and the gentleman from Illinois (Mr. LIPINSKI), for their hard work, superb leadership, and commitment to bipartisan and sound transportation policy.

There is a great deal in this legislation for which to be proud. The bill protects the core transportation programs while creating new programs to fund projects of regional and national significance and to improve national corridors.

The bill also bolsters its requirements, recognizing that it is not feasible simply to build more highways. However, there is one area in which this bill is grossly deficient and that is funding. Let there be no mistake, the $275 billion bill before us today is not the committee's first choice. Rather, the committee first marked up a $375 billion bill, a level commensurate with the U.S. Department of Transportation's own estimation for the maintenance and improvement of our Nation's highways, bridges, and transit systems.

Unfortunately, that $375 billion bill has been shelved in response to the President's threat to veto any properly funded surface transportation bill.

Remembering how he so artfully pushed through sweeping tax cuts for the wealthy, I am appalled that he now practices a misguided form of fiscal discipline that undermines State and local efforts to enhance transportation infrastructure and that also thwarts job creation.

The Department of Transportation has determined for every $1 billion invested in Federal highway and transit spending, 47,500 jobs are created or sustained. It is daunting, then, to consider the impact that the $100 billion cut in TEA LU will have on job creation in the U.S. For all its promises, this legislation represents a lost opportunity to reignite the slow job growth that plagues our Nation.

I hope that this legislation moves forward, that we can achieve the Senate passed level of $318 billion, a level that would create 1.8 million more jobs and $235 billion more economic activity than the level imposed upon us by the Bush administration today.

I would like to thank the chairman and ranking members of the Committee on Transportation and Infrastructure for their unwavering dedication to sound transportation policy.

Mr. LIPINSKI. Mr. Chairman, I yield 3¼ minutes to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Chairman, I thank the gentleman from Alaska (Chairman YOUNG), the gentleman from Wisconsin (Mr. PETRI), the gentleman from Minnesota (Ranking Member OBERSTAR), and the gentleman from Illinois (Mr. LIPINSKI). I think they should be commended for the great job they have done given the absurdly arbitrary constraints they were forced to work under. They have done a terrific job. I mean that sincerely.

After decades of investments to meet an expanding Nation and a growing population, the gentleman from New Jersey, who 12 years ago, 13 years ago started the whole process of TEA 21, Congressman Bob Roe from the eighth district, is very happy with the work, I am sure, that we have done over the last several months.

I supported TEA LU because it was the right thing to do. This administration has threatened a veto. We shall see what we shall see.

In terms of family-wage job creation, in terms of reducing congestion, in terms of remaining competitive with other nations, I believe we are missing a great opportunity to make a difference in our economic future. As the process moves forward, we must band together and fight for a better bill. I believe we will.

I would like to bring to my colleagues' attention, the chairman's attention, one of what I consider the very important provisions that will be included in the manager's amendment: the Department of Transportation should give priority to those public transit projects which add to our system of national defense. Historically, we built our highway system for national defense. We made many needed changes to our aviation system to improve its ability to withstand threats to national security. 9/11 highlighted for those of us living with families in the tri-state area, for instance, how dependent we are on our Nation's transportation system, particularly in a time of crisis.

According to the report of the National Academies on ''Making the Nation Safer, the Role of Science and Technology in Countering Terrorism,'' the ability to quickly recover and reconstitute transportation systems and services is crucial for limiting the cascading effects of terrorist attacks.

We cannot overstate the importance of mass transportation and mass transit to moving people safely at critical times and places.

I want to thank the manager for addressing the essence of the national security amendment I offered in committee. We are authorizing a study in this bill to look at the value of public transportation systems, the value placed on national security in project planning. It will also examine the ability of such systems to accommodate the evacuation from critical locations and in times of emergency. The information we learn should assist metropolitan areas in the development of the regional emergency response plans that coordinate highway and public transportation systems.

I am hopeful the results will ensure that transit agencies and the TSA are looking at response plans in terms of a comprehensive vulnerability assessment.

Mr. YOUNG of Alaska. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. PITTS) for the purpose of a colloquy with the chairman.

Mr. PITTS. Mr. Chairman, I first want to thank the gentleman from Alaska for his assistance over the past several years regarding an issue that is negatively impacting two transit systems in my congressional district: Red Rose Transit in Lancaster and BARTA, Berks Area Reading Transit Authority.

They join over 50 other transit agencies across the country facing the same problem. And I have a list of these systems that I will submit for the RECORD.

As the chairman knows, under current law transit systems that serve communities in urbanized areas exceeding 200,000 in population according to the most recent census lose their local flexibility in the use of section 5307 Federal transit funds.

The chairman has been very helpful in protecting these systems from losing

their flexibility over the past couple of years to provide a bridge to the reauthorization of the transportation spending that we are considering today.

While I appreciate the language that is currently in the bill extending the flexibility protection through fiscal year 2005, it does not go far enough to mitigate the financial crisis facing small transit systems in the fastest growing communities throughout the country. Instead of encouraging the growth of transits in these emerging communities, current law penalizes them.

Red Rose Transit and BARTA stand to lose access of upwards of $1 million in Federal transit funds. They are being treated more like transit systems in big cities than the more suburban and rural communities that they actually serve.

Mr. Chairman, we need a long-term or permanent solution to this problem. The current language in this bill does not go far enough. It is not a matter that these systems need more time to get their books in order; it is that they cannot financially make ends meet under current law.

They are already looking beyond 2005 to see what routes to cut, which workers to lay off, and which buses to park in the garage because they cannot afford to run them. Passengers will lose their transportation to their jobs, the elderly will lose their transportation to the doctor, and low-income families will lose their ride to the grocery store.

I close by asking that, as you go to conference on this transportation bill, you keep in mind the difficult future these transit systems face and that you would work with us to find a solution that would help these transit systems sustain their operations and meet the growing needs of their communities.

□ 1215

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

I want to thank the gentleman from Pennsylvania very frankly for his hard work on this issue. It is a pleasure to work with him.

I understand the needs these small transit systems face. I certainly support the growth, as I told the gentleman personally, of transit throughout the United States, especially in the thriving smaller communities such as in the gentleman's congressional district.

I want to assure my colleague that, as we go forward with this bill, I welcome his continued assistance on this matter and the gentleman's knowledge. I look forward to working with my colleague on this issue as we go through the conference to finding a reasonable and responsible solution to this problem, and I can assure my colleague that probably will happen.

Mr. PITTS. I thank the gentleman.

Mr. LIPINSKI. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, let me thank the gentleman from Alaska (Mr. YOUNG) and the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Wisconsin (Mr. PETRI) and the gentleman from Illinois (Mr. LIPINSKI) for the efforts which they have put forth in working on this bill.

I would like to talk to the gentleman from Illinois (Mr. LIPINSKI) for just a moment about the continuing challenges before us in getting our State transportation departments to fully obligate funds under the Congestion Mitigation and Air Quality Improvement Program known as CMAQ.

In my State of Texas, more than $230 million in unobligated CMAQ balances have piled up, even though areas like my own district in the Dallas-Fort Worth area are challenged in their efforts to address the harmful health effects of mobile sources and other emissions upon my constituents. Other regions in my State and many other parts of the country are challenged as well.

This bill, like the two before it in 1991 and 1998, provides targeted resources to the States to help fund the mandate of clean air in many metropolitan and local areas across the country, areas that account for about one of every two people in this Nation.

We allocate clean air funds, CMAQ spending authority, to States based on local air quality needs. Yet, there is no requirement that States spend a fair share of the funds we provide air quality improvement projects.

All of us have heard the pleas from our State officials, governors and legislators alike, about unfunded mandates and how they challenge our States. Yet, in this case, States do not want us to include any assurances to local areas that they can count on a steady and predictable flow of CMAQ dollars to help them meet mandates under the Clean Air Act.

Today, this Congress is again providing the resources for this purpose but not requiring States to pass these funds to the local areas.

In this Chamber, our States and many other interests have also told us that the certainty of a 6-year bill is crucial to the States as they plan for transportation investments.

My simple request is that we provide more certainty to local areas over the next 6 years as well. After all, the CMAQ funds we are providing under this legislation are for local areas to assist their compliance efforts in meeting federally-established, health-based standards for clean air.

Finally, there is added urgency to this matter. As early as next month, the U.S. Environmental Protection Agency will be making its final designations under the new 8-hour ozone standards. A predictable and timely flow of CMAQ dollars will be crucial to their success in achieving compliance with these standards.

It is my hope that my colleague and other House leaders in the conference committee will strive to deliver more certainty to local areas about CMAQ funding over the life of this renewal legislation.

I would like some assurances that we will continue to work to provide local areas with more certainty about their CMAQ funding over the next 6 years in this legislation.

Mr. LIPINSKI. Mr. Chairman, will the gentlewoman yield?

Ms. EDDIE BERNICE JOHNSON of Texas. I yield to the gentleman from Illinois.

Mr. LIPINSKI. Mr. Chairman, I would also ask that the committee give this issue more review and consideration as we consider future legislation, be it a technical correction amendments or the reopener legislation that the bill before us envisions.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I thank the gentleman for his consideration of these issues, and I pledge my strong support to his efforts and any other member of the committee's efforts to make progress in this area.

Mr. LIPINSKI. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Chairman, I would rather be standing here today supporting a $375 billion transportation bill. $375 billion is what the U.S. Department of Transportation has said is necessary to meet our most basic infrastructure needs over the next 6 years. Unfortunately, the President insists that we not fund our transportation system adequately and that we not fund the hundreds of thousands of jobs that such a bill would create, but we must do what we can, and despite the funding constraints, there are many things to be proud of in the bill before us.

The committee has done a remarkable job of preserving many of the important new initiatives in TEA LU, such as safe routes to school, freight intermodal connectors and, in particular, projects of national and regional significance. At the same time, we have maintained our core highway and transit programs and increased funding for critical initiatives such as senior transportation services and the ferry boat discretionary program.

This legislation maintains the minimum guarantee funding formula established in TEA 21, but it contains a provision that essentially cuts off highway funding in fiscal year 2006 unless a law is passed in the interim raising the minimum guarantee to 95 percent, while guaranteeing States that they would receive no less than subsequent years, plus the cost of inflation.

I understand the frustration expressed on this floor by the so-called ''donor'' States. New York, as a whole, is a donor State. We send about $18 to $20 billion more to the Federal Government every year than we receive in total Federal spending. Transportation

is one of the few areas in which this is not the case.

New York has invested huge amounts of money in mass transit. Therefore, we are more energy efficient than the country as a whole. We buy less gasoline, and we pay fewer gas taxes into the Highway Trust Fund, and apparently, because we are more efficient, because we are saving the country on sending money to the Middle East, we must be punished by getting less highway funds. That is the idea of the 95 percent guarantee.

Yet, New York has a lot of transportation needs with older, aging infrastructure, and one out of every three transit riders in the country, which is capped at 15 percent. It is just not right to punish States for being energy efficient, and, therefore, I am generally opposed to this provision, but it does not do it right away. It puts off a final decision for 2 years.

Because of the many good features in the bill, I urge its enactment.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 3 minutes to the gentleman from Arkansas (Mr. BOOZMAN).

Mr. BOOZMAN. Mr. Chairman, first, I would like to thank the gentleman from Alaska (Chairman YOUNG), the gentleman from Wisconsin (Chairman PETRI), as well as the gentleman from Minnesota (Ranking Member OBERSTAR) and the gentleman from Illinois (Mr. LIPINSKI). Their dedication and leadership on this legislation is commendable. I would also like to commend the committee staff for all their hard work on this bill. It has truly been a pleasure to work with them.

Mr. Chairman, H.R. 3550, the Transportation Equity Act: A Legacy For Users, is legislation our country needs to not only maintain but also to grow our Nation's infrastructure.

When I came to Congress, I followed a visionary member of the House Committee on Transportation and Infrastructure, Mr. John Paul Hammerschmidt. Congressman Hammerschmidt served on the Committee on Transportation and Infrastructure for decades, and he was instrumental in advancing our Nation's transportation infrastructure into the 21st century.

Like Mr. Hammerschmidt, I understand the importance of passing a robust transportation bill that provides for infrastructure development across the country.

During the last year, I traveled with the Committee on Transportation and Infrastructure to examine our transportation needs. From Fort Smith, Arkansas, to Chicago, Illinois, we heard the same thing: Our Nation must invest in transportation infrastructure. Each city and town, even the rural areas in our States, are in dire need of infrastructure dollars.

Our Nation is growing and prospering. However, our cities and towns are suffering from congestion and poor roads. We must continue growth by passing this legislation, which will allow for continued development. This will not only lessen congestion on our roads, but it will also provide for economic development across the country. This bill provides for growth, it provides for jobs, and it provides for increased safety to our traveling public.

Mr. Chairman, I thank the committee for their dedication to passing this critical legislation, and I encourage my colleagues to support H.R. 3550.

Mr. COSTELLO. Mr. Chairman, I yield 2 minutes to the gentlewoman from Indiana (Ms. CARSON).

Ms. CARSON of Indiana. Mr. Chairman, I thank the gentleman very much, my prestigious leader of the region, and certainly to the chairman and chairpersons of the Committee on Transportation and Infrastructure.

I rise today in support of H.R. 3550, the Transportation Equity Act: A Legacy For Users, TEA LU. This 6-year reauthorization is needed to continue our commitment to our Nation's infrastructure.

Transportation is central to our Nation's economy, creating more jobs, and helping Americans get to work every day. Investment in our highways and public transportation systems results in a net gain for our taxpayers.

The bill responds to many of the critical transportation problems facing our country.

$67 billion is lost in worker productivity and wasted fuel every year because of traffic congestion. Americans sitting in traffic lose 5.7 billion gallons of fuel and 3.6 billion hours annually.

Investment in highways is part of the answer, but we must also be sure to invest in our public transit systems as well. Public transit decreases congestion, decreases pollution, and decreases costs for millions of workers.

Unfortunately, many States are discouraged from investing in transit. Thirty-four States, including my home State of Indiana, has statutory or constitutional prohibitions on using money from the Highway Trust Fund for public transit. I offered an amendment to the Committee on Rules establishing a flexibility incentive grant program to address this problem and trust that as we move into the future that we will be able to get this concept put into law to enable the moving around of money for our transportation system.

TEA LU provides $1.4 billion in funding for improving intermodal connections. So in order to fully utilize the potential of these intermodal centers, we must be sure to invest in our railroads, our ports.

In the Committee on Transportation and Infrastructure, I asked the railroad people if they did not think that was a unique idea to put people to work and that is to rebuild and modernize the railroads.

I thank the chairman and ranking member, my leader, for this opportunity.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas (Mr. MORAN), my good friend.

Mr. MORAN of Kansas. Mr. Chairman, I am delighted to rise in support of a piece of legislation that I think is very important not only to the folks back home in Kansas but to the folks of this country, and I am here to in part commend the gentleman from Alaska (Chairman YOUNG) and his colleagues on the House Committee on Transportation and Infrastructure but also especially the gentleman from Illinois (Mr. HASTERT) for his continued efforts in trying to fashion a piece of legislation that can succeed here in the halls of Congress.

This legislation matters a lot to us as a Nation, matters a lot to Kansans that I represent. In many ways, this is about the creation of jobs at home. I think we often think about jobs being something that we see construction workers on highway projects, but I can tell my colleagues, from a Kansas perspective, our ability to get our manufactured goods to market, our ability to get our agriculture commodities sold in the world, very much depends on our ability to do that in a cost-effective, efficient way.

This country must invest in its infrastructure. We talk today about the outsourcing of jobs. One of the components that can help to address this issue, one of the things that can make a difference, is to make sure that the ability to get goods to market, manufactured goods, agriculture commodities can be taken to market in a way that allows us to continue to be competitive in world markets.

There are concerns here about the deficit. This is a bill that is funded by the Highway Trust Fund. What we are asking to have occur here is dollars that are paid for by users, by taxpayers, set aside for this purpose, be utilized for that purpose.

There are many things we do in this Congress that add to the deficit, but spending money in a trust fund for purposes of infrastructure is not one of those things. I, as a conservative Member of Congress, if I am going to put resources dollars, hard-earned, taxpayer funding into the spending here in our Nation's capital, I will tell my colleagues my constituents are better served by the utilization of those dollars in building infrastructure as compared to additional bureaucracy in our Nation's capital.

Put the money into projects, construction, infrastructure across our Nation.

□ 1230

And, finally, I know that there are concerns about the donor and donee issue, that States may contribute more than they receive. My State of Kansas is kind of neutral on this issue. We get about as many dollars back as we pay. And I would urge my colleagues to give the chairman and others the opportunity to work on this.

It reminds me of my days in State legislature. I was a State legislator for 8 years. School finance is always an

issue, and as we tried to change the formula to improve the quality of education and to fund our schools across the State, you could not do it without additional dollars so that at least a majority of the school districts in our State and, therefore, their State legislators felt like they were better off.

So it is important as we work on this donor-donee issue that we take a look at the number of dollars available for spending on the highway bill so that we can address the inequities that may occur if you are a State that is paying more money into the trust fund than you are receiving.

Mr. COSTELLO. Mr. Chairman, I yield 2 minutes to the gentlewoman from Florida (Ms. CORRINE BROWN).

Ms. CORRINE BROWN of Florida. Mr. Chairman, I want to thank the gentleman from Alaska (Mr. YOUNG), the subcommittee chairman; the gentleman from Wisconsin (Mr. PETRI); and the ranking members, the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Illinois (Mr. LIPINSKI); for their hard work in pushing for the highest amount possible for our Nation's transportation systems. It will not be easy, but I believe we can pass a bill that can improve our transportation system, even without the help of this administration.

Why the Bush administration would be opposed to a bill that has the potential to create millions of jobs is beyond me. I can assure the President that reauthorizing TEA LU at an appropriate level will do a heck of a lot more for the economy than outsourcing our jobs to other countries.

Transportation funding is a win-win for everyone involved. States will get an improved transportation infrastructure that creates economic development, puts people back to work, enhances safety, and improves local communities. America's transportation infrastructure is in need of significant additional funding, particularly as we struggle to finance the security upgrades needed to protect our transportation system from terrorist attacks.

Unfortunately, we were unable to add a rail title to this bill, but that does not mean our rail infrastructure is taken care of. We have dangerously underfunded rail security, and we are now scrambling to protect our transit passengers. We have also ignored an underfunded high-speed rail, which is one of the best ways to improve citizens and improve congestion on our highways.

This certainly is not the bill that most of us hoped for; but it is a first step, and we have nowhere to go but up. We have compromised on a $275 billion bill. We need to have many opportunities to make this bill our own and do the right thing for the traveling public.

We need to do the right thing for this Nation's citizens. Let us pass this bill and let us override the President's foolish veto threat.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. BURGESS).

Mr. BURGESS. Mr. Chairman, I thank the gentleman from Alaska, the chairman of the largest standing committee in the free world, for yielding me this time.

Mr. Chairman, the United States has benefited greatly from having a strong transportation network, but we are in fact approaching a crossroads. I am hopeful that our work on H.R. 3550 brings us one step closer to finding solutions to this growing problem.

I believe H.R. 3550 is bringing us closer to our goals in my State of Texas to achieve our State's goal of an efficient and seamless transportation corridor. I commend the chairman for including the section addressing the streamlining of the design-build process. I was also pleased to see inclusions of sections that focused on interstate system toll pilot programs.

Mr. Chairman, I want to assure you I will continue to work with you and your staff to streamline the Federal design-build process to allow for a rolling environmental review of a multi-modal transportation project. I believe the inclusion of these sections are good steps in the right direction to address these concerns.

I was also pleased to learn the committee leadership included sections for a National Corridor Infrastructure Improvement program and a Coordinated Border Infrastructure program, projects of national and regional significance. I believe that the current programs do not fully address the problems created by the explosion of the NAFTA trade traffic, and funding has often been misdirected to nonborder States and corridors lacking international significance. I believe the provisions included in this bill will greatly improve my State's transportation infrastructure being truly impacted by our country's increased trade traffic.

In Texas, our identified transportation needs outstrip available funding three to one. I support legislative language that will guarantee States at least a 95 percent rate of return on their contributions to the Federal Highway Trust Fund. I look forward to continuing to work with the chairman and the committee to produce a bipartisan transportation reauthorization bill that will truly improve transportation infrastructure nationwide.

We continue to work to produce a bill that adequately provides for our economic security, creates and sustains jobs, enhances safety, and continues to improve mobility for our Nation's citizens, especially my constituents back in Texas. We need to do no less than ensure that our families can spend as much time at the dinner table as they do in traffic now.

Mr. COSTELLO. Mr. Chairman, I yield 2 minutes to the gentleman from Washington (Mr. LARSEN), a member of the committee.

Mr. LARSEN of Washington. Mr. Chairman, I want to rise in support of H.R. 3550, but I do want to note that this bill barely scratches the surface of America's transportation needs. At $275 billion, this bill is certainly a lot, but it is only slightly more than an inflationary increase over TEA 21. Furthermore, at this amount, the United States loses out on almost 4.8 million new jobs in Washington State. Specifically, my State could lose out on thousands and thousands of jobs as a result of the funding level in this bill.

In a year when millions of Americans are looking for work, this does not come close to helping the thousands of Americans get back to work. I hope as this bill moves through this House and to conference, we can pursue a funding level that will meet the needs of our transportation systems and help provide job opportunities for more Americans.

Having said all that, I surely want to thank the chairman of the committee, the gentleman from Alaska (Mr. YOUNG); the chairman of the subcommittee, the gentleman from Wisconsin (Mr. PETRI); and the ranking members, the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Illinois (Mr. LIPINSKI), for their work on this bill, which has helped out the Pacific Northwest.

Specifically, TEA LU doubles the funding for the Ferry Boat Discretionary program. The Puget Sound is home to the largest ferry system in the country, and these funds are vital to the Washington State ferries' efforts to service and replace aging vessels. I look forward to working with all of you in conference to increasing these funds in order to keep America's ferry systems afloat for years to come.

In addition, the bill includes funding for projects of national and regional significance. The Alaskan Way Viaduct in Seattle, damaged by an earthquake in February 2001, is threatening to collapse and shut off the transport of goods from ports in Washington State to locations all across the country. So I hope we can further improve this new and exciting program.

In conclusion, I want to say that I hope the final version of this legislation will make very clear that the existing high-priority corridors continue to be eligible for funding. I also hope that the House conferees in this legislation will make every effort to strike the restrictions in the trade corridor provision approved by the other body limiting freight corridor only to multi-State corridors.

Mr. Chairman, again I want to thank the committee leadership and the committee staff for their hard work on this bill, and I look forward to working with all of you on these issues as the bill moves forward.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina (Mr. HAYES).

(Mr. HAYES asked and was given permission to revise and extend his remarks.)

Mr. HAYES. Mr. Chairman, I want to thank the chairman for his incredibly hard work. As I look back over the process and the number of things that he has had to balance, the needs and the desires, most of which are somewhat in sync with each other, in that everyone wants to have the best possible transportation system, the gentleman from Alaska has worked very, very hard to do that.

This is a bill that improves infrastructure for America. It is a bill that creates jobs. It is a bill that creates economic development. In my district in North Carolina, we have a distinct shortage of interstate highways. And it is a known fact that 80 percent of all businesses like to be and need to be within 10 miles of an interstate highway. So for that reason alone, I would ask support of all our colleagues on this bill that provides the economic development and attracts capital to areas all over our country and gives us the ability to distribute goods and services, which stimulates that economy, which brings and attracts capital, and which creates jobs.

The issue of highway safety, the issue of congestion is addressed very well in this bill. All of us, especially the chairman, wish that this were a larger bill. However, we are suffering through some very tough economic times, fighting and winning the war on terrorism. The chairman has addressed this issue. He has made it very plain, as the gentleman from Minnesota (Mr. OBERSTAR) has as well, that we will quickly revisit this whole subject of the size of the bill and continue to improve our infrastructure for Americans and job creation.

So, Mr. Chairman, in conclusion, I would again like to thank both our chairman, the gentleman from Alaska (Mr. YOUNG), and the ranking member, the gentleman from Minnesota (Mr. OBERSTAR), for balancing the many critical needs, the desires, and the wants of all Americans to move this country forward, to create opportunities, to create jobs, to grow this economy, and to keep us free, financially viable, and in a position to support the military that is doing so great a job, along with our coalition partners, in winning the war on terrorism.

Mr. COSTELLO. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. LAMPSON), a member of the committee.

Mr. LAMPSON. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in support of H.R. 3550, the bill that provides $275 billion over the next 6 years for highways and public transit throughout the country.

Originally, the Committee on Transportation and Infrastructure introduced a bill that ensured that at a $375 billion level we would be able to sustain both our Nation's infrastructure and encourage sustained commercial growth over the next decade. Well, this debate is about difficult choices. It is easy to stand in front of this House and demand more tax cuts, but it is a greater challenge to own up to our responsibilities as elected officials and to ensure that our Nation has the capability to expand our avenues of commerce.

Our Nation's highway system is an irreplaceable cog in the movement of goods and services and our Nation's role in international trades. I represent a district with six seaports, and my constituents recognize the need for a seamless intermodal system that incorporates ports, rail, and highways. And I would be lying today if I said that I was not disappointed that the Republican leadership has limited the size and scope of commercial growth in this bill; yet I feel this legislation and its passage today is vital to our Nation because it represents an investment and a commitment to our infrastructure.

One of the critical elements of this legislation is the creation of jobs. Every $1 billion invested in our Federal highway and transit system creates 47,500 jobs. And given the net job loss over the last 3 years in this country, this bill will provide needed relief to workers.

This legislation is also environmentally responsible and will help communities achieve greater environmental benchmarks. This legislation ensures the protection of the CMAQ program, which is crucial to addressing concerns arising from highway congestion and insufficient air quality.

With the Houston, Galveston and Beaumont, Port Arthur areas that I represent classified as nonattainment areas, it is important to the region that I represent to ensure the viability of the CMAQ program. So let us do the right thing for working Americans. Let us pass this bill for the good of our economy and to create more jobs.

And I want to take a few seconds to thank Chairman YOUNG and Ranking Member OBERSTAR, Chairman PETRI, and Ranking Member LIPINSKI for their hard work and leadership on this bill. These Members and the committee staff have worked tirelessly on the legislation, and their efforts should not go unnoticed.

Mr. YOUNG of Alaska. Mr. Chairman, I reserve the balance of my time.

Mr. OBERSTAR. Mr. Chairman, may I have a compilation of the time remaining?

The CHAIRMAN pro tempore (Mr. LAHOOD). The gentleman from Minnesota (Mr. OBERSTAR) has 12¾ minutes remaining, and the gentleman from Alaska (Mr. YOUNG) has 10 minutes remaining.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. FILNER).

Mr. FILNER. Mr. Chairman, I thank the gentleman for yielding me this time.

We have heard the expression, ''It's the economy, stupid.'' Well, it's the infrastructure, stupid. It's jobs, stupid.

I know that the chairman, the gentleman from Alaska (Mr. YOUNG), thinks about jobs all the time, as does our ranking member, the gentleman from Minnesota (Mr. OBERSTAR), and the gentleman from Wisconsin (Mr. PETRI) and the gentleman from Illinois (Mr. LIPINSKI). It is jobs, jobs, jobs. And that is what the infrastructure of this country provides.

We have a bill here that is $100 billion less than it should be. To my simple math that works out to a loss of 4.5 million jobs. We are losing $600 billion worth of economic activities over the next 5 or 6 years. I do not understand an administration that is a ''donor'' administration in terms of its jobs that it has not created. By supporting a bigger bill, it could be a ''donee'' administration and actually create jobs, and that is what we need in this country today.

There is a controversy, I understand, about donor-donee. There does not have to be. The gentleman from Alaska (Mr. YOUNG), the gentleman from Minnesota (Mr. OBERSTAR), both want a 95 percent guarantee for every State, and they had it in the bill that we should have passed. And I say to the people who want to have that 95 percent guarantee, do not change this bill; vote for a bigger bill. We can afford it. We can be fiscally responsible. It is an investment in this Nation to have the bigger bill.

□ 1245

But we will do part of the job by passing this one today.

I happen to represent the whole California-Mexico border in this country. I have in my district 250,000 people crossing the border every day and thousands and thousands of trucks. I want to thank our committee for providing a ''border infrastructure fund'' to help address the needs that this international traffic places on our local communities. These local communities do not have the funds and should not be responsible. The border infrastructure fund gives us the ability for the Federal Government to meet its responsibility.

So I say, Let's have the jobs. Let's get rid of the donor-donee controversy. I know the gentleman from Alaska wants to do that and the gentleman from Minnesota wants to do it. Hopefully, down the line we will do it.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York (Mr. BISHOP).

Mr. BISHOP of New York. Mr. Chairman, it is incomprehensible that we are considering this legislation today under the threat of a Presidential veto. This is, first and foremost, a jobs bill. If the administration follows through with the threat to veto this bill, they will be denying tens of thousands of workers in New York and nationwide good jobs.

I am confused by those who wrap themselves in a cloak of fiscal responsibility when it comes to government spending and yet blindly support tax

cuts which have not produced new jobs. Jobs, not tax cuts that benefit the wealthiest Americans, stimulate the economy and put food on the table of working families.

Most disturbing about the President's veto threat is that even the bill we are considering today provides inadequate funding to meet our Nation's overwhelming transportation needs. The bill we are being asked to consider falls $100 billion short of the $375 billion bipartisan bill initially passed by our committee based on the Department of Transportation's own assessment of our Nation's needs.

Transportation spending is a win-win proposition. It creates jobs and improves safety and efficiency on our roads. This veto threat is just the latest example of continued misplaced priorities from this administration.

We need a real economic stimulus. We know that each $1 billion of Federal funds invested in infrastructure creates approximately 47,000 jobs and generates $6.2 billion in economic activity. That is the kind of boost that our economy needs.

I would like to thank the gentleman from Alaska, the gentleman from Wisconsin, the gentleman from Minnesota and the gentleman from Illinois for bringing this bill to the floor. I will support this bill because we must move this process forward. However, this bill is a far cry from the real investment needed to improve our infrastructure.

Finally, I would like to stress the importance of ensuring that the minimum guarantee formula stays at 90.5 percent. Our transportation policy now directs funding to the areas of the country where it is needed the most. It would be unwise to punish States with aging infrastructure and efficient mass transit systems by cutting off their funding. There is simply no way to reach a 95 percent minimum guarantee in a $275 billion bill.

Mr. YOUNG of Alaska. Mr. Chairman, I reserve the balance of my time.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois (Mr. DAVIS).

(Mr. DAVIS of Illinois asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Chairman, I want to thank the gentleman for yielding me this time. I rise in strong support of this legislation.

First of all, I want to commend the gentleman from Alaska (Mr. YOUNG), the gentleman from Wisconsin (Mr. PETRI), the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Illinois (Mr. LIPINSKI).

This bill will obviously provide opportunities for the creation of jobs in all of the districts across the country and especially in mine. However, the bill comes up a bit short because I do not think that we paid enough attention to rail transportation. Amtrak runs 50 trains out of my district in Chicago each and every day. Yet there is no money for Amtrak, and there is no money for rail safety.

I do want to highlight the fact, though, that this bill does in fact increase funding for the Access to Jobs program, a program that will take individuals from the inner cities and rural communities to where 75 percent of the new jobs are being created in what we call suburban outlying districts.

Overall, it is a good bill. I wish there were more money. I wish we could have looked at Amtrak in a different way and rail safety. I strongly support it.

Mr. Chairman, I rise today in support of the reauthorization of the Transportation Equity Act for the 21st Century. I commend Chairman YOUNG, Chairman PETRI, Ranking Member OBERSTAR, and especially the senior Democrat from Illinois Republican LIPINSKI for all of your hard work on this bill.

Our transportation system is vital to democracy. It is through our transportation network that we are able to move commerce and people with reliability and consistency. Every day millions of people travel our highways, and transit systems. This bill helps to ensure that we modernize our ailing transportation system and protect workers.

The bill contains a number of projects that will directly improve the roads and infrastructure in my Congressional District. This bill comes at a time when our economy is in need of a significant boost. We have lost over 3 million jobs in the last 3 years. My Congressional District has lost over 140,000 jobs in the last 30 years. While this bill is a modest investment in our Nation's highways and transit systems, I am disappointed that we did not report out the original bill, which contained a $375 billion funding level. That kind of funding level would have given us an historic opportunity to put Americans back to work.

Also, I am disappointed that more was not done to stabilize Amtrak. In fact, the House Bill contains no funding for Amtrak. Amtrak is a vital part of the economy in Chicago, and the Nation. Amtrak operates more than 50 trains into and out of the City of Chicago each day. These include an extensive network of long-distance trains that provide service to the East and West coasts, the Gulf of Mexico and Canada. Last year, Amtrak transported more than 2 million passengers. The failure to include funding for Amtrak sends a negative signal. In addition, this bill provides no funding for rail security to adequately address concerns regarding terrorism. We must learn from the tragedy in Spain and other attacks on rail systems throughout the country.

I am pleased with the increase in funding for the Job Access and Reverse Commute Program. This program assists low-income individuals and welfare recipients get to where the jobs are being created. In other words, data suggests that three-fourths of new jobs are being created in the suburbs. Therefore, we must find ways to get people from the inner cities and rural areas to where the jobs are. The Job Access and Reverse Commute program will provide over $1 billion in funding over the next six years.

Therefore, I am pleased that this important bill is finally moving forward. While I wish that the Committee had done more in funding important priorities—failure to act could lead to terrible consequences as it relates to our transportation infrastructure. Thus, I am pleased to support this bill.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. GARY G. MILLER).

(Mr. GARY G. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. GARY G. MILLER of California. Mr. Chairman, the gentleman from Alaska has dedicated years to this bill. I applaud him for that. I know it is less dollars than he would like to see because he does understand the problems we face in this Nation. The gentleman from Wisconsin has done an excellent job on the subcommittee. The gentleman from Minnesota has done a wonderful job working his side of the aisle trying to bring together a good bill for this country.

I represent California. I have parts of Orange County, L.A. and San Bernardino Counties. We are right on what is called the Alameda Corridor. All the trucks and trains coming from the harbor at Long Beach and Los Angeles come through our districts. Unless you live there, it is almost unbelievable to realize the impact that we face and our commuters face trying to go to and from work not only with the truck traffic from the harbors and the airports on our freeways but with the trains when you are trying to cross railroad tracks and at-grade crossings. Nothing that I can think of is more important that what we are doing this year and we have done in recent years in this bill.

The Founding Fathers had an idea of what the Federal Government should do, and one is to protect and defend our borders which we are trying and I believe we are doing an excellent job through the budget on, and the other is to ensure interstate commerce. In this generation, ensuring interstate commerce is making sure that goods can flow on our freeway systems and our rails to provide the goods and services that we need in this Nation. Our roads are coming close to being in a gridlock level in the Los Angeles area and Orange County. We need to resolve the problems we face there today.

TEA LU does pay special attention to the infrastructure deficiencies facing our Nation's truck traffic and the freight and it is tremendous some of the issues we have to deal with.

In Orange County alone, in my district on the Alameda Corridor through our cities currently we have 50 trains a day. In the near future, those trains will go up to 135 trains per day. The people who have to cross those crossings realize that that is a tremendous burden placed upon them and a tremendous burden placed upon businesses who have to ship their goods and people have to get to and from work. It is just unbelievable.

In one city that I represent, Placentia, in a 5-mile-long stretch, there are 11 at-grade crossings plus the associated communities around them. When a train starts going through that town, the whistle blows from the beginning they reach that city limit till the

projects that need to be put in this budget up front to help resolve some of the immediate impact that has been placed upon our State. He has made countless trips to California, I met with him on several different functions, explaining his vision for the future. That is why he calls it a legacy for our future, because of his vision of what should happen in the future of this Nation and how people should benefit, from the minute they get up in the morning and get in their car till their car comes home at night.

We have a wonderful bill before us. There are going to be some amendments, some I am going to oppose, but I honor the gentleman from Alaska for this great bill.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Massachusetts (Mr. OLVER).

(Mr. OLVER asked and was given permission to revise and extend his remarks.)

Mr. OLVER. Mr. Chairman, I rise in support of the Transportation Equity Act. I thank the gentleman from Alaska (Mr. YOUNG), the gentleman from Wisconsin (Mr. PETRI), the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Illinois (Mr. LIPINSKI) for their hard work on the legislation.

Mr. Chairman, this legislation is critical to meeting our country's transportation needs, but it also addresses a very serious problem that many of my colleagues who represent rural areas face. That problem is the virtually total absence of broadband services in rural areas.

The rural interstate corridor communications study included in this legislation will examine how fiber optic cable and wireless technology can be deployed to establish high-speed broadband service in rural and underserved areas, to improve intelligent transportation systems and homeland security applications, and to spur economic development in those rural areas. This important feasibility study is the first step toward increasing the access to affordable high-speed Internet services in rural areas. The benefits of this study will be of tremendous assistance to attracting technology-based companies and information age jobs to those rural communities.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from California (Ms. WOOLSEY).

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Chairman, I rise in support of TEA LU because it is the most effective economic stimulus package this House has considered since our economy began to slump. No, I am not talking about another tax cut. I am talking about a transportation bill. Infrastructure investments are the smartest, most profitable long-term job creation initiatives available to us at the Federal level at this time.

By investing our resources in transportation projects, we accomplish what annual tax cuts have thus far failed to do. We create good jobs, jobs that actually pay a living wage. Workers in these jobs support their families by performing tasks that also improve their communities. Efficient transportation systems will also allow people to spend less time commuting and more time with their families. Traffic adds hours to a parent's workday, making it even more difficult to balance the competing demands of work and family.

Vote for TEA LU.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the distinguished ranking member and the chairman for the hard, collaborative work that was done.

I, too, rise in support of TEA LU and with a particular inquiry and that is to the President of the United States. Mr. President, work with us. Jobs are needed, but, more importantly, security is needed and improved infrastructure is needed.

Let me applaud this committee for acknowledging the needs in the 18th Congressional District that include a number of very vital projects. One, for example, project is Row House, a community development corporation to construct bicycle and pedestrian trails to enhance an already depressed neighborhood that is coming back. Let me be grateful for the project dealing with the Old Spanish Trail and Alameda Corridors that will assist in our technology center.

But, more importantly, I need to cite for this body the importance of language that was agreed to that dealt with racial profiling. We all know the story of I–95, but how many of us know the story of 59 North? I appreciate very much the idea that racial profiling language was put in the bill to inhibit racial profiling in transportation facilities across the motion. I ask my colleagues to support the legislation and to support my amendment regarding flexibility in funding for bicycle paths and other transportation needs.

Mr. Chairman, I rise in support of this bill, H.R. 3550, the Transportation Equity Act, A Legacy for Users. Before this bill went to the full committee markup, I submitted the following project requests:

For the City of Houston, I made the following requests: $1,000,000 to extend Munn Street from Demaree Lane to Gellhorn Drive; $1,000,000 to construct and rehabilitate pedestrian walkways along the Main Street corridor to improve transit-related accessibility; $1,000,000 to converge a hike and bike trail into Gellhorn Drive, providing an improved multi-modal transportation facility; $1,250,000 to pave East of Enwood Forest and west of I–45 and from Little York to West Gulf Bank.

For the Greater Houston Development, Inc. CDC, we requested $4,000,000 for the installation of infrastructure including concrete streets, curbs, and gutters along the three major thoroughfares of E. Tidwell, Ley Road, and East Little York Road.

For the Row House CDC, we requested $750,000 to construct bicycle and pedestrian trails in Houston's historic Third Ward.

For the Old Spanish Trail and Almeda Corridors Redevelopment Authority, we requested $2,000,000 to construct landscaping and other pedestrian amenities in segments of the Old Spanish Trail and Griggs Road rights-of-way.

For the Texas Department of Transportation, we requested $2,000,000 to widen Hempstead Highway from 12th Street to Washington Avenue from four (4) lanes to six (6) lanes and for the improvement of the urban facility.

All of these projects, if funded as they appear in the bill as drafted, would serve to make Houston's transportation network more efficient and comprehensive, and I thank the Committee on Transportation and Infrastructure as well as the Subcommittee on Highways, Transit, and Pipelines for all of their hard work in getting these projects included.

AIRPORT POLLUTION

While I applaud the Committees' inclusion of projects that will help transportation systems, I must counter this discussion with a request that, in finalizing this bill, provisions be made to mitigate the problem of airport pollution.

A large number of my constituents in Houston have, for some time, complained about planes flying dangerously low and about the unbearable noise levels at Bush Intercontinental Airport. A gentleman who lives near the airport reported that "[he] cannot enjoy a day in [his] backyard, a barbecue, with all the noise, all the pollution going on." Attempts have been made to mitigate this impact such as temporarily diverting flights, reversing the FAA regulations that called for lowering flight altitudes, and constructing alternate runways. However, these efforts are "band-aids" for a larger problem. I ask that the Chairman and Ranking Member of the Transportation and Infrastructure Committee work to achieve a solution to this problem.

RACIAL PROFILING

As we work to craft legislation that will facilitate the modes and roads for transportation, we cannot forget about the issue of racial profiling that runs part and parcel with interstate and intrastate transportation. As a Member of the House Judiciary Committee, I have been able to hear testimony and to read accounts of the horrible and disparate effects of racial profiling—largely in response to this country's growing task of securing the homeland. In addition, I have had the opportunity to contribute to the crafting of legislation to combat this problem.

I support and have co-sponsored the End Racial Profiling Act of 2003 (ERPA). Racial profiling occurs when law enforcement relies on race, ethnicity, national origin, or religion in selecting which individuals to subject to routine or spontaneous investigatory activities, except when relying on a specific suspect description. This practice violates our Nation's basic constitutional commitment to equality before the law. Racial profiling is also contrary to effective law enforcement—whether used as a tool in the war against drugs or the war against terrorism, profiling fuels the perception in minority communities that the criminal justice system is unfair and undermines the trust between the police and the communities they serve.

To comply with the Aviation and Transportation Security Act, the Transportation Security Agency under the Department of Homeland Security developed and implemented a passenger screening system called the ''Computer Assisted Passenger Pre-Screening System II'' (CAPPS II). The objective of this system is to ensure passenger and aviation security. Under this system, all travelers passing through a U.S. airport will be scored with a number and a color that ranks their perceived threat to the aircraft.

Using easily falsified information such as a name, home address, home phone number and date of birth, this system would screen the airline passenger's name through credit databases and then run his information through secret government databases to make a judgment about his security risk. These secret databases would be compiled using intelligence and law enforcement records that could include personal information gleaned from commercial data such as purchase history and banking records.

Indviduals singled out by this program would have no way of knowing why they have been targeted. They would not know if they are the victims of the widespread inaccuracies that riddle government and private databases. Nor would they know if they have been falsely accused of wrongdoing, or have been discriminated against because of their religion, race, ethnic origin, or political beliefs.

Therefore, it is of paramount concern that, in passing legislation that aims to facilitate transportation and travel, we also end racial profiling and maintain respect for individual liberty. Language that begins to address this problem has been included in H.R. 3550.

Similarly, I co-sponsored the Hate Crimes Prevention Act of 2004. The FBI has reported a dramatic increase in hate-motivated violence since the September 11th terrorist attacks. While the overall crime rate has grown by approximately two percent, the number of reported hate crimes has increased dramatically from 8,063 in 2000 to 9,730 in 2001 (a 20.7 percent increase). Racial bias again represented the largest percentage of bias-motivated incidents (44.9 percent), followed by Ethnic/National Origin Bias (21.6 percent), Religious Bias (18.8 percent), Sexual Orientation Bias (14.3 percent), and Disability Bias (0.4 percent).

RAIL SECURITY

As a Member of the House Select Committee on Homeland Security, however, the issue of rail security must be addressed when it comes to transportation funding. Within the context of this legislation funding, I feel that priority should have been given to the improvement of our critical infrastructure, to enhance our emergency preparedness, and to aid our first responders who are responsible for the operation and maintenance of our local, State, and interstate railways. Especially in light of the recent subway explosions that took the lives of over 200, it is urgent that we take measures to increase our rail security whenever there is an opportunity—this bill and the upcoming Transportation Appropriations bill are such an opportunity.

On March 11, 2004, an al Qaeda bombing of commuter trains in Madrid, Spain killed nearly 200 people and wounded more than 1,500 others. A minor fire incident in Washington, D.C.'s subway system recently gave us a glimpse of the potential for disruption to our public transit systems. Failure to invest in the security of passenger rail and public transit could leave these critical systems vulnerable to terrorist attack. Millions of Americans rely on mass transit systems on a daily basis. Making these systems as safe as they can be from terrorist attacks must be a high priority for the Department of Homeland Security.

I have signed onto a letter from my Texas colleague and the Ranking Member JIM TURNER to Secretary Tom Ridge expressing the need to increase our rail security.

Between 1997 and 2000, more than 195 terrorist attacks occurred on surface transportation systems worldwide. There are over 140,000 miles of train routes in the U.S., 500 Amtrak stations, and 500 major urban transit operators. Nearly nine billion passenger trips are taken on U.S. mass transit systems every year. Since the attacks of September 11, the U.S. Department of Transportation and the Federal Bureau of Investigation have warned transit and other railroad systems of possible terrorist strikes.

In sum, Mr. Chairman, I support the inclusion of the projects which I cited that have been included in the bill that will improve Houston's transit system; however, in the course of finalizing its language in House and Senate conferences, I hope that my colleagues will look to make provisions for more rail security, given the urgent need.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New York (Mr. ENGEL).

(Mr. ENGEL asked and was given permission to revise and extend his remarks.)

Mr. ENGEL. Mr. Chairman, I rise in strong support of this bill because this bill means jobs for many Americans currently unable to find employment. This bill is about bolstering our Nation's transportation infrastructure which has a direct impact on our economy. I believe that this is a good bill. I wish it was even more money because we can use the transportation infrastructure money.

I am very sorry that the administration is threatening to veto this bill because it goes above the $256 billion limit they set. I do not know why they do not seem to get it. They do not get the fact that America's workforce and floundering economy would benefit tremendously from this legislation. It is unbelievable that at a time of high unemployment this administration is threatening to veto legislation that would actually create real jobs.

I do not want to hear phony cries about budget restraint. The tax cuts for the rich rob us of our ability to have good programs. This is a great program. The administration says that anything above $256 billion is too expensive. This is ludicrous because the transportation bill is self-funding. The former chair, Mr. SHUSTER, did a wonderful job in ensuring that revenues generated for the trust fund would only be used for transportation projects.

I commend the gentleman from Alaska (Mr. YOUNG), the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Wisconsin (Mr. PETRI) and the gentleman from Illinois (Mr. LIPINSKI). I think this is a marvelous bill, and I wholly support it.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Colorado (Mr. UDALL).

Mr. UDALL of Colorado. Mr. Chairman, I rise in support of TEA LU. However, I am disappointed that it does not include language to close a dangerous loophole in a 30-year-old law that allows school districts to use 15-passenger vans to transport students to and from athletic trips and other school activities.

I have introduced legislation, H.R. 1641, to remedy the problem. It would prohibit the purchase, rental or lease of 15-passenger vans for use to transport students. I understand that the ranking member is amenable to working with me and others in conference to ensure we put an end to this practice that puts schoolchildren's lives on the line every day.

Is this the understanding of the gentleman from Minnesota?

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. UDALL of Colorado. I yield to the gentleman from Minnesota.

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Mr. OBERSTAR. Mr. Chairman, the gentleman from Colorado has identified an issue that has been highlighted by the National Transportation Safety Board. I am in full sympathy with the gentleman, and we will work to accomplish that objective.

Mr. UDALL of Colorado. Mr. Chairman, I thank the gentleman from Minnesota for his remarks and look forward to working with him.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Chairman, I thank my colleague for yielding me this time.

I rise in support of H.R. 3550, a bill that is bipartisanly crafted by both the gentleman from Alaska (Chairman YOUNG) and the gentleman from Minnesota (Mr. OBERSTAR), ranking member; and they have made the best out of what is a bad situation. The fact that the administration is threatening to veto this legislation at the level of $270 billion shows the irrational negotiating posture of the opponents of infrastructure improvement and investment.

I support the $375 billion transportation infrastructure bill. And where does that number come from? It comes from the level that the U.S. Department of Transportation says is necessary to improve the mobility in our country. Mr. Chairman, if we do not improve the mobility of our country, just in Houston we lose $2.1 billion every year in productivity in fuel and congestion, and it is getting worse. And these are not my figures. These are figures from the Texas Transportation Institute's 2003 Urban Mobility study. This highway bill is not pork barrel politics. It makes investment in mobility that the public desperately

wants and needs. Our gasoline user fees are for our public highways by tapping revenue from those who benefit from them, motorists and truckers.

Mr. Chairman, I rise in support of H.R. 3550, a bill where our bipartisan Transportation Committee leadership, Chairman YOUNG and Ranking Member OBERSTAR have made the best out of a bad situation.

The fact that the administration is threatening to veto this legislation, at the level of $275 billion, shows the irrational negotiating posture of the opponents of infrastructure investment.

I support a $375 billion transportation infrastructure bill. Where does that number come from? That is the level that the U.S. Department of Transportation says is necessary to improve mobility in the country.

Frankly, I support indexing the gasoline user fee to inflation, a method that is far simpler than having to stop every few miles and dig around for change in the car seat to pay a toll. Under this bill, tolls will too often be the only option available to make infrastructure improvements.

The funding level the administration supports barely allows us to tread water, while China, India, Japan, Europe, and other competitors are investing heavily in infrastructure to strengthen their economies.

It is frustrating to be confined by inadequate transportation funding during tough economic times because infrastructure investment brings major employment and development benefits.

Each billion spent on infrastructure creates 47,500 American jobs. At least 3.5 million jobs would be generated and sustained through 2009 under the $375 billion level in the original H.R. 3550, including over 200,000 jobs in Texas.

Under this bill, we will get significantly less employment and economic activity than that.

The administration and self-proclaimed fiscal conservatives in Congress do not seem to understand that residents in my community are idling away an average of 37 hours and 60 gallons of gas this year in congested traffic.

Just in Houston, we lose $2.1 billion, every year, in productivity and fuel, and congestion has been getting worse. These figures are according to the Texas Transportation Institute's 2003 Urban Mobility Report.

This highway bill is not pork barrel politics; it makes investments in mobility that public desperately want and need. Our gasoline user fee funds our public highways by tapping revenue from those who benefit from them—motorists and truckers.

This bill has important projects for our area in Houston and across Texas, particularly U.S. 90, Clinton Drive, and a Harris County Freight Railroad Corridors and Urban Mobility Program.

This railroad project in particular needs more study and involvement by all stakeholders before we get to implementation, but the problem of grade crossings and mobility does need to be addressed urgently.

Some important policy provisions regarding transportation conformity are also included in this legislation, such as making the conformity process a four year cycle, voluntary limiting of conformity planning to 10 years, and allowing a 12-month grace period in the event of a conformity lapse.

I do not believe that these provisions solve all our problems, and I would hope that the cosponsors of our legislation in the conference will include further necessary improvements to the conformity process.

Our area of Houston is struggling to meet Clean Air Act requirements by statutory deadlines, and I think we will have success.

But to have our mobility crippled by losing transportation funding due to a confusing and contradictory process would be the worst public policy disaster in decades for our area.

Looking ahead to a conference with the other body, I want to congratulate the bipartisan Transportation Committee for its best work in a bad situation.

The closer we get our funding to the U.S. Department of Transportation recommended level of $375 billion, the better off our economy will be.

Mr. OBERSTAR. Mr. Chairman, I yield myself the balance of my time.

We have heard a wide range of thoughtful views, some of them expressed in very hurried fashion due to the time limitations. But if we had 24 hours of debate, there would not have been enough time to hear all the views of all Members because transportation really undergirds our entire economy.

I leave one statistic with my colleagues. In 1987 the cost of logistics, moving people and goods, consumed 16 percent of our gross domestic product of this country. Last year logistics consumed just under 10 percent of our gross domestic product. That is a gain of $600 billion in our $10 trillion economy. That investment gain is due to the investments that we have made through this committee in cooperation with States and localities improving our infrastructure. That is the core of why we are on the floor today, to advance the Nation's economy, productivity, and competitiveness at home and abroad.

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

In closing, I would like to thank all the Members who have spoken in favor of this bill. There is no one who spoke against the bill. There will be approximately 11 more amendments offered. I believe this bill is properly structured.

And I have to say this. I again want to stress one thing. I came to this House 31 years ago. I came to this House to work to achieve legislation, and I believe we can only do that by working together. It is something I believe very strongly in. And I know there are those who do not agree with me, who do not want to achieve, but to bicker; and I do not think this is what this House is all about.

So I again congratulate the other side, the minority, at this time for their willingness to work with me and I to work with them to achieve a goal. And I think we have partially reached it in this legislation.

Because of certain media reports about the 375, I have to remind those that might be listening to this or are watching that the 375 that I chose 2½ years ago with the gentleman from Minnesota (Mr. OBERSTAR) was not an artificial number. It was not a ''wanna'' number. This is a number that came from this administration just to maintain and improve a little bit. There was only one way we could have gotten there, and that was by, in fact, increasing user fees. And of course that has run into tremendous opposition from different people, everybody knows who. But I hope they understand what we are really trying to do in this legislation; and what we should have been doing with the 375 is the future of this Nation because at this period of time before elections, we hear a lot of people talking about Social Security, Medicare, education, border patrol, homeland security, prescription drugs; and they are all good and they are all needed. But there is only one way we can have the financial revenue to get those achievements done, and that is to have a good infrastructure system in place for the future. Without a good infrastructure system, we do not have the economic capability of doing those things everybody wants us to do.

This is not a new idea. Eisenhower saw it and built the interstate system 50 years ago and made this the greatest Nation not just for security purposes, but to be able to move goods and products and people to and from and establish industries because of that infrastructure system put in place 50 years ago.

Now we have competition internationally. We have nations that recognize this. We did not win the Cold War because of our military might. In fact, we did not even win the Second World War because of our military might. We won it because we could deliver troops, products, food, and people across this Nation to the manufacturing points. China, as said in my opening statement, now recognizes that. And we hear a lot of China, about outsourcing. We hear a lot about China and their economic growth; but they recognize why we were great, and I stress that word ''were,'' because they are going to build in 15 years the same amount of highways that it took us 60 years to build in the United States to tie their provinces together, like we tied our States together, so there would be no more warlords. They will have a united China with 4.5 billion people to be able to produce and compete with anyone in this world and probably beat them on all forms of products, especially when Russia is right next door with all the natural resources that they use to do that production.

And the foresight, I believe, the gentleman from Minnesota (Mr. OBERSTAR) and I have had to see that challenge and try to rise to that occasion to make sure this Nation has the ability to compete internationally, that is what this bill is about and what it should be as more.

And that is why in this bill I have a reopener, and I have people objecting to that, because I believe our economy is coming back, but our needs to move people is also increasing at a dramatic

rate, and I want to have my grandkids and my great grandkids and my great, great grandkids to have the advantages and ability to compete globally because of the infrastructure system that we will put in place.

I have told my adversaries that are against my 375 that I will be back. I will continue this fight because I believe in it so strongly for this Nation. I believe this House has a responsibility to leave a proper legacy behind for the future generations of this great Nation. I hope everybody that listens to the debate as far as the amendments go understands that we are going to listen to them. We will vote some down; we will accept them, but when it is all said and done that we step forth with this bill tomorrow I hope in the near hours to start the process to leave a legacy behind for this great Nation.

Mr. PASCRELL. Mr. Chairman, I rise in strong support of the amendment offered by my friend Mr. LOBIONDO.

What Mr. LOBIONDO has put forward is a common sense measure that is long overdue. Our home state of New Jersey has recently enacted John's Law, which allows police agencies to impound the vehicles of drunken drivers.

John's Law is named after Navy Ensign John Elliott. John was driving from Annapolis to his home in Atlantic County, New Jersey for his mother's birthday. En route, his car was struck by a drunken driver. Both Elliott and the other driver were killed.

Three hours earlier, the other driver had been arrested and charged with driving under the influence of alcohol. He was released into the custody of a friend, who drove him back to his car and allowed him to get behind the wheel. This tragedy brought attention to a loophole in State law which has since been corrected.

The LoBiondo amendment would not mandate any action by the states. Rather, we hope it will encourage them to impound vehicles of DWI drivers as another important tool in the arsenal of alcohol-impaired countermeasures.

If someone is arrested for drunk driving, it is logical that they not be allowed to get right back behind the wheel of their car, endangering other drivers. Police and public safety groups in New Jersey have praised this policy and I hope that other states will do the right thing by enacting similar laws that will save lives.

On a personal level, I want to recognize the efforts of Bill Elliott, John's father, who has not rested in his work to ensure that such a tragedy would never be repeated.

Passage of the LOBIONDO amendment will help Bill in his quest for better public policy. We can all hope for a day when what happened to the Elliott family will never happen to other families.

I urge a ''yes'' vote on this amendment and I thank my friend for bringing this laudable policy before the House.

Mr. ORTIZ. Mr. Chairman, I rise today in support of H.R. 3550, Transportation Equity Act: A Legacy for Users . . . and I commend Chairman DON YOUNG and Ranking Member OBERSTAR for their leadership on a difficult bill before the House. I also thank Chairman PETRI and Ranking Member LIPINSKI of the Subcommittee on Highways, Transit, and Pipelines for their hard work on this legislation the last couple of years.

Despite the funding level limitations placed on the committee the committee has done an outstanding job in bringing a good bill to the floor that provides $275 billion for highways and transit. I was hopeful we would be moving the bill preferred by the Senate, with a higher investment in national transportation system. By improving our infrastructure in the United States, we grow our economy. This is the best sort of job-creation bill.

With the Southwest international border shouldering a greater and greater load of NAFTA commercial traffic, there is a greater and more urgent need for an interstate highway corridor down to Southern border. The border corridor infrastructure will help our local communities through which so much of the commercial trade passes.

Investing in these inter-modal improvements means investing in the future of efficient movement of people and goods in the 21st Century to remain competitive, reduce congestion, reduce pollution, and provide for the safety of everyone traveling along our roads and highways.

Investments to improve the security of America's critical infrastructures, including passenger rail and public transit, will benefit not only our national security but also our economy and the safety and reliability of systems that Americans rely on every day.

This bill provides important funding to the state of Texas and my district. While there are still issues to be resolved, in particular the donor-donee issue, I am confident that this will be addressed as we move this bill further along through the process and on to the conference.

Transportation is literally the lifeblood of trade and commerce that winds its way through South Texas, creating and supporting a number of jobs. The funding the Committee included in the bill for our neck of the woods will help with a number of safety issues, as well as generally contributing to creating new commercial opportunities for our area.

The Committee included several public transportation projects for our area. Utilizing public transportation helps move people around more economically, it reduces pollution, and it reduces traffic in the area . . . all of which will go a long way to provide congestion relief for area commuters and a new level of safety for South Texans.

Mr. YOUNG of Alaska. Mr. Chairman, I submit the following two letters for the RECORD.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, March 26, 2004.

Hon. DON YOUNG, Chairman,
Committee on Transportation and Infrastructure, U.S. House of Representatives, Washington, DC.

DEAR CHAIRMAN YOUNG: I am writing with regard to H.R. 3550, the Transportation Equity Act: A Legacy for Users, which was ordered reported by the Committee on Transportation and Infrastructure on March 24, 2004. As you know, the Energy and Commerce Committee has jurisdiction over matters involving air quality planning and the air quality impact of transportation projects, the Congestion Mitigation Air Quality Program, provisions involving energy production, supply and storage and other matters contained within H.R. 3550 as reported.

I recognize your desire to bring this legislation before the House in an expeditious manner. Accordingly, I will not exercise my Committee's right to a referral. By agreeing to waive its consideration of the bill, however, the Energy and Commerce Committee does not waive its jurisdiction over H.R. 3550. In addition, the Energy and Commerce Committee reserves its right to seek conferees on any provisions of the bill that are within its jurisdiction during any House-Senate conference that may be convened on this legislation. I ask for your commitment to support any request by the Energy and Commerce Committee for conferees on H.R. 3550 or similar legislation.

I request that you include this letter as part of the Committee's Report on H.R. 3550 and in the Record during consideration of the legislation on the House floor. Thank you for your attention to these matters.

Sincerely,

JOE BARTON,
Chairman.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC, March 26, 2004.

Hon. JOE BARTON, Chairman,
Committee on Energy and Commerce, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of March 26, 2004 regarding H.R. 3550, the Transportation Equity Act: A Legacy for Users. Your assistance in expediting consideration of the bill is very much appreciated.

I agree that there are certain provisions in the bill that are of jurisdictional interest to the Committee on Energy and Commerce and I agree that by foregoing a sequential referral, the Committee on Commerce is not waving its jurisdiction. Be assured that I will support your request to be represented in the conference on those provisions in the jurisdiction of the Energy and Commerce Committee.

As you have requested, I will include this exchange of letters in the Committee report on the bill and in the Record when the bill is on the Floor. Thank you for your cooperation and your continued leadership and support in surface transportation matters.

Sincerely,

DON YOUNG,
Chairman.

Mr. PORTMAN. Mr. Chairman, I rise to express my support for my Drug Impaired Driving legislation, which is included in the H.R. 3550, the Transportation Equity Act: A Legacy for Users.

I know it would probably surprise most of my colleagues to learn that up to 20 percent of drivers involved in motor vehicle accidents were under the influence of illegal drugs, or that in 2002 almost 11 million people drove a car or truck while under the influence of drugs.

Over the past decade, our Nation's aggressive response to the problem of drunk driving has greatly reduced the number of drunk drivers on the road. But the Nation's 16 million current users of illegal drugs have faced no similar effort as they continue to drive under the influence of drugs such as marijuana, cocaine and heroin.

I believe a more effective public policy for detection and prosecution will not only improve traffic safety and create a deterrent, but would get those drivers who violate the law into treatment.

The Drug Impaired Driving Research and Prevention Act, which I introduced with my colleagues SANDER LEVIN, JON PORTER, MARK SOUDER, JERRY COSTELLO, STEVEN

LATOURETTE, JIM RAMSTAD and DAVID HOBSON, will provide assistance and guidance to States as they begin to address drug impaired driving. The language calls on the U.S. Secretary of Transportation to craft a model State drug impaired driving law and helps ensure that drivers in need of drug treatment are identified and provided with the appropriate assistance. The legislation enhances the training of police officers and prosecutors to detect, enforce, and prosecute drug impaired driving laws and also funds research to develop field tests to be able to identify drug impaired drivers.

This legislation will greatly improve traffic safety and reduce traffic fatalities as has been the case with drunk driving laws. It is time to deal with these undetected dangers on our roads and highways before more damage occurs and more lives are lost. I thank Chairman YOUNG for including this important legislation in the Highway bill.

Ms. DEGETTE. Mr. Chairman, I rise today in strong support of the Transportation Equity Act: A Legacy for Users. The reauthorization of TEA–21 offers the opportunity to celebrate some of that landmark legislation's visionary projects.

The Southeast Corridor—or T–REX as it is affectionately known in my home district of Denver, Colorado—is one of TEA–21's best projects. It is currently on time, on budget and already providing essential transportation services. Upon completion in 2006, T–REX will connect the region's two largest employment centers through an improved interstate highway system and additional light rail transit. These roadway and transit improvements will significantly enhance inter-regional and intra-regional transportation of people and goods.

T–REX is quite literally driving Colorado's economic engine.

I would be remiss, however, if I did not express my disappointment with the funding levels of the bill before us. I concur with the State Departments of Transportation's assessment of our nation's infrastructure needs. That is why I am a proud cosponsor of this legislation as originally introduced by the estimable Chairman DON YOUNG and Ranking Member JIM OBERSTAR.

It is unfortunate and dismaying that the President has chosen to wield the club of a veto threat on what is essentially the only jobs creation legislation before this Congress. I deeply regret the missed opportunity that the $275 billion price tag represents. We will be unable to address the donor state issue, which affects the transportation dollars Colorado receives, among other important changes we should be examining.

Having said that, I applaud the Committee on its excellent work. I appreciate their recognition of the gains embodied in TEA–21 and of the growing infrastructure needs our nation faces.

Mr. OXLEY. Mr. Chairman, I stand in support of H.R. 3550, the Transportation Equity Act: A Legacy for Users (TEA–LU).

In my congressional district, the rural highways that served our Nation for decades can no longer sustain the increasing numbers of cars, semis, and other vehicles that use them every day. Many of these roads cannot meet the expanding needs of the communities and growing economies that they serve. U.S. Route 30, the prime east-west truck route in my district, continues to exemplify this problem.

As the chief alternative to the Ohio Turnpike and Interstate 70, Route 30 has seen drastic increases in truck traffic over the years—more than 63 percent in the last decade alone. This has led to a tragic number of fatal accidents on the narrow two-lane segments of this road. Obviously, the need for a four-lane upgrade has never been more crucial.

Six years ago, as part of TEA–21, I was able to secure more than $11 million for the purchase of right-of-ways for the Route 30 modernization throughout my congressional district. Since then, I have been honored to join my constituents at a groundbreaking ceremony in Crestline and a ribbon-cutting ceremony near Beaverdam to mark further progress on this lifesaving project, for which they have been waiting for more than four decades. Construction work continues between Upper Sandusky and Mansfield, with completion of the various upgraded segments slated for later this year. I'm grateful that TEA–LU will provide an additional $10 million in direct funding for continued Route 30 construction from State Route 235 in Hancock County to the west end of the Upper Sandusky bypass in Wyandot County, bringing much-needed relief to those who drive and live near this major highway.

I'm also pleased that the bill provides $2.3 million to continue U.S. Route 68 bypass construction efforts in Urbana. In 1958, the State of Ohio launched this project to connect Interstate 70 to U.S. Route 33 west of Columbus, purchasing significant parcels of land for the new road. Little progress has been made to date, though, hampering the ability of local officials to promote and develop the area west of the city. This bill will advance the second phase of the overall project by providing needed design and right-of-way funds.

In accord with TEA–LU's expansion of rail/highway crossing safety programs, I am grateful to the Committee for including important rail grade separation projects in the reauthorization. In the city of Lima, the construction of new grade separations will alleviate the potential dangers that arise when stopped trains cut off an entire sector of the populace from emergency services. A similar project in Urbana will allow for the rehabilitation of the rail bridge over U.S. Route 36.

Mr. Chairman, I applaud the stalwart leadership and commitment of Chairmen DON YOUNG and TOM PETRI in setting a course toward meeting our nation's growing transportation needs. I also salute the continuing hard work of STEVE LATOURETTE and BOB NEY in securing the best possible rate of return for Ohio and other donor states to the Highway Trust Fund. As we move to conference, their efforts in support of highway funding equity and fixing the ethanol tax penalty will help our state to complete Route 30, Route 68, and many vital infrastructure projects that have been on the shelf for years due to lack of funding. I look forward to working with them and with our outstanding senators, MIKE DEWINE and GEORGE VOINOVICH, to ensure that our state and nation have the best and most modern transportation systems in the world.

Mr. SENSENBRENNER. Mr. Chairman, I reluctantly oppose this bill. I do so for two reasons. I believe that the bill spends too much money, and it contains too much pork. Many highway projects are good uses of the public's money, but many are not. I think this bill has too many of the latter. We are never going to balance the budget if we do not rein in wasteful spending, and today is a good place to start.

Second, I do not believe that the jurisdictional concerns of the Committee on the Judiciary have been fully addressed. Numerous provisions of the bill fall within our jurisdiction. We requested a sequential referral of the bill, which we received, but it did not provide sufficient time for a markup. I appreciate the many conflicting pressures that leadership faces, and I do not criticize them for that decision.

We have also worked with the Transportation Committee to try to resolve our concerns, but we have not yet been successful in fully doing so. For example, only yesterday I have learned of a provision tucked away in the bill that I understand would extinguish a particular pending federal False Claims Act lawsuit brought by the Department of Justice. I am very concerned about the ramifications of this kind of legislation. I will certainly be seeking conferees as to that provision and seeking its removal from the bill.

Among my other concerns is that the bill as currently drafted would give the Secretary of Transportation some independent litigating authority with respect to certain hazardous materials actions. It is the longstanding position of the both the Department of Justice and the Committee on the Judiciary that litigation authority for the federal government should remain unified in the Department of Justice. We cannot yield on that point. Chairman YOUNG has partially resolved that problem in the manager's amendment, and I look forward to continuing to work with him to fully resolve that issue.

I also appreciate his willingness to include language I requested to clarify that Congress has the right to alter, amend, or repeal certain interstate compacts that are authorized in the bill.

I remain concerned about a new grant program included in the bill that deals with racial profiling. I am hopeful that we will be able to work together in conference to improve that provision.

There is also new material in the manager's amendment that falls within our jurisdiction which we have not yet had time to thoroughly study, so we will be looking at those sections.

Finally, I will request that Members of the Judiciary Committee be appointed as conferees on all sections of the bill that fall within our jurisdiction, and I will continue to work cooperatively as we go forward to work out these concerns.

But, for the reasons I have stated, I must reluctantly oppose the bill at this point.

Mr. COSTELLO. Mr. Chairman, first let me say thank you for a job well done to Chairman YOUNG, Mr. OBERSTAR, Mr. PETRI, and Mr. LIPINSKI for their leadership on bringing this bill to the floor today.

Without their leadership and persistence we would not have a bill to even consider today.

Despite a threat of a veto and suggestions that we should have a scaled down bill that would not even provide enough funding to the states to do general operations and maintenance of their transportation systems and other suggestions that we should have a 2-year bill, we are here today to consider a good, six-year bill.

While I would have preferred the original bipartisan bill that the committee supported at

the $375 billion funding level over 6 years, I support the bill before us today in hopes that we can make the bill even better in conference.

The bill before us provides $275 billion over 6 years and maintains roughly an 80/20 split in hwy and transit funding.

Also, I am pleased that we have a section in the bill for mega projects—projects that are very important to our nation's transportation system that otherwise could not be funded out of the normal state funding formula.

Finally, it is important that we pass this bill out of the House and conference quickly. When we invest a billion dollars in our infrastructure we create 47,500 new jobs and $6.2 billion in economic activity. This bill will help our economy at a time when our economy needs it most—we must act now so that we can put people to work during this construction season.

Mr. Chairman, I again salute and thank Chairman YOUNG, Mr. OBERSTAR, Mr. PETRI, and Mr. LIPINSKI for their leadership and hard work.

Mr. DUNCAN. Mr. Chairman, vicarious liability laws in 3 states (NY, ME, CT and DC) impose unlimited liability on car and truck renting and leasing companies for injury and property damage solely because they own the vehicles. Eight other states have some limited form of vicarious liability. Vicarious liability is ''liability without fault'' in that these companies have no involvement in or ability to prevent the accident. They cost consumers an average of $100 million annually. Companies nationwide are affected, not just in the few vicarious states, because the laws apply based on where the accident occurs, not where the car or truck is owned or registered. As a result, a car registered and rented in a non-vicarious state that gets into an accident in a vicarious state is subject to that state's vicarious laws. Companies have no way to protect themselves against these laws.

I propose adding to H.R. 3550 (TEA LU) a provision to eliminate vicarious liability nationwide. Under this provision, only a company that is at fault or negligent in an accident could be held liable for damages. T&I Chairman YOUNG, Highways Subcommittee Chairman PETRI, and Highways Subcommittee Ranking Member LIPINSKI all support this provision; Ranking Member OBERSTAR is noncommittal at this point.

The amendment eliminates liability under state law for an owner of a motor vehicle who is engaged in the business of renting and leasing motor vehicles provided there is no negligence or criminal wrongdoing on the part of the motor vehicle owner; the owner must maintain the required state limits of financial responsibility for each vehicle in accordance to the state where the vehicle is registered; elimination of vicarious liability commences on the date of enactment; and defines ''motor vehicle'' and ''owner.''

Mr. BEREUTER. Mr. Chairman, this Member rises in strong support of H.R. 3550, the Transportation Equity Act: A Legacy for Users.

This Member would like to begin by thanking the distinguished gentleman from Alaska (Mr. YOUNG), the Chairman of the Transportation and Infrastructure Committee, and the distinguished gentleman from Minnesota (Mr. OBERSTAR) for their extraordinary efforts in bringing this bill to the Floor. This Member would also like to express sincere appreciation to the distinguished gentleman from Wisconsin (Mr. PETRI) and the distinguished gentleman from Illinois (Mr. LIPINSKI) for their hard work on this important legislation, which is designed to enhance our nation's highways, bridges, and transit, while improving safety and creating jobs.

Clearly, a higher level than the nation currently spends on our highways and bridges is justified. Due to the dramatic deterioration of our nation's transportation infrastructure and the substantial growth of our population with attendant travel, our country must make a significant investment in our roads, bridges, and transit systems.

This Member believes that is important to recognize that transportation funding must be based on needs. It is clearly necessary to address the very real and pressing transportation requirements of this nation. Substandard roads contribute to increased congestion and greater danger for motorists. Better roads improve safety and efficiency.

It is important for the new surface transportation bill to not only maintain our current infrastructure of highways and bridges, but to improve it. Last year, the Federal Highway Administration released its 2002 version of the Conditions and Performance Report on the Status of the Nation's Highways, Bridges, and Transit. According to this document, the previous Highway Bill—TEA 21—has had a positive effect on improving road conditions generally. The report also noted that states and local governments have also increased their investment in transportation projects. Despite these improvements, the performance report stated, ''There is significant room for increases in highway capital investment that would result in positive net benefits to the American people, in terms of reductions in travel time, vehicle operating costs, crashes, emissions, and highway agency costs.''

Improving our transportation system is good for the economy and it benefits each American. In fact, accelerating the funding for transportation infrastructure is in itself one of the best economic stimulus actions.

This Member would like to take this opportunity to mention several issues of importance to Nebraska and the First Congressional District.

First, this Member is very pleased that TEA–LU authorizes funding to address the problem of railroad-highway crossings and the elimination of road hazards. This issue—which was the focus of the field hearing in Lincoln, Nebraska, last year—affects many states, but the problem is especially acute in Nebraska, which has 4,000 public and 2,700 private rail grade crossings.

Nebraska has the highest number of rail/highway grade crossings per mile in the U.S. and has the most heavily used rail corridor in the nation. Nebraska is taking action to ensure that the safety issues surrounding the rail crossings are addressed. However, the state clearly lacks the financial resources to finance the hugely expensive program to reduce the safety risk associated with the more important of these crossings.

Nebraska is served by both the Union Pacific and the Burlington Northern Santa Fe railroads. Combined, these railroads account for 70 to 140 trains per day using their two main lines across the whole west-east distance of Nebraska. The railroads continue to play an important economic role in the state, but additional, dramatically increased efforts must be made to improve the rail crossing issue.

According to Nebraska Governor Mike Johanns, a state rail study found that public crossings are blocked by moving trains over 2,300 hours a day and that even in a low population state like Nebraska, its drivers spend an estimated 6,350 hours a day waiting for trains to pass. This problem will not go away on its own. In fact, the average coal train length has also grown from 110 cars to 135 cars, while the number of trains has doubled in the past 20 years.

Governor Johanns has further noted that the State of Nebraska currently receives about $4.7 million of Federal and $3.3 million of state rail safety funds per year. However, the needs are much greater. The state's total rail/highway safety funding needs are more than $420 million which would cover just 85 possible rail/highway grade separations from a much larger total.

This Member would also like to emphasize support for including in the final surface transportation bill the provisions from two bills he has introduced in the 108th Congress.

This Member believes that it is important that the final version of the surface transportation legislation ensures that agricultural transporters would continue to be exempt from hours of service requirements when operating within a 100 mile radius of their point of origin during planting and harvesting season. This is a matter of great importance to the transporters of agricultural commodities and supplies as well as to consumers. Although the 1995 National Highway System Designation Act included my proposal which led to a rule creating the exemption, this relief has been threatened by proposed hours or services rule changes. This provision, based on a bill this Member introduced last year—H.R. 871—is needed to safeguard this necessary exemption and provide a clearer definition of ''agriculture commodities.'' The bill has been endorsed by the Agricultural Retailers Association and the Agricultural Transporters Conference of the American Trucking Associations.

This Member also supports inclusion in the final version of the legislation a provision based on the ''Safer Roads Everywhere Act'' introduced by this Member last year. This proposal—H.R. 1226—is designed to enhance global traffic safety and would benefit Americans who are traveling or living abroad. The legislation also is designed to provide the National Highway Traffic Safety Administration (NHTSA) with the authority it needs to conduct activities to improve worldwide traffic safety. Furthermore, it would provide the Department of Transportation with opportunities to gain knowledge about international traffic safety practices and programs which could be incorporated in the U.S. The bill is supported by the Association for Safe International Road Travel, the Advocates for Highway and Auto Safety, and the Institute of Transportation Engineers. My staff has worked with NHTSA and the World Health Organization in developing the legislation.

This Member is also supportive of a provision which is designed to improve public safety through improved enhanced emergency response and increased security of intermodal containers. This provision would also authorize a pilot project to demonstrate emergency communications systems that provide wideband, two-way information transfer capabilities.

This Member is pleased that H.R. 3550 includes provisions approved by the Ways and Means Committee designed to address the ethanol issue as it affects the Highway Trust Fund. Importantly, the Ways and Means Committee increased the funding available for transportation while protecting ethanol by shifting the cost of the Federal ethanol subsidy from the Highway Trust Fund to the general fund. The Committee did this by creating an equivalent tax credit in place of the ethanol tax exclusion of 5.2 cents per gallon. In addition, the Committee transfers an existing 2.5 cents per gallon ethanol tax from the general fund to the Highway Trust Fund. These actions are important not only for transportation, but also for Nebraska's agricultural community.

This Member is also very pleased that H.R. 3550 includes funding for several projects which would provide significant benefits to the 1st Congressional District, Nebraska, the region, and the nation.

NEBRASKA HIGHWAY 35—$13,000,000

The intent of the Nebraska Highway 35 project is to develop the most efficient route from Norfolk to South Sioux City. Currently, this route is comprised of several short segments of highway winding its way to the northeast. This project has significant regional and national importance. The 68-mile project will provide a more direct regional connection and greatly facilitate travel, for example, between the Twin Cities of Minnesota and Denver as well as regional north-south traffic. It is also a project of great importance to the area's local communities.

The new corridor will provide significant safety, congestion mitigation, and economic development benefits and reduce travel time. The Nebraska Department of Roads classified the Highway 35 project as a ''planned expressway'' in 2001.

LINCOLN SOUTH BELTWAY—$14,566,300

The South Beltway is a vital component of Lincoln, Nebraska's long-range transportation plans and will be an important solution to the highway traffic congestion in a wide swath of central Lincoln with the substantial truck traffic resulting from the newly completed State Highway 2 Expressway connection to Interstate I–29 in western Iowa.

The South Beltway is a vital component of the City's long-range transportation plans and will be an important solution to the traffic congestion that is beginning to affect this growing community. This Member has been personally interested in advancing this project, which will be beneficial to the entire region. Funding is needed to build upon past congressional support for the South Beltway.

ANTELOPE VALLEY (LINCOLN)—$4,000,000

The Antelope Valley project is a comprehensive plan to protect and enhance highways and flood control in downtown Lincoln that has emerged from a partnership between the City of Lincoln, the State of Nebraska, the University of Nebraska-Lincoln (UN–L), the Lower Platte South Natural Resources District and the Army Corps of Engineers. The project involves transportation, flood control, and community revitalization, many portions of which must be developed concurrently for maximum efficiency. For Phase I of the transportation component of the Antelope Valley Project, funding is needed for a new north-south roadway and a new east-west roadway within the redevelopment corridor. Between $7–8 million in Federal highway funding has already been devoted to this large-scale project.

FREMONT RAILROAD GRADE SEPARATION—$1,807,300

Funding is needed to create a grade separation structure across a railroad corridor in the western part of the City of Fremont. This location is at the top of the Nebraska Department of Roads' list of grade separation needs across the state. The project will create significant safety and economic benefits.

LOUISVILLE BYPASS—$1,626,400

This project, which has the support of the Louisville mayor and city council as well as the Cass County Commissioners, to implement a Nebraska Department of Roads study, would relieve severe truck/traffic problems on Nebraska Highway 66 in the community and thus provide significant safety and economic development benefits for the area. This state highway is becoming more frequently used as a short-cut between I–29 and I–80 and that trend will accelerate when the two new Missouri River bridges in Sarpy and Cass counties are put in place.

U.S. 34 IOWA/NEBRASKA MISSOURI RIVER BRIDGES—$12,000,000

The distinguished gentleman from Nebraska (Mr. TERRY) and the distinguished gentleman from Iowa (Mr. KING), whose districts are also part of the site for the two-bridge, bi-state project across the Missouri River in Cass and Sarpy counties for access to I–29 support its construction as does this Member. The total funding represents the separate but complementary requests of the distinguished gentleman from Nebraska (Mr. TERRY), the distinguished gentleman from Iowa (Mr. KING), and this Member. This important project is urgently needed to replace two obsolete and deteriorating bridges crossing the Missouri River. The construction of these replacement bridges will result in increased safety and improved economic development in the area.

The agreement leading to this request for funding was the result of intensive discussions and thus it continues to represent the consensus of city, county and state officials as well as the affected Members of Congress. We believe it is the best approach for Nebraska, Iowa and the entire region.

PFLUG ROAD & I–80 INTERCHANGE—$3,000,000

A future interchange at Pflug Road would provide a major catalyst for the development of southern Sarpy County. The existing Pflug Road bridge over I–80 will be removed as a part of the I–80 widening project between Omaha and Lincoln. In order to accommodate the interchange, the new Pflug Road bridge will be constructed approximately ¼ mile to the south of the existing location. Currently, the nearest interchange south of Pflug Road is Nebraska Highway 66, which is about five miles southwest, while the closest interchange north of Pflug Road is Nebraska Highway 31, about two miles northeast. This Member is pleased to join the distinguished gentleman from Nebraska (Mr. TERRY) in supporting this project. The total funding represents the separate but complementary requests of the distinguished gentleman from Nebraska (Mr. TERRY) and this Member.

CORDOVA ROAD—$1,500,000

This project would involve paving 5.5 miles of road north of Cordova to I–80. Paving this road would provide an important long-missing transportation link in Seward County, Nebraska, (and for areas south of the county) which currently lacks the funds to complete the project. It would also provide economic development benefits in the area.

NEBRASKA STATEWIDE RURAL TRANSIT NEEDS ASSESSMENT—$300,000

This project is needed to assess capital and operating financial needs of rural transportation in Nebraska.

This Member would also like to express strong support for designating the University of Nebraska—Lincoln as a participant in the University Transportation Center (UTC) program. The UTC provisions in H.R. 3550 currently provide for a competitive selection process among the universities. However, if this process is revised and universities are designated in the final version of the legislation, this Member strongly urges that the University of Nebraska—Lincoln be included.

UN–L is uniquely qualified to be included in the UTC program. UN–L has already developed a strong area of expertise in the area of transportation safety research; therefore, this Member believes that it would be an excellent addition to the UTC program.

In recent weeks it has come to this Member's attention that an important project—Antelope Valley in Lincoln—may require clarifying language to help ensure that work may continue in a timely manner. This Member urges the final version of the legislation to include the following provision or something similar:

(A) ANTELOPE VALLEY PROJECT.—The Secretary shall enter into an agreement with the Corps of Engineers to allow for the Federal flood control funds to be matched with Federal surface transportation funds as the non-Federal match. The Antelope Valley Project in Lincoln, NE, has successfully demonstrated the cost savings that can be derived from a coordinated effort between federal, state, and local agencies to study, plan, and construct a major infrastructure project that will mitigate flooding and transportation congestion while revitalizing the heart of downtown.

This Member strongly supports H.R. 3550 and urges his colleagues to vote for it.

Ms. DELAURO. Mr. Chairman, I rise in support of this legislation. Few responsibilities of the Federal government touch the lives of American families like funding for our Nation's highways. Whether you are a business owner moving product or a parent getting the kids to school before going to work in the morning, we all recognize the importance of well-designed and maintained roadways.

And with almost 9 million Americans out of work and 47,500 jobs created for every billion dollars put toward federal highway and transit spending, we recognize that investing in our highways is an investment in our Nation's future, in our families and in our quality of life.

While all of our States have transportation needs, by no means are they equal. At the same time I–95 truck traffic is expected to double in 10 to 15 years, the Northeast has one of the oldest highway and transit infrastructure systems, as well as some of the oldest and most heavily used bridges in the United States. Last week's fuel tanker crash on 1–95 in Bridgeport only highlighted these shortcomings, pointing to Connecticut's dire need for a viable alternative to our congested highways.

I believe most members of the Transportation and Infrastructure Committee would agree we should provide at least as much funding nationally as the other body has.

I remain concerned about ongoing attempts to raise the minimum guarantee rate in this bill to 95 percent. Raising the minimum guarantee not only destroys the concept of needs-based aid, it does so at a time when assistance is most urgently needed.

Mr. Chairman, as this legislation moves to conference, it is critical that we remain committed to providing funding to the States that require improvements the most. That is how this body can serve the Nation best, and that is what this bill should aspire to.

Mr. RAHALL. Mr. Chairman, I rise today to quote the words of President Dwight Eisenhower, the father of our, Highway Trust Fund, who rightly said ''A network of modern roads is as necessary to defense as it is to our national economy and personal safety.'' President Eisenhower's words ring as true now as they did then.

Traditionally, the Transportation bill has been free from partisan differences. We have an old saying on the Transportation Committee, ''There are no Republican bridges, no Democratic bridges, just America's bridges.''

Unfortunately, Mr. Chairman, this year, the bill has fallen victim to political differences—within the divided Republican Party. Even though we've had enough support to pass the bill since last year, the divided Republican Party has held up passage of this bill for months. The President opposes Congressional Republicans from both the House and the Senate. House Republicans are divided against each other. The President has even gone against his own Department of Transportation.

House Republicans go along with the President on tax cuts, a Medicare bill with an uncertain price tag, and funding infrastructure in Iraq. And, then he publicly belittles their transportation spending efforts by calling the highway bill an ''entitlement.''

The division within the Republican Party also extends to their traditional allies in the business community. The President opposes the bill because he claims it spends too much. The U.S. Chamber of Commerce says it might oppose the bill because it doesn't spend enough.

I hope that when we get to conference with the Senate, we increase the level of funding—as the majority of Members from both parties want. When we get to conference we also need to maintain several key protections that are in this bill.

To ensure that adequate funding is available across our National network, this bill guarantees each State a minimum rate of return equaling 90.5 percent of each dollar invested in the Highway Trust Fund. Each State is also guaranteed a minimum apportionment in funds.

But now, some States want to turn back the clock to some sort of Articles of Confederation, and keep the gas tax money for themselves. Doing so would rip apart the very fabric that binds our Nation together: our surface transportation system.

Many of those same States also want to alter the proposed scope of the minimum guarantee program, which will penalize States whose needs are regional, or even national, in scope. An error in the Fiscal Year 2004 Appropriations is already costing my State $20 million in badly needed highway funds. Altering the proposed scope of the Minimum Guarantee program, now, would only worsen this situation.

I supported H.R. 3550 months ago, with its equitable minimum guarantee program. I don't support making dramatic changes in the bill, now, after supporting the underlying bill for months.

It is important to bear in mind what President Eisenhower understood: that our transportation system is an integrated, coordinated, national network. It seamlessly crosses State borders regardless of the differences within those States, as the business community clearly understands. To be truly national, it must address measurable needs nationwide—taking into account the greater difficulty some States have at roadbuilding, or the greater needs some States have for transit.

Mr. Chairman, I come from West Virginia—one of the most difficult States for constructing highways. Transportation in—and through—my State is critical not just to West Virginians, but also to trucks, tourists, and commuters from other States.

And, if you cut equitable funding for highways this time, what will prevent cuts next time to the mass transit funding that States such as Illinois, New Jersey and California depend upon?

Just like other national programs where West Virginians' tax dollars go to help other States—such as the location of defense bases, or the Farm program—some contribute more than they get back.

That is appropriate. You can't drive across Mickey Mouse roads when you're traveling crosscountry to see Mickey, himself.

Mr. FALEOMAVAEGA. Mr. Chairman, I rise today in support of H.R. 3550, the Transportation Act—A Legacy for Users (TEA–LU). I am pleased that my good friends Chairman DON YOUNG and Ranking Member JIM OBERSTAR of the House Transportation Committee have agreed to increase transportation funding for the Territories.

Congresswoman MADELEINE BORDALLO, Congresswoman DONNA CHRISTENSEN and I have worked on this issue for the past year and Congressman NICK RAHALL, ranking member of the House Resources Committee, has supported our efforts.

As a result of our work, the Territorial Highway Program (which includes American Samoa, Guam, the U.S. Virgin Islands and CNMI) will be increased from $33 million to $40 million for FY04, FY05 and FY06. For FY07, FY08 and FY09, funding will increase to $50 million. Despite the Transportation Act (now known as TEA–LU) being $100 billion less than what was originally proposed, the Territorial set aside will increase by 23.6 percent.

Moreover, I have worked closely with Chairman YOUNG and Ranking Member OBERSTAR to include $14 million for high priority projects in American Samoa. This funding is in addition to American Samoa's annual Federal highway funds and will be used for village road improvements, drainage mitigation, shoreline protection and upgrades and repairs of the Ta'u ferry terminal facility.

In consultation with the Honorable Togiola Tulafono, Governor of American Samoa, I have asked the Committee to set aside $9.4 million for village road improvements in the Eastern, Western, Central and Manu'a districts of American Samoa.

In further consultation with Senator Tuaolo Fruean and High Paramount Chief Mauga and members of the Pago Pago council of chiefs, we have also set aside $1 million for drainage mitigation for Pago Pago village roads.

In consultation with Senator Tago Suilefaiga, Representative Fagasoaia Lealaitafea and Representative Mary Taufete'e and members of the Nuuli council of chiefs, we have set aside $1 million for shoreline protection and drainage mitigation for Nuuli village roads.

In consultation with Senator Faamausili Pola and members of the Ta'u village council of chiefs, we have set aside $1.6 million to upgrade and repair the Ta'u harbor facility.

Finally, in consultation with Senator Faiivae Galea'i, Senator Lualemaga Faoa and members of the Leone and Malaeloa councils of chiefs, we have set aside $1 million for drainage mitigation for Malaeloa-Leone village roads.

Again, I thank my colleagues, both Democrat and Republican, and I also thank the local leaders of American Samoa, including Governor Togiola, for working closely with me to make sure that American Samoa's needs are addressed in this historic and important initiative.

I urge passage of this bill and I again commend Chairman YOUNG and Ranking Member OBERSTAR for their leadership and support.

Mr. YOUNG of Alaska. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. LAHOOD). Pursuant to the order of the House of Tuesday, March 30, 2004, all time for initial general debate has expired, and under that order, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PETRI) having assumed the chair, Mr. LAHOOD, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3550) to authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes, had come to no resolution thereon.

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 3550, TRANSPORTATION EQUITY ACT: A LEGACY FOR USERS

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 593 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 593

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved in the Committee of the Whole House on the state of the Union for further consideration of the bill (H.R. 3550) to authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes. No further general debate (except for the final period contemplated in the order of the House of March 30, 2004) shall be in order. The amendment in the nature of a substitute recommended by the Committee on Transportation and Infrastructure now printed in the bill, modified by the amendments printed in

part A of the report of the Committee on Rules accompanying this resolution, shall be considered as adopted in the House and in the Committee of the Whole. The bill, as amended, shall be considered as the original bill for the purpose of further amendment under the five-minute rule and shall be considered as read. All points of order against provisions in the bill, as amended, are waived. No further amendment shall be in order except those printed in part B of the report of the Committee on Rules. Each further amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment or demand for division of the question. All points of order against such further amendments are waived. At the conclusion of consideration of the bill, as amended, the Committee shall rise and report the bill, as amended, to the House with such further amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. The amendment considered as adopted under the first section of this resolution shall be considered an amendment offered under section 411 of House Concurrent Resolution 95.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from California (Mr. DREIER) is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, I rise today in strong support of both the rule we are considering now as well as the underlying legislation. Before I get into the legislation itself, I would like to briefly speak about the rule. Mr. Speaker, this is a very fair and balanced rule. The Committee on Rules received a total of 59 amendments for our consideration, and this rule makes in order 23 of those 59 amendments that were submitted to us. It includes 14 amendments offered by Republicans, eight amendments offered by Democrats, and one bipartisan amendment. The rule also makes in order a very bipartisan manager's amendment, which addresses a significant number of concerns that have been raised by many Members.

The rule also includes an important provision from the Committee on Ways and Means to ensure fiscal solvency of the Highway Trust Fund, as well as a provision relating to the mass transit guarantee.

Mr. Speaker, this provision is necessary to ensure that current flexibilities and authorities of Congress to set appropriate annual spending levels for basic salaries and administrative expenses for the Federal Transit Administration are maintained.

Under current law, the Committee on Appropriations can adjust spending in this account so long as those savings are rolled into other mass transit programs and the full transit guarantees are preserved. The underlying bill, as reported by the Committee on Transportation and Infrastructure, restricted the ability of the Committee on Appropriations to adjust spending on an account-by-account basis. The amendment to the bill included in this rule simply provides guidance in interpreting existing rules of the House to ensure that the status quo is maintained. This is not intended to provide any new authority whatsoever.

Mr. Speaker, I want to note that I will continue to work with the committees to perfect language to ensure that the provisions achieve the intended purpose. Legislating House rules in this manner is not my preferred way to proceed.

Regrettably, however, when TEA 21 was enacted, changes to the House rules were legislated within the authorizing statute and were not implemented through the regular order of the House.

□ 1315

Instead, they were and are continuing to be legislated by a committee that does not have any jurisdiction over this matter.

I want to make it very clear, Mr. Speaker, that the Committee on Rules has and will retain its jurisdiction over the rules of the House. As part of our review of budget enforcement procedures, this and other budgetary enforcement mechanisms will be further scrutinized. It is my hope that the affected committees will continue to work with the Committee on Rules to ensure that all changes to the rules of the House are thoughtful and reasoned. But, Mr. Speaker, despite my reservations over some portions of the legislation, I want to reiterate my strong support for the underlying legislation.

Mr. Speaker, the Transportation Equity Act: A Legacy For Users, reauthorizes our Nation's surface transportation programs for the next 6 years. The very core of this bill is safety and congestion relief.

Investing in transportation infrastructure has fundamental impacts on our quality of life, our Nation's economic growth and, as was just said by the distinguished chairman of the Committee on Transportation and Infrastructure, our competitiveness in the world. Our highways, transit systems, pipelines, airports, harbors and waterways serve as the backbone of our economy by moving people and goods, employing millions of workers, and generating a significant share of total economic output.

Transportation-related goods and services generate 10 percent of our total gross domestic product. In making our infrastructure backbone stronger, TEA LU provides safety improvements that will save lives. Many of the more than 42,000 highway fatalities each year can be prevented by building better roads and improving the safety features of existing roads. Commercial motor vehicles are involved in 12 percent of all crashes resulting in a fatality. Carriers transporting extremely hazardous materials must ensure that sufficient safety and security measures are in place to accomplish that transportation without loss of life, injury or property damage.

Improvements in safety include the movement of freight from ship to shore, which must be conducted in a safe, efficient, secure manner in order to improve air quality and decrease congestion.

Congestion relief is imperative. American families do not need books of statistics to know that traffic congestion has increased. We all know that rush hour starts earlier in the day and ends later at night, creating more travel time than ever before. Congestion also negatively impacts our environment by increasing emissions and wasting fuel. Vehicles in stop-and-go traffic not only emit more pollutants than they do when operating without frequent breaking and acceleration, but obviously they decrease fuel efficiency as well.

In my home State of California, improving safety while reducing congestion has never been more critical. As California is considered the Gateway to the Pacific Rim, 40 percent of the Nation's goods are imported through the ports of Los Angeles and Long Beach. The infrastructure supporting the movement of goods from ship to shore through Los Angeles and Long Beach will distribute an estimated $314 billion worth of trade by the year 2020.

Facilitating growth in trade is directly connected to the overall economic vitality of the entire Nation. Ninety-five percent of U.S. international cargo by volume is transported by ocean. According to the United States Trade Representative's Office, nearly 20 percent of all U.S. jobs are directly associated with international trade.

In the Southern California region alone, improvements to our infrastructure will reduce a projected 300 percent increase by 2020 in auto-truck traffic delays in points where freight moving on railroads impedes vehicle and pedestrian traffic. This is just one example of how TEA LU strengthens our transportation infrastructure into the next decade.

During this debate, you will hear the challenges we must still address in improving our surface transportation programs. Nobody can deny that the need is great and our resources are limited.

In addition, I look forward toward working that States receive their fair share. However, our critical task here is to ensure the safety of American families and to move people and goods throughout this country faster and more efficiently. This bill accomplishes that goal.

I would like to congratulate the gentleman from Alaska (Chairman

YOUNG), the gentleman from Wisconsin (Chairman PETRI), the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Pennsylvania (Mr. LIPINSKI) on their leadership in crafting this important legislation.

To that end, Mr. Speaker, I urge my colleagues to support this rule and the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

(Mr. FROST asked and was given permission to revise and extend his remarks.)

Mr. FROST. Mr. Speaker, throughout my 25 years of service in this House, I have always worked hard to ensure a bright economic future and a good quality of life for the people I represent. That is why I have consistently made transportation priorities of North Texas my own priorities here in Congress. I have always supported the Federal highway and transit bills that have come before the House, because I knew they would directly benefit the people of my area.

In 1998, for example, I voted in favor of TEA 21, the last transportation reauthorization bill passed by Congress. That bill widened a major thoroughfare in North Texas, Interstate 30, from six to eight and ten lanes, easing congestion in Dallas-Fort Worth and the surrounding areas.

TEA 21 also included important funding to expand DART, the Dallas Area Rapid Transit System. As one of DART's original supporters, I knew that by reducing motor vehicle traffic on our already-overcrowded roads, the system would significantly reduce air pollution and ease the commute of thousands of Dallas residents. An important byproduct of both these projects were the many, many good jobs created for our community.

So for me it has always been an easy decision to vote for the transportation bills in this House, and that is why today I am proud to rise in strong support of this year's transportation authorization bill, TEA LU.

TEA LU will be one of the most important bills we pass in Congress this year, and the reason is simple: Transportation projects stimulate economic activity in our home communities. Quite simply, this bill is good for our Nation's economy. In fact, the Federal Highway Administration reports that for every $1 billion in Federal funds invested in highway infrastructure, it creates 47,500 new jobs and $6.2 billion in economic activity.

So whenever Congress passes its transportation reauthorization bill, we do not simply reduce congestion and air pollution, we create jobs, good jobs that cannot be shipped overseas, and we create huge opportunities for our constituents by bringing the government, the private sector and the general public together to help grow the economy so that those good jobs stay here at home in our own communities.

There is no doubt that for far too many Americans, the U.S. economy is in bad shape. Over 8 million people are currently unemployed, the average length of unemployment has risen to 20.3 weeks, the longest duration since 1984, and no new private sector jobs were created last month. So, as you can see, Mr. Speaker, it is especially critical that we pass the transportation bill today.

The bill before us today continues to provide benefits for North Texas. It is my understanding that the bill contains $35 million in funding that I requested from the committee to replace Interstate 30 and Interstate 35 Trinity River bridges in Dallas and for the improvements to I–635 in Dallas. The bill also authorizes four new rail lines to expand DART in Dallas, including construction of a Northwest/Southeast extension that will add 60,000 daily riders to the rail system.

So, by passing TEA LU, we will not only be reducing air pollution and easing congestion throughout the metropolitan area, we will be creating new jobs and a brighter economic future for North Texas.

Mr. Speaker, highway and transportation funding must never be subject to partisan politics. There is too much at stake for the American people, and there is too much at stake for the economy. I know that my colleagues all want the same thing for their constituents as I want for mine: clean air, better roads and good jobs. The bill before us today can set us on that path. I hope that today Members will set aside politics as usual and vote to pass TEA LU for the good of our communities and our entire Nation.

Mr. Speaker, I urge a yea vote on the rule and on the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, I am very happy to yield 3 minutes to the gentleman from Atlanta, Georgia (Mr. LINDER), the distinguished chairman of the Committee on Rules' Subcommittee on Technology.

Mr. LINDER. Mr. Speaker, I thank my friend from California, the chairman of the Committee on Rules, for yielding me time.

Mr. Speaker, I rise in support of House Resolution 593 and urge the House to approve this rule so we can move on to consideration of the underlying legislation, H.R. 3550, the highway funding bill.

As the gentleman from California (Chairman DREIER) described, this is a fair, structured rule that makes in order a total of 23 amendments, 14 Republican and 8 Democrat, and one very important bipartisan amendment. Thus, the Committee on Rules has crafted a rule that will allow the House to have a lively debate and work its will on a number of key issues that these amendments raise. H. Res. 593 should receive bipartisan support for doing so.

With respect to H.R. 3550, this legislation reauthorizes our Nation's highway and transit programs for the next 6 years and covers a variety of important transportation needs. While I am pleased that the House is moving forward with its consideration of the highway bill, there is one outstanding issue that concerns me, the issue of minimum guaranteed funding.

Georgia has, unfortunately, been a highway funding donor State for far too long. The two previous highway bills in 1991 and 1998 made good progress toward improving donor States' rates of return, but more still needs to be done in order to treat Georgia and other donor States more fairly.

In the 1998 Transportation Equity Act For the 21st Century, TEA 21, I worked hard, along with other key members of the Georgia delegation, to achieve the present rate of return of 90.5 percent. With these efforts, Georgia was able to raise its average rate of return from 76 percent to approximately 86 percent of their share of contributions over the 6-year life of the bill.

Unfortunately, H.R. 3550 in its current form is not a step forward toward the current goal of 95 percent. It does not even maintain the current level of minimum guaranteed funding provided under TEA 21. Although H.R. 3550 maintains the TEA 21 rate of return of 90.5 percent, the bill would mandate that only 84 percent is available for minimum guaranteed funding, unlike TEA 21, which sets aside approximately 93 percent of the Highway Trust Fund for minimum guaranteed needs.

As such, the issue of minimum guaranteed funding under H.R. 3550 must be addressed more satisfactorily. In this respect, I am very pleased that the rule we crafted in the Committee on Rules will provide Members the opportunity to consider amendments offered by the gentleman from Georgia (Mr. ISAKSON) and the gentleman from Georgia (Mr. BURNS) and others which is designed to address this very concern.

Mr. Speaker, this is a good rule. It provides all Members the opportunity to debate a wide variety of transportation related issues facing our Nation. I urge my colleagues to support the rule, so we may proceed to debate the underlying legislation.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts (Mr. MCGOVERN).

Mr. MCGOVERN. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, while the Committee on Rules this morning reported out of committee an unnecessarily restrictive rule, and, as a result I will not support the rule, I do want to commend the chairman of the Committee on Transportation and Infrastructure, the gentleman from Alaska (Mr. YOUNG), and the ranking member, the gentleman from Minnesota (Mr. OBERSTAR), as well as the subcommittee chair, the gentleman from Wisconsin (Mr. PETRI), and the ranking member, the gentleman from Pennsylvania (Mr. LIPINSKI), for all their hard, bipartisan work

on this highway reauthorization bill. They recognized the importance of adequately meeting our Nation's transportation needs and of creating good-paying jobs for the American people at a time when we desperately need new jobs.

I only wish that the leadership of this House and the White House would follow their lead and the lead of the entire membership of the Committee on Transportation and Infrastructure. There are lots of good things in this bill, but I continue to believe that the overall funding level is not enough to meet our needs.

In States all across this country, including Massachusetts, roads and bridges are crumbling under the burden of age and heavy use. Adequate infrastructure is essential for economic development. We can do better, and I am hopeful that in the very near future we will have the opportunity to return to transportation policy to finish the work that this bill begins. I was glad to hear the distinguished Committee on Transportation and Infrastructure Chair say that he would be back fighting for more money, and I will certainly stand with him in that effort.

Mr. Speaker, I am also concerned about efforts by some Members to decrease highway safety and quality by increasing truck size and truck weight. This rule makes in order two amendments that are particularly troublesome.

The first, offered by my colleague, the gentleman from New Hampshire (Mr. BRADLEY), would create an exemption from existing Federal truck size and weight limits for certain roads in his home State. The exemption for New Hampshire would damage the highway infrastructure, especially bridges, and cost taxpayers a great deal of money.

The U.S. Department of Transportation calculated that if the exemptions the Bradley amendment would create were applied nationwide, it would result in additional bridge costs to taxpayers of $329 billion.

Further, heavier trucks are more dangerous. As truck weights increase, fatal accident rates will go up, according to the University of Michigan Transportation Research Institute. In fact, the Institute says, ''Gross combination weight is the only vehicle characteristic showing a clear association with the overall fatal accident rate.''

I also urge my colleagues to oppose the amendment offered by the gentleman from Indiana (Mr. CHOCOLA). This amendment would allow truck operators who use ''idle reduction technology'' to operate at 400 pounds above the Federal legal weight limits.

□ 1330

Although this seems to be only a minor increase in weight, it would actually cost Americans hundreds of millions of tax dollars each year because of the increased pavement damage this additional weight would cause.

According to the EPA, there is an inexpensive alternative to the idle reduction technology proposed in this amendment that would still reduce emissions and save fuel without adding additional weight. The alternative is stand-alone truck stop electrification systems, which are permanent structures located at various truck stops that have HVAC systems attached. The driver purchases a one-time $10 adapter and pays an hourly rate to use the system.

The Chocola amendment also runs counter to the recent agreement between the American Trucking Association, and the Association of American Railroads that calls for no national truck weight increases in the transportation reauthorization bill. While a 400-pound weight increase may seem innocuous, it is not as simple as it seems, and it is best left out of this highway reauthorization bill.

Proposals to increase truck sizes and weights have been opposed by a broad range of national organizations because of their negative impact on the highway infrastructure and their danger to other motorists. Organizations opposing bigger trucks include the American Automobile Association, the International Brotherhood of Police Officers, the National Association of Emergency Medical Technicians, the National Association of Police Organizations, and the National Troopers Coalition.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman's time has expired.

Mr. DREIER. Mr. Speaker, I yield 1 minute to my friend, the gentleman from Massachusetts (Mr. MCGOVERN); and when he has completed his statement, if he would yield to me for 1 comment, I would appreciate it

Mr. MCGOVERN. Mr. Speaker, I appreciate the gentleman's courtesy.

The National Troopers Coalition, the Society of Trauma Nurses, these groups know firsthand the danger caused by bigger and heavier trucks on our roadways.

So I urge my colleagues to oppose both the Bradley and the Chocola amendments.

Again, Mr. Speaker, I commend the gentleman from Alaska (Chairman YOUNG) and the gentleman from Minnesota (Ranking Member OBERSTAR) and all of the members of the Committee on Transportation and Infrastructure for their hard work.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. MCGOVERN. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I did not want to interrupt my colleague when he was going through his prepared statement, but I did want to clarify one issue that the gentleman raised.

He said in his opening that this was an unusually restrictive rule, and I would just like to state for the Record that when the ISTEA legislation was considered, there were a total of 12 amendments made in order. That was in the 102nd Congress when the Democrats were in charge. When TEA 21 was considered, there were a total of six amendments made in order, Mr. Speaker; and then in this legislation we have provided for consideration of a total of 23 amendments.

So that is why I asked the gentleman to yield.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. MCGOVERN).

Mr. MCGOVERN. Mr. Speaker, I think what I said was this was an unnecessarily restrictive rule, and what I meant to say is that, as usual, this is a restrictive rule that we have come to expect of the Committee on Rules.

There were a number of good amendments that were not made in order, and I think that, as a result, I will oppose the rule.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. MCGOVERN. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, all I was saying is that if you go and look at the pattern of consideration of transportation measures, when the gentleman's party was in control, half the number of amendments were made in order.

Mr. MCGOVERN. Mr. Speaker, reclaiming my time, I would simply say that there were a lot of good amendments dealing with truck sizes and truck weights but also dealing with issues like outsourcing that the Committee on Rules chose not to make in order, which I think is unfortunate.

Mr. DREIER. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee (Mr. DAVIS).

Mr. DAVIS of Tennessee. Mr. Speaker, I appreciate the opportunity to make a few presentations about TEA LU. Living in a rural area, it is obvious to me that as we see infrastructure and dollars that are being spent on roads, it is the fertilizer that drives economic development for many of the areas, especially rural areas throughout this country. I applaud this House in their effort to pass legislation that will provide funding for infrastructure that will eventually provide economic development for this Nation.

There are many who look at this bill and say, look at the jobs that will be created as we start building infrastructure. Well, it is more than just the jobs that will be provided as we build the infrastructure. It will be the jobs 50 years from now that my grandchildren or my unborn great grandchildren will have an opportunity for a job as well. Because, as I have observed, the interstate systems in Tennessee and throughout this Nation, as we build a system that provides transportation from coast to coast and border to border, we have seen economic development unsurpassed by any other country as a result of those dollars spent.

Now, as we look at this particular bill, certainly $275 billion sounds like a lot of money for 6 years. Unfortunately, I believe, and I think most of the folks that I represent believe, that that is too short, that it does not go fair enough. As a result of that, I, along with three other Members of the House, introduced an amendment that would enhance the dollars to at least the amount that the Senate approved, being $318 billion.

Some folks say, well, we can spend the money some other place. But there are no sections of our economy that produces the jobs at the same rate for the same dollars spent as infrastructure and development on our road systems and infrastructure of this country. As a result of that, I think that enhancing the dollars, increasing the amount, is a wise thing for those of us in Congress to do.

Because, Mr. Speaker, as we build infrastructure we provide the tools that will drive the economic engines of the future generations for now or decades from now. What we are doing, unfortunately, what we are doing today is not passing on an engine or the fertilizer for economic development; and, unfortunately, what my grandchildren will be receiving is huge debts, a $500 billion deficit in trade and a $500 billion deficit in our budget. At least this way, this Congress can do something for generations down the road, instead of taking away from them.

Mr. DREIER. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's courtesy in yielding me this time and permitting me to speak on this bill.

There are two things I wanted to say, that we have seen our committee leadership that has been appropriately exhalted for the hard work that they have done, and we have some terrific men and women who have been laboring in the field. The majority party has recognized some of theirs, and I would like to acknowledge Ward McCarragher, David Heymsfield, Ken House, Clyde Woodle, Jonathan Upchurch, Art Chan, Sheila Lockwood, who stayed with the committee for another 4 months before retiring, and Jason Tai. On the Majority side we have had extraordinary cooperation from Joyce Rose. These people have worked with the committee leadership, the staff to put together a really artfully crafted piece of legislation.

The problem is that we are today not able to deal with what I think is the most important issue and that is how to rightsize it. The gentleman from California (Mr. DREIER), my good friend, talked about the number of amendments that have been offered up and balanced with what happened with the original TEA 21 or ISTEA. I do not know about the number, but the significance of the amendment is what should be debated, not the number.

We have had a meltdown with some of our friends on the Republican side of the equation because they are not being able to correlate their needs. They are concerned about adequate money dealing with a donor or donee.

Well, our amendment which was not made in order would have just simply rightsized it to the Senate number and would have provided $3 billion more for California, $2.5 billion for Texas, $1.6 billion for New York, $1.5 billion for Florida. It would have given the committee leadership an opportunity to deal with the balance that is so important.

I hope that we will, in a moment, support an effort by the gentleman from Texas (Mr. FROST) to be able to make in order an amendment to deal with at least voting on whether we are going to have the same level of funding as the Senate. I think it is important for the House to establish that marker. It would make it a lot easier for everybody. It is fully funded. It does not require a tax increase, and I sincerely hope that we will, in our wisdom, be able to consider it.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. MENENDEZ).

(Mr. MENENDEZ asked and was given permission to revise and extend his remarks.)

Mr. MENENDEZ. Mr. Speaker, I want to also commend the leadership of the committee in producing a bill within the constraints that they had and in keeping so many items that are of great, important policy intact.

But I oppose the rule because the committee does not allow the House to work its will on a higher funding level that the committee, on a bipartisan basis, recognize is needed for the Nation's infrastructure. Also, because of a critical issue on this bill that is also about jobs, the committee did also not accept my amendment which was a sense of the Congress that none of these jobs in transportation should be outsourced.

Now, it is very difficult to see billions of dollars going to Iraq for infrastructure funding and to leave America short of where we need to be. I believe, as does I think a majority, if they were given the opportunity, that the Senate bill of $318 billion is a fiscally responsible bill. I also believe that it is responsible national economic development policy, and I also believe it is responsible national security policy.

That is why I was pleased to have joined my colleagues in offering an amendment in the Committee on Rules that would have increased the funding of this bill to that Senate level of $318 billion and let the House work its will. We did not get that chance in this rule.

Now, transportation is about a lot more than simply moving goods and people from one place to another. It is about economic development in both the short and the long term. It is about good-paying jobs at a time that we desperately need those jobs. Having lost several million jobs during this administration, it would be great if we could have the resources to meet the infrastructure needs and create more good-paying jobs here in America.

It is about improving the environment by creating a transportation system that pollutes less and helps us achieve Clean Air Act requirements. It is about spending less time in traffic and more time with our family or on our work, being productive, and it is about security.

On September 11, my district, right across from mid-town, if it was not for the multiplicity of transportation modes, the people who were trapped in downtown Manhattan would have not gotten out but for a ferry system. When all the tunnels, all the bridges, all the trains were closed, security on that day came in the vehicle of a ferry system.

That is why this bill in this modern age is so important. That is why we should be having a higher funding, and that is why we should have the ability for the House to work its will on economic development, on jobs, on making sure those jobs are not outsourced and on the Nation's security in the context of transportation. That is why I oppose the rule; and, hopefully, we will be given the opportunity to have a vote on these issues and, in doing so, strengthen America financially, economically, jobs and security.

FEDERAL HIGHWAY FORMULA PROGRAMS

[6-year comparison of funding levels, H.R. 3550 vs. Davis amendment, March 30, 2004]

State	H.R. 3550	Davis amendment	Increase
Alabama	3,677,518,555	4,319,449,206	641,930,651
Alaska	2,161,805,396	2,539,160,160	377,354,764
Arizona	3,132,889,645	3,679,752,390	546,862,745
Arkansas	2,397,490,265	2,815,985,091	418,494,826
California	17,090,057,720	20,073,219,252	2,983,161,532
Colorado	2,599,044,285	3,052,721,449	453,677,165
Connecticut	2,755,281,305	3,236,230,482	480,949,177
Delaware	802,671,177	942,781,750	140,110,573
Dist. of Col.	717,759,307	843,048,057	125,288,749
Florida	8,572,806,425	10,069,235,914	1,496,429,489
Georgia	6,369,115,958	7,480,879,419	1,111,763,461
Hawaii	939,292,198	1,103,250,705	163,958,507
Idaho	1,400,320,105	1,644,753,514	244,433,409
Illinois	7,126,178,352	8,370,091,127	1,243,912,775
Indiana	4,648,807,879	5,460,282,309	811,474,429
Iowa	2,239,473,448	2,630,385,588	390,912,140
Kansas	2,125,881,144	2,496,965,136	371,083,992
Kentucky	3,150,629,518	3,700,588,853	549,959,335
Louisiana	2,884,826,337	3,388,388,296	503,561,959
Maine	954,895,661	1,121,577,837	166,682,176
Maryland	2,915,353,992	3,424,244,718	508,890,726
Massachusetts	3,381,597,061	3,971,873,023	590,275,962
Michigan	5,923,386,287	6,957,345,236	1,033,958,948
Minnesota	3,594,936,603	4,222,452,130	627,515,527
Mississippi	2,210,974,449	2,596,911,936	385,937,487
Missouri	4,284,602,135	5,032,502,492	747,900,357
Montana	1,801,474,258	2,115,931,283	314,457,025
Nebraska	1,409,391,886	1,655,408,823	246,016,937
Nevada	1,315,045,364	1,544,593,608	229,548,244
New Hampshire	936,752,099	1,100,267,219	163,515,119
New Jersey	4,778,585,240	5,612,713,006	834,127,766
New Mexico	1,793,309,655	2,106,341,504	313,031,850
New York	9,367,158,121	11,002,245,973	1,635,087,852
North Carolina	5,211,624,631	6,121,341,752	909,717,121
North Dakota	1,188,947,609	1,396,484,812	207,537,203
Ohio	7,168,776,245	8,420,124,712	1,251,348,467
Oklahoma	2,797,555,804	3,285,884,223	488,328,418
Oregon	2,210,430,142	2,596,272,617	385,842,475
Pennsylvania	9,051,278,709	10,631,228,110	1,579,949,401
Rhode Island	1,080,993,416	1,269,686,633	188,693,217
South Carolina	2,951,639,076	3,466,863,559	515,224,483
South Dakota	1,297,083,238	1,523,496,096	226,412,858
Tennessee	4,108,791,020	4,826,002,601	717,211,581
Texas	14,365,474,761	16,873,045,677	2,507,570,916
Utah	1,420,822,330	1,668,834,513	248,012,183
Vermont	829,705,084	974,534,571	144,829,487
Virginia	4,684,441,786	5,502,136,305	817,694,519
Washington	3,261,461,121	3,830,766,708	569,305,588
West Virginia	2,053,669,768	2,412,148,876	358,479,108
Wisconsin	3,613,471,781	4,244,222,724	630,750,942
Wyoming	1,261,158,985	1,481,301,072	220,142,087

FEDERAL HIGHWAY FORMULA PROGRAMS—Continued

[6-year comparison of funding levels, H.R. 3550 vs. Davis amendment, March 30, 2004]

State	H.R. 3550	Davis amendment	Increase
All states	188,016,637,337	220,835,953,046	32,819,315,709

Total funding levels calculated by Federal Highway Administration, U.S. Department of Transportation.

FEDERAL TRANSIT FORMULA PROGRAMS

[6-year comparison of funding levels H.R. 3550 vs. Davis Amendment, March 30, 2004]

State	H.R. 3550	Davis Amendment	Increase
Alabama	198,869,641	231,156,144	32,266,503
Alaska	133,060,259	140,513,693	7,453,434
Arizona	403,911,758	470,227,686	66,315,929
Arkansas	116,150,368	135,270,375	19,120,008
California	5,552,597,250	6,343,415,048	790,817,798
Colorado	403,479,756	471,766,156	68,286,399
Connecticut	647,204,763	709,330,655	62,125,892
Delaware	54,248,356	63,622,106	9,373,749
District of Columbia	877,852,428	967,767,310	89,914,881
Florida	1,483,096,526	1,717,128,836	234,032,310
Georgia	815,018,982	918,781,238	103,762,256
Hawaii	202,434,156	238,805,983	36,371,827

FEDERAL TRANSIT FORMULA PROGRAMS—Continued

[6-year comparison of funding levels H.R. 3550 vs. Davis Amendment, March 30, 2004]

State	H.R. 3550	Davis Amendment	Increase
Idaho	73,260,393	86,047,086	12,426,693
Illinois	2,556,048,373	2,856,722,554	300,674,181
Indiana	417,530,452	476,695,916	59,165,463
Iowa	149,594,568	174,954,344	25,359,777
Kansas	118,069,423	138,190,463	20,121,040
Kentucky	217,385,766	253,776,373	36,390,607
Louisiana	308,212,487	356,370,390	48,157,903
Maine	56,815,827	65,391,665	8,575,838
Maryland	730,485,598	826,480,076	95,994,478
Massachusetts	1,423,677,171	1,591,967,255	168,290,084
Michigan	627,110,529	732,156,410	105,045,881
Minnesota	420,631,347	487,032,862	66,401,515
Mississippi	105,336,903	122,276,702	16,939,799
Missouri	386,141,847	447,919,643	61,777,797
Montana	55,239,907	63,899,172	8,659,265
Nebraska	93,382,341	109,844,579	16,462,238
Nevada	193,001,724	227,399,351	34,397,627
New Hampshire	56,243,067	65,593,404	9,350,337
New Jersey	2,098,273,741	2,383,583,819	285,310,078
New Mexico	112,681,925	131,579,394	18,897,469
New York	6,444,879,743	7,175,638,872	730,759,129
North Carolina	420,756,227	490,377,297	69,621,070
North Dakota	46,410,005	53,750,291	7,340,286
Ohio	900,583,684	1,034,764,387	134,180,702
Oklahoma	166,621,542	195,099,134	28,477,592
Oregon	338,235,316	392,830,946	54,595,630

FEDERAL TRANSIT FORMULA PROGRAMS—Continued

[6-year comparison of funding levels H.R. 3550 vs. Davis Amendment, March 30, 2004]

State	H.R. 3550	Davis Amendment	Increase
Pennsylvania	1,987,703,003	2,205,014,254	217,311,252
Rhode Island	76,644,720	89,477,672	12,832,952
South Carolina	181,253,492	210,208,976	28,955,485
South Dakota	46,483,209	53,967,891	7,484,682
Tennessee	313,483,924	364,150,802	50,666,878
Texas	1,765,377,276	2,052,505,365	287,128,089
Utah	233,854,931	275,023,227	41,168,296
Vermont	27,540,665	31,245,242	3,704,577
Virginia	603,913,755	685,812,664	81,898,909
Washington	918,384,406	1,049,682,654	131,298,248
West Virginia	85,312,226	98,084,121	12,771,895
Wisconsin	384,588,461	447,857,272	63,268,811
Wyoming	29,710,803	34,376,684	4,665,881
Total apportioned	36,059,145,018	40,945,534,437	4,886,389,419
Oversight	265,991,427	301,490,789	35,499,362
Grand total	36,325,136,445	41,247,025,226	4,921,888,781

Total funding levels calculated by Federal Highway Administration, U.S. Department of Transportation

State allocation includes 5307, 5307 TI, 5309 FGM, 5310, 5311 (but not RTAP), JARC, NFI, 5303, 5313, and Clean Fuel under both funding levels

TOTAL HIGHWAY/TRANSIT INVESTMENT INCREASES AND NEW JOBS CREATED UNDER DAVIS AMENDMENT

[6-year comparison of funding levels, H.R. 3550 vs. Davis Amendment, March 30, 2004]

State	Highway	Transit	Total increase	New jobs created
Alabama	641,930,651	32,286,503	674,217,154	32,025
Alaska	377,354,764	7,453,434	384,808,198	18,278
Arizona	546,862,745	66,315,929	613,178,674	29,126
Arkansas	418,494,826	19,120,008	437,614,834	20,787
California	2,983,161,532	791,817,798	3,774,979,330	179,312
Colorado	453,677,165	68,286,399	521,963,564	24,793
Connecticut	480,949,177	62,125,892	543,075,069	25,796
Delaware	140,110,573	9,373,749	149,484,322	7,101
Dist. of Col.	125,288,749	89,914,881	215,203,630	10,222
Florida	1,496,429,489	234,032,310	1,730,461,799	82,197
Georgia	1,111,763,461	103,762,256	1,215,525,717	57,737
Hawaii	163,958,507	36,371,827	200,330,334	9,516
Idaho	244,433,409	12,426,693	256,860,102	12,201
Illinois	1,243,912,775	300,674,181	1,544,586,956	73,368
Indiana	811,474,429	59,165,463	870,639,892	41,355
Iowa	390,912,140	25,359,777	416,271,917	19,773
Kansas	371,083,992	20,121,040	391,205,032	18,582
Kentucky	549,959,335	36,390,607	586,349,942	27,852
Louisiana	503,561,959	48,157,903	551,719,862	26,207
Maine	166,682,176	8,575,838	175,258,014	8,325
Maryland	508,890,726	95,994,478	604,885,204	28,732
Massachusetts	590,275,962	168,290,084	758,566,046	36,032
Michigan	1,033,958,948	105,045,881	1,139,004,829	54,103
Minnesota	627,515,527	66,401,515	693,917,042	32,961
Mississippi	385,937,487	16,939,799	402,877,286	19,137
Missouri	747,900,357	61,777,797	809,678,154	38,460
Montana	314,457,025	8,659,265	323,116,290	15,348
Nebraska	246,016,937	16,462,238	262,479,175	12,468
Nevada	229,548,244	34,397,627	263,945,871	12,537
New Hampshire	163,515,119	9,350,337	172,865,456	8,211
New Jersey	834,127,766	285,310,078	1,119,437,844	53,173
New Mexico	313,031,850	18,897,469	331,929,319	15,767
New York	1,635,087,852	730,759,129	2,365,846,981	112,378
North Carolina	909,717,121	69,621,070	979,338,191	46,519
North Dakota	207,537,203	7,340,286	214,877,489	10,207
Ohio	1,251,348,467	134,180,702	1,385,529,169	65,813
Oklahoma	488,328,418	28,477,592	516,806,010	24,548
Oregon	385,842,475	54,595,630	440,438,105	20,921
Pennsylvania	1,579,949,401	217,311,252	1,797,260,653	85,370
Rhode Island	188,693,217	12,832,952	201,526,169	9,572
South Carolina	515,224,483	28,955,485	544,179,968	25,849
South Dakota	226,412,858	7,484,682	277,079,736	13,161
Tennessee	717,211,581	50,666,878	1,004,339,670	47,706
Texas	2,507,570,916	287,128,089	2,548,739,212	121,065
Utah	248,012,183	41,168,296	251,716,760	11,957
Vermont	144,829,487	3,704,577	226,728,396	10,770
Virginia	817,694,519	81,898,909	948,992,767	45,077
Washington	569,305,588	131,298,248	582,077,483	27,649
West Virginia	358,479,108	12,771,895	421,747,919	20,033
Wisconsin	630,750,942	63,268,811	635,416,823	30,182
Wyoming	220,142,087	4,665,881	224,807,968	10,678
All states	32,177,385,058	4,855,102,917	37,032,487,975	1,759,043

Total funding levels calculated by the Federal Highway Administration and the Federal Transit Administration, U.S. Department of Transportation.

Mr. DREIER. Mr. Speaker, I continue to reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. TURNER).

Mr. TURNER of Texas. Mr. Speaker, I am greatly disturbed that we are debating a $275 billion transportation measure without taking strong action in this bill to increase security in our rail and transit systems.

Three weeks ago, a terrorist group related to al Qaeda conducted several coordinated bombings on commuter trains in Madrid. Two hundred civilians were killed and more than 1,500 injured. The tragedy was enough to shock the nations of Europe into immediate action to get serious about transit security, but we have not responded here at home with sufficient urgency to protect the lives of the many Americans who travel every day by rail and transit.

Earlier this week, British police arrested eight and seized half a ton of ammonia nitrate. Philippine authorities arrested four members of a terrorist group linked to al Qaeda and seized 30 pounds of TNT. Each of these cases may have prevented another Madrid-style attack.

Closer to home, Amtrak's trains were stopped this last Tuesday and searched

in Florida, North Carolina, and Pennsylvania after bomb threats were reported. We are enormously vulnerable to rail and transit attack and have an estimated need for $2 billion in investments in security for mass transit.

□ 1345

Yet since the attacks of September 11 of 2001, the Department of Homeland Security has made available only $115 million for this purpose.

Today, we have a $275 billion bill that barely addresses security. It does not specifically dedicate one dollar to rail or transit security.

I offered three amendments in the Committee on Rules, two of them designed to make a down payment of $250 million in grants to local transit agencies to improve security through surveillance and communications systems, detectors for weapons of mass destruction, training, education and other uses.

In light of terrorist threats that we face, Mr. Speaker, it is difficult to understand why we are not allowed to take up these amendments on the floor of the House today.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia (Mr. RAHALL).

Mr. RAHALL. Mr. Speaker, tomorrow, on Friday, the President of the United States will be in my congressional district talking about jobs and the economy. Unfortunately, although I was invited, and I appreciate that, I will not be with the President because I will be here in the Halls of Congress working on a bill that very vitally affects jobs and the economy, this transportation and infrastructure legislation.

I commend the gentleman from Minnesota (Ranking Member OBERSTAR) and the gentleman from Alaska (Chairman YOUNG) and the gentleman from Wisconsin (Mr. PETRI) and the gentleman from Illinois (Mr. LIPINSKI), the ranking subcommittee member, for the hard work that they have put in on this legislation.

Jobs and the economy. That is what this is about. This legislation is the quickest way to put American working men and women back to work. For every $1 billion invested in our Nation's infrastructure, we are talking about 46,500 good paying jobs, not hamburger-flipping jobs; we are talking about good-paying jobs for our economy.

The $318 billion passed in the Senate bill, the $275 billion pending in this legislation is not sufficient to do the job. The President's own Department of Transportation has said that $375 billion is what is necessary just to, quote, ''maintain current economic growth.''

So if I were in my congressional district tomorrow with the President of the United States, I would say, Mr. President, would you please just allow us in the House of Representatives to maintain current economic growth and allow us to go to the $375 billion spending level for this bill. That makes economic sense. It makes just and fair legislation.

And I think that is what the American people want. If this were money that we are talking about, a difference here of several billion, unfortunately if it were money going to rebuild Iraq, perhaps it would sail through this body without any Presidential veto threats. But this is money that we are talking about to go here in America, putting Americans back to work, spending money on infrastructure in America, which is not any pork spending, it is not an entitlement; but it is an investment in America's future.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think it is clear that the bill before us today will ease congestion, reduce pollution, and create good jobs across America. Most Members of this House, myself included, will vote to pass TEA LU. But I think we are missing out on a unique opportunity to further strengthen our economy.

Last night the Committee on Rules and this morning considered the Davis-Menendez-Blumenauer-Baird amendment to strengthen investment in our Nation's highway and transit infrastructure by increasing funding in the bill to the Senate-passed level of $318 billion. However, in a move that denies the House the opportunity to fully debate the transportation needs of this country, as is usually the case when Democrats offer thoughtful alternatives in the Committee on Rules, the Republican majority defeated the amendment on a straight party-line vote.

So today I hope to offer Members another chance to vote on this important proposal. If the previous question is defeated, I will offer an amendment to the rule that will give the House the opportunity to debate and vote on the Davis substitute.

Mr. Speaker, although I hope to see more legislation to help the economy come before this House, the transportation bill before us today will be our best chance to spur job creation this year. And the Davis substitute will create nearly 1.8 million additional jobs over the bill we have on the floor today, with 120,000 new jobs in my home State of Texas alone, and create $235 billion worth of economic activity.

Mr. Speaker, when you consider the 8.2 million people in this country that are currently unemployed, I do not see how you can vote against a measure that will create 1.8 million new jobs.

So I urge my colleagues today to vote in favor of a job creation and economic development package by voting ''no'' on the previous question. We only reauthorize the transportation bill once every 6 years. Let us not squander this unique opportunity to create jobs and strengthen the economy by giving in to politics as usual.

Mr. Speaker, I ask unanimous consent to insert the text of the amendment and extraneous materials at this point in the RECORD.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Texas?

There was no objection.

PREVIOUS QUESTION FOR RULE FOR H. RES. 593—H.R. 3500—TRANSPORTATION EQUITY ACT FOR THE 21ST CENTURY (TEA–LU)

At the end of the resolution, add the following:

''Sec. 2. Notwithstanding any other provision of this resolution the amendment specified in section 3 shall be in order without intervention of any point of order as though printed as the first amendment in part B of the report of the Committee on Rules if offered by Representative Davis of Tennessee or a designee. That amendment shall be debatable for 60 minutes equally divided and controlled by the proponent and an opponent.

Sec. 3. the amendment referred to in section 2 is as follows:

AMENDMENT TO H.R. 3550, AS REPORTED OFFERED BY MR. DAVIS OF TENNESSEE

In section 1101(a)(1) of the bill, strike ''$4,323,076,000'' and all that follows through ''$4,891,164,000'' and insert ''$5,076,187,293 for fiscal year 2004, $4,953,445,477 for fiscal year 2005, $5,171,212,959 for fiscal year 2006, $5,263,571,478 for fiscal year 2007, $5,556,536,840 for fiscal year 2008, and $6,654,739,293''.

In section 1101(a)(2) of the bill, strike ''$5,187,691,000'' and all that follows through ''$5,869,396,000'' and insert ''$6,091,424,517 for fiscal year 2004, $5,944,133,902 for fiscal year 2005, $6,205,455,095 for fiscal year 2006, $6,316,285,773 for fiscal year 2007, $6,667,843,743 for fiscal year 2008, and $7,985,686,064''.

In section 1101(a)(3) of the bill, strike ''$3,709,440,000'' and all that follows through ''$4,196,891,000'' and insert ''$4,355,651,438 for fiscal year 2004, $4,250,332,027 for fiscal year 2005, $4,437,189,163 for fiscal year 2006, $4,516,437,339 for fiscal year 2007, $4,767,818,482 for fiscal year 2008, and $5,710,136,779''.

In section 1101(a)(5) of the bill, strike ''$6,052,306,000'' and all that follows through ''$6,847,629,000'' and insert ''$7,106,661,741 for fiscal year 2004, $6,934,823,445 for fiscal year 2005, $7,239,697,231 for fiscal year 2006, $7,369,000,069 for fiscal year 2007, $7,779,151,809 for fiscal year 2008, and $9,316,634,194''.

In section 1101(a)(6) of the bill, strike ''$1,469,846,000'' and all that follows through ''$1,662,996,000'' and insert ''$1,725,903,868 for fiscal year 2004, $1,684,171,440 for fiscal year 2005, $1,758,212,543 for fiscal year 2006, $1,789,614,076 for fiscal year 2007, $1,889,222,762 for fiscal year 2008, and $2,262,611,686''.

In section 1102(a) of the bill, strike paragraphs (2) through (6) and insert the following:

(2) $37,900,000,000 for fiscal year 2005;
(3) $39,100,000,000 for fiscal year 2006;
(4) $39,100,000,000 for fiscal year 2007;
(5) $39,400,000,000 for fiscal year 2008; and
(6) $44,400,000,000 for fiscal year 2009.

In the matter proposed to be inserted as section 5338(a)(2)(A) of title 49, United States Code, by section 3034 of the bill, strike clauses (i) through (vi) and insert the following:

''(i) $5,081,125,000 for fiscal year 2005;
''(ii) $5,283,418,000 for fiscal year 2006;
''(iii) $5,550,420,000 for fiscal year 2007;
''(iv) $6,176,172,500 for fiscal year 2008; and
''(v) $6,834,667,500 for fiscal year 2009.

In section 3043 of the bill, strike paragraphs (2) through (6) and insert the following:

(2) $8,650,000,000 for fiscal year 2005;
(3) $9,085,123,000 for fiscal year 2006;
(4) $9,600,000,000 for fiscal year 2007;
(5) $10,490,000,000 for fiscal year 2008; and

(6) $11,430,000,000 for fiscal year 2009.

Add at the end the following new title:

TITLE IX—HIGHWAY REAUTHORIZATION AND EXCISE TAX SIMPLIFICATION

SEC. 9000. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This title may be cited as the ''Highway reauthorization and excise tax simplification Act of 2004''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—Trust Fund Reauthorization

SEC. 9001. EXTENSION OF HIGHWAY TRUST FUND AND AQUATIC RESOURCES TRUST FUND EXPENDITURE AUTHORITY AND RELATED TAXES.

(a) HIGHWAY TRUST FUND EXPENDITURE AUTHORITY.—

(1) HIGHWAY ACCOUNT.—Paragraph (1) of section 9503(c) (relating to transfers from Highway Trust Fund for certain repayments and credits) is amended—

(A) in the matter before subparagraph (A), by striking ''May 1, 2004'' and inserting ''October 1, 2009'',

(B) by striking ''or'' at the end of subparagraph (F),

(C) by striking the period at the end of subparagraph (G) and inserting '', or'',

(D) by inserting after subparagraph (G), the following new subparagraph:

''(H) authorized to be paid out of the Highway Trust Fund under the Highway reauthorization and excise tax simplification Act of 2004.'', and

(E) in the matter after subparagraph (G), as added by subparagraph (D), by striking ''Surface Transportation Extension Act of 2004'' and inserting ''Highway reauthorization and excise tax simplification Act of 2004''.

(2) MASS TRANSIT ACCOUNT.—Paragraph (3) of section 9503(e) (relating to establishment of Mass Transit Account) is amended—

(A) in the matter before subparagraph (A), by striking ''May 1, 2004'' and inserting ''October 1, 2009'',

(B) by striking ''or'' at the end of subparagraph (D),

(C) by striking the period at the end of subparagraph (E) and inserting '', or'',

(D) by inserting after subparagraph (E), the following new subparagraph:

''(F) the Highway reauthorization and excise tax simplification Act of 2004,'', and

(E) in the matter after subparagraph (E), as added by subparagraph (D), by striking ''Surface Transportation Extension Act of 2004'' and inserting ''Highway reauthorization and excise tax simplification Act of 2004''.

(3) EXCEPTION TO LIMITATION ON TRANSFERS.—Subparagraph (B) of section 9503(b)(5) (relating to limitation on transfers to Highway Trust Fund) is amended by striking ''May 1, 2004'' and inserting ''October 1, 2009''.

(b) AQUATIC RESOURCES TRUST FUND EXPENDITURE AUTHORITY.—

(1) SPORT FISH RESTORATION ACCOUNT.—Paragraph (2) of section 9504(b) (relating to Sport Fish Restoration Account) is amended by striking ''Surface Transportation Extension Act of 2004'' each place it appears and inserting ''Highway reauthorization and excise tax simplification Act of 2004''.

(2) BOAT SAFETY ACCOUNT.—Section 9504(c) (relating to expenditures from Boat Safety Account) is amended—

(A) by striking ''May 1, 2004'' and inserting ''October 1, 2009'', and

(B) by striking ''Surface Transportation Extension Act of 2004'' and inserting ''Highway reauthorization and excise tax simplification Act of 2004''.

(3) EXCEPTION TO LIMITATION ON TRANSFERS.—Paragraph (2) of section 9504(d) (relating to limitation on transfers to Aquatic Resources Trust Fund) is amended by striking ''May 1, 2004'' and inserting ''October 1, 2009''.

(4) TECHNICAL CORRECTION.—The last sentence of paragraph (2) of section 9504(b) is amended by striking ''subparagraph (B)'', and inserting ''subparagraph (C)''.

(c) EXTENSION OF TAXES.—

(1) IN GENERAL.—The following provisions are each amended by striking ''2005'' each place it appears and inserting ''2009'':

(A) Section 4041(a)(1)(C)(iii)(I) (relating to rate of tax on certain buses).

(B) Section 4041(a)(2)(B) (relating to rate of tax on special motor fuels).

(C) Section 4041(m)(1)(A) (relating to certain alcohol fuels produced from natural gas).

(D) Section 4051(c) (relating to termination of tax on heavy trucks and trailers).

(E) Section 4071(d) (relating to termination of tax on tires).

(F) Section 4081(d)(1) (relating to termination of tax on gasoline, diesel fuel, and kerosene).

(G) Section 4481(e) (relating to period tax in effect).

(H) Section 4482(c)(4) (relating to taxable period).

(I) Section 4482(d) (relating to special rule for taxable period in which termination date occurs).

(2) FLOOR STOCKS REFUNDS.—Section 6412(a)(1) (relating to floor stocks refunds) is amended—

(A) by striking ''2005'' each place it appears and inserting ''2009'', and

(B) by striking ''2006'' each place it appears and inserting ''2010''.

(d) EXTENSION OF CERTAIN EXEMPTIONS.—The following provisions are each amended by striking ''2005'' and inserting ''2009'':

(1) Section 4221(a) (relating to certain tax-free sales).

(2) Section 4483(g) (relating to termination of exemptions for highway use tax).

(e) EXTENSION OF DEPOSITS INTO, AND CERTAIN TRANSFERS FROM, TRUST FUND.—

(1) IN GENERAL.—Subsections (b), (c)(2), (c)(3), (c)(4)(A)(i), and (c)(5)(A) of section 9503 (relating to the Highway Trust Fund) are amended—

(A) by striking ''2005'' each place it appears and inserting ''2009'', and

(B) by striking ''2006'' each place it appears and inserting ''2010''.

(2) CONFORMING AMENDMENTS TO LAND AND WATER CONSERVATION FUND.—Section 201(b) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–11(b)) is amended—

(A) by striking ''2003'' and inserting ''2007'', and

(B) by striking ''2004'' each place it appears and inserting ''2008''.

(f) EXTENSION OF TAX BENEFITS FOR QUALIFIED METHANOL AND ETHANOL FUEL PRODUCED FROM COAL.—Section 4041(b)(2) (relating to qualified methanol and ethanol fuel) is amended—

(1) by striking ''2007'' in subparagraph (C)(ii) and inserting ''2010'', and

(2) by striking ''October 1, 2007'' in subparagraph (D) and inserting ''January 1, 2011''.

(g) PROHIBITION ON USE OF HIGHWAY ACCOUNT FOR RAIL PROJECTS.—Section 9503(c) (relating to transfers from Highway Trust Fund for certain repayments and credits) is amended by adding at the end the following new paragraph:

''(6) PROHIBITION ON USE OF HIGHWAY ACCOUNT FOR CERTAIN RAIL PROJECTS.—With respect to rail projects beginning after the date of the enactment of this paragraph, no amount shall be available from the Highway Account (as defined in subsection (e)(5)(B)) for any rail project, except for any rail project involving publicly owned rail facilities or any rail project yielding a public benefit.''.

(h) HIGHWAY TRUST FUND EXPENDITURES FOR HIGHWAY USE TAX EVASION PROJECTS.—Section 9503(c), as amended by subsection (g), is amended to add at the end the following new paragraph:

''(7) HIGHWAY USE TAX EVASION PROJECTS.—From amounts available in the Highway Trust Fund, there is authorized to be expended—

''(A) for each fiscal year after 2003 to the Internal Revenue Service—

''(i) $30,000,000 for enforcement of fuel tax compliance, including the per-certification of tax-exempt users,

''(ii) $10,000,000 for Xstars, and

''(iii) $10,000,000 for xfirs, and

''(B) for each fiscal year after 2003 to the Federal Highway Administration, $50,000,000 to be allocated $1,000,000 to each State to combat fuel tax evasion on the State level.''.

(i) EFFECTIVE DATE.—The amendments made by and provisions of this section shall take effect on the date of the enactment of this Act.

SEC. 9002. FULL ACCOUNTING OF FUNDS RECEIVED BY THE HIGHWAY TRUST FUND.

(a) IN GENERAL.—Section 9503(c) (relating to transfers from Highway Trust Fund for certain repayments and credits), as amended by section 9001 of this Act, is amended by striking paragraph (2) and redesignating paragraphs (3), (4), (5), (6), and (7) as paragraphs (2), (3), (4), (5), and (6), respectively.

(b) INTEREST ON UNEXPENDED BALANCES CREDITED TO TRUST FUND.—Section 9503 (relating to the Highway Trust Fund) is amended by striking subsection (f).

(c) CONFORMING AMENDMENTS.—

(1) Section 9503(b)(4)(D) is amended by striking ''paragraph (4)(D) or (5)(B)'' and inserting ''paragraph (3)(D) or (4)(B)''.

(2) Paragraph (2) of section 9503(c) (as redesignated by subsection (a)) is amended by adding at the end the following new sentence: ''The amounts payable from the Highway Trust Fund under this paragraph shall be determined by taking into account only the portion of the taxes which are deposited into the Highway Trust Fund.''.

(3) Section 9504(a)(2) is amended by striking ''section 9503(c)(4), section 9503(c)(5)'' and inserting ''section 9503(c)(3), section 9503(c)(4)''.

(4) Paragraph (2) of section 9504(b), as amended by section 9001 of this Act, is amended by striking ''section 9503(c)(5)'' and inserting ''section 9503(c)(4)''.

(5) Section 9504(e) is amended by striking ''section 9503(c)(4)'' and inserting ''section 9503(c)(3)''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to amounts paid for which no transfer from the Highway Trust Fund has been made before April 1, 2004.

(2) INTEREST CREDITED.—The amendment made by subsection (b) shall take effect on the date of the enactment of this Act.

SEC. 9003. MODIFICATION OF ADJUSTMENTS OF APPORTIONMENTS.

(a) IN GENERAL.—Section 9503(d) (relating to adjustments for apportionments) is amended—

(1) by striking ''24-month'' in paragraph (1)(B) and inserting ''48-month'', and

(2) by striking ''2 years'' in the heading for paragraph (3) and inserting ''4 years''.

(b) MEASUREMENT OF NET HIGHWAY RECEIPTS.—Section 9503(d) is amended by redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following new paragraph:

''(6) MEASUREMENT OF NET HIGHWAY RECEIPTS.—For purposes of making any estimate under paragraph (1) of net highway receipts for periods ending after the date specified in subsection (b)(1), the Secretary shall treat—

''(A) each expiring provision of subsection (b) which is related to appropriations or transfers to the Highway Trust Fund to have been extended through the end of the 48-month period referred to in paragraph (1)(B), and

''(B) with respect to each tax imposed under the sections referred to in subsection (b)(1), the rate of such tax during the 48-month period referred to in paragraph (1)(B) to be the same as the rate of such tax as in effect on the date of such estimate.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

Subtitle B—Volumetric Ethanol Excise Tax Credit

SEC. 9101. SHORT TITLE.

This subtitle may be cited as the ''Volumetric Ethanol Excise Tax Credit (VEETC) Act of 2004''.

SEC. 9102. ALCOHOL AND BIODIESEL EXCISE TAX CREDIT AND EXTENSION OF ALCOHOL FUELS INCOME TAX CREDIT.

(a) IN GENERAL.—Subchapter B of chapter 65 (relating to rules of special application) is amended by inserting after section 6425 the following new section:

''SEC. 6426. CREDIT FOR ALCOHOL FUEL AND BIODIESEL MIXTURES.

''(a) ALLOWANCE OF CREDITS.—There shall be allowed as a credit against the tax imposed by section 4081 an amount equal to the sum of—

''(1) the alcohol fuel mixture credit, plus

''(2) the biodiesel mixture credit.

''(b) ALCOHOL FUEL MIXTURE CREDIT.—

''(1) IN GENERAL.—For purposes of this section, the alcohol fuel mixture credit is the product of the applicable amount and the number of gallons of alcohol used by the taxpayer in producing any alcohol fuel mixture for sale or use in a trade or business of the taxpayer.

''(2) APPLICABLE AMOUNT.—For purposes of this subsection—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the applicable amount is 52 cents (51 cents in the case of any sale or use after 2004).

''(B) MIXTURES NOT CONTAINING ETHANOL.—In the case of an alcohol fuel mixture in which none of the alcohol consists of ethanol, the applicable amount is 60 cents.

''(3) ALCOHOL FUEL MIXTURE.—For purposes of this subsection, the term 'alcohol fuel mixture' means a mixture of alcohol and a taxable fuel which—

''(A) is sold by the taxpayer producing such mixture to any person for use as a fuel,

''(B) is used as a fuel by the taxpayer producing such mixture, or

''(C) is removed from the refinery by a person producing such mixture.

''(4) OTHER DEFINITIONS.—For purposes of this subsection—

''(A) ALCOHOL.—The term 'alcohol' includes methanol and ethanol but does not include—

''(i) alcohol produced from petroleum, natural gas, or coal (including peat), or

''(ii) alcohol with a proof of less than 190 (determined without regard to any added denaturants).

Such term also includes an alcohol gallon equivalent of ethyl tertiary butyl ether or other ethers produced from such alcohol.

''(B) TAXABLE FUEL.—The term 'taxable fuel' has the meaning given such term by section 4083(a)(1).

''(5) TERMINATION.—This subsection shall not apply to any sale, use, or removal for any period after December 31, 2010.

''(c) BIODIESEL MIXTURE CREDIT.—

''(1) IN GENERAL.—For purposes of this section, the biodiesel mixture credit is the product of the applicable amount and the number of gallons of biodiesel used by the taxpayer in producing any biodiesel mixture for sale or use in a trade or business of the taxpayer.

''(2) APPLICABLE AMOUNT.—For purposes of this subsection—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the applicable amount is 50 cents.

''(B) AMOUNT FOR AGRI-BIODIESEL.—In the case of any biodiesel which is agri-biodiesel, the applicable amount is $1.00.

''(3) BIODIESEL MIXTURE.—For purposes of this section, the term 'biodiesel mixture' means a mixture of biodiesel and diesel fuel (as defined in section 4083(a)(3)), determined without regard to any use of kerosene, which—

''(A) is sold by the taxpayer producing such mixture to any person for use as a fuel,

''(B) is used as a fuel by the taxpayer producing such mixture, or

''(C) is removed from the refinery by a person producing such mixture.

''(4) CERTIFICATION FOR BIODIESEL.—No credit shall be allowed under this section unless the taxpayer obtains a certification (in such form and manner as prescribed by the Secretary) from the producer of the biodiesel which identifies the product produced and the percentage of biodiesel and agri-biodiesel in the product.

''(5) OTHER DEFINITIONS.—Any term used in this subsection which is also used in section 40A shall have the meaning given such term by section 40A.

''(6) TERMINATION.—This subsection shall not apply to any sale, use, or removal for any period after December 31, 2006.

''(d) MIXTURE NOT USED AS A FUEL, ETC.—

''(1) IMPOSITION OF TAX.—If—

''(A) any credit was determined under this section with respect to alcohol or biodiesel used in the production of any alcohol fuel mixture or biodiesel mixture, respectively, and

''(B) any person—

''(i) separates the alcohol or biodiesel from the mixture, or

''(ii) without separation, uses the mixture other than as a fuel,

then there is hereby imposed on such person a tax equal to the product of the applicable amount and the number of gallons of such alcohol or biodiesel.

''(2) APPLICABLE LAWS.—All provisions of law, including penalties, shall, insofar as applicable and not inconsistent with this section, apply in respect of any tax imposed under paragraph (1) as if such tax were imposed by section 4081 and not by this section.

''(e) COORDINATION WITH EXEMPTION FROM EXCISE TAX.—Rules similar to the rules under section 40(c) shall apply for purposes of this section.''.

(b) REGISTRATION REQUIREMENT.—Section 4101(a)(1) (relating to registration), as amended by sections 9211 and 9242 of this Act, is amended by inserting ''and every person producing or importing biodiesel (as defined in section 40A(d)(1)) or alcohol (as defined in section 6426(b)(4)(A))'' after ''4081''.

(c) ADDITIONAL AMENDMENTS.—

(1) Section 40(c) is amended by striking ''subsection (b)(2), (k), or (m) of section 4041, section 4081(c), or section 4091(c)'' and inserting ''section 4041(b)(2), section 6426, or section 6427(e)''.

(2) Paragraph (4) of section 40(d) is amended to read as follows:

''(4) VOLUME OF ALCOHOL.—For purposes of determining under subsection (a) the number of gallons of alcohol with respect to which a credit is allowable under subsection (a), the volume of alcohol shall include the volume of any denaturant (including gasoline) which is added under any formulas approved by the Secretary to the extent that such denaturants do not exceed 5 percent of the volume of such alcohol (including denaturants).''.

(3) Section 40(e)(1) is amended—

(A) by striking ''2007'' in subparagraph (A) and inserting ''2010'', and

(B) by striking ''2008'' in subparagraph (B) and inserting ''2011''.

(4) Section 40(h) is amended—

(A) by striking ''2007'' in paragraph (1) and inserting ''2010'', and

(B) by striking '', 2006, or 2007'' in the table contained in paragraph (2) and inserting ''through 2010''.

(5) Section 4041(b)(2)(B) is amended by striking ''a substance other than petroleum or natural gas'' and inserting ''coal (including peat)''.

(6) Section 4041 is amended by striking subsection (k).

(7) Section 4081 is amended by striking subsection (c).

(8) Paragraph (2) of section 4083(a) is amended to read as follows:

''(2) GASOLINE.—The term 'gasoline'—

''(A) includes any gasoline blend, other than qualified methanol or ethanol fuel (as defined in section 4041(b)(2)(B)), partially exempt methanol or ethanol fuel (as defined in section 4041(m)(2)), or a denatured alcohol, and

''(B) includes, to the extent prescribed in regulations—

''(i) any gasoline blend stock, and

''(ii) any product commonly used as an additive in gasoline (other than alcohol).

For purposes of subparagraph (B)(i), the term 'gasoline blend stock' means any petroleum product component of gasoline.''.

(9) Section 6427 is amended by inserting after subsection (d) the following new subsection:

''(e) ALCOHOL OR BIODIESEL USED TO PRODUCE ALCOHOL FUEL AND BIODIESEL MIXTURES OR USED AS FUELS.—Except as provided in subsection (k)—

''(1) USED TO PRODUCE A MIXTURE.—If any person produces a mixture described in section 6426 in such person's trade or business, the Secretary shall pay (without interest) to such person an amount equal to the alcohol fuel mixture credit or the biodiesel mixture credit with respect to such mixture.

''(2) USED AS FUEL.—If alcohol (as defined in section 40(d)(1)) or biodiesel (as defined in section 40A(d)(1)) or agri-biodiesel (as defined in section 40A(d)(2)) which is not in a mixture described in section 6426—

''(A) is used by any person as a fuel in a trade or business, or

''(B) is sold by any person at retail to another person and placed in the fuel tank of such person's vehicle,

the Secretary shall pay (without interest) to such person an amount equal to the alcohol credit (as determined under section 40(b)(2)) or the biodiesel credit (as determined under section 40A(b)(2)) with respect to such fuel.

''(3) COORDINATION WITH OTHER REPAYMENT PROVISIONS.—No amount shall be payable under paragraph (1) with respect to any mixture with respect to which an amount is allowed as a credit under section 6426.

''(4) TERMINATION.—This subsection shall not apply with respect to—

''(A) any alcohol fuel mixture (as defined in section 6426(b)(3)) or alcohol (as so defined) sold or used after December 31, 2010, and

''(B) any biodiesel mixture (as defined in section 6426(c)(3)) or biodiesel (as so defined) or agri-biodiesel (as so defined) sold or used after December 31, 2006.''.

(10) Section 6427(i)(3) is amended—

(A) by striking ''subsection (f)'' both places it appears in subparagraph (A) and inserting ''subsection (e)(1)'',

(B) by striking ''gasoline, diesel fuel, or kerosene used to produce a qualified alcohol mixture (as defined in section 4081(c)(3))'' in subparagraph (A) and inserting ''a mixture described in section 6426'',

(C) by adding at the end of subparagraph (A) the following new flush sentence: ''In the case of an electronic claim, this subparagraph shall be applied without regard to clause (i).'',

(D) by striking ''subsection (f)(1)'' in subparagraph (B) and inserting ''subsection (e)(1)'',

(E) by striking ''20 days of the date of the filing of such claim'' in subparagraph (B) and inserting ''45 days of the date of the filing of such claim (20 days in the case of an electronic claim)'', and

(F) by striking ''alcohol mixture'' in the heading and inserting ''alcohol fuel and biodiesel mixture''.

(11) Section 9503(b)(1) is amended by adding at the end the following new flush sentence: ''For purposes of this paragraph, taxes received under sections 4041 and 4081 shall be determined without reduction for credits under section 6426.''.

(12) Section 9503(b)(4), as amended by section 9101 of this Act, is amended—

(A) by adding ''or'' at the end of subparagraph (C),

(B) by striking the comma at the end of subparagraph (D)(iii) and inserting a period, and

(C) by striking subparagraphs (E) and (F).

(13) The table of sections for subchapter B of chapter 65 is amended by inserting after the item relating to section 6425 the following new item:

''Sec. 6426. Credit for alcohol fuel and biodiesel mixtures.''.

(14) TARIFF SCHEDULE.—Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States (19 U.S.C. 3007) are each amended in the effective period column by striking ''10/1/2007'' each place it appears and inserting ''1/1/2011''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to fuel sold or used after September 30, 2004.

(2) REGISTRATION REQUIREMENT.—The amendment made by subsection (b) shall take effect on April 1, 2005.

(3) EXTENSION OF ALCOHOL FUELS CREDIT.—The amendments made by paragraphs (3), (4), and (14) of subsection (c) shall take effect on the date of the enactment of this Act.

(4) REPEAL OF GENERAL FUND RETENTION OF CERTAIN ALCOHOL FUELS TAXES.—The amendments made by subsection (c)(12) shall apply to fuel sold or used after September 30, 2003.

(e) FORMAT FOR FILING.—The Secretary of the Treasury shall describe the electronic format for filing claims described in section 6427(i)(3)(B) of the Internal Revenue Code of 1986 (as amended by subsection (c)(10)(C)) not later than September 30, 2004.

SEC. 9103. BIODIESEL INCOME TAX CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by inserting after section 40 the following new section:

''SEC. 40A. BIODIESEL USED AS FUEL.

''(a) GENERAL RULE.—For purposes of section 38, the biodiesel fuels credit determined under this section for the taxable year is an amount equal to the sum of—

''(1) the biodiesel mixture credit, plus

''(2) the biodiesel credit.

''(b) DEFINITION OF BIODIESEL MIXTURE CREDIT AND BIODIESEL CREDIT.—For purposes of this section—

''(1) BIODIESEL MIXTURE CREDIT.—

''(A) IN GENERAL.—The biodiesel mixture credit of any taxpayer for any taxable year is 50 cents for each gallon of biodiesel used by the taxpayer in the production of a qualified biodiesel mixture.

''(B) QUALIFIED BIODIESEL MIXTURE.—The term 'qualified biodiesel mixture' means a mixture of biodiesel and diesel fuel (as defined in section 4083(a)(3)), determined without regard to any use of kerosene, which—

''(i) is sold by the taxpayer producing such mixture to any person for use as a fuel, or

''(ii) is used as a fuel by the taxpayer producing such mixture.

''(C) SALE OR USE MUST BE IN TRADE OR BUSINESS, ETC.—Biodiesel used in the production of a qualified biodiesel mixture shall be taken into account—

''(i) only if the sale or use described in subparagraph (B) is in a trade or business of the taxpayer, and

''(ii) for the taxable year in which such sale or use occurs.

''(D) CASUAL OFF-FARM PRODUCTION NOT ELIGIBLE.—No credit shall be allowed under this section with respect to any casual off-farm production of a qualified biodiesel mixture.

''(2) BIODIESEL CREDIT.—

''(A) IN GENERAL.—The biodiesel credit of any taxpayer for any taxable year is 50 cents for each gallon of biodiesel which is not in a mixture with diesel fuel and which during the taxable year—

''(i) is used by the taxpayer as a fuel in a trade or business, or

''(ii) is sold by the taxpayer at retail to a person and placed in the fuel tank of such person's vehicle.

''(B) USER CREDIT NOT TO APPLY TO BIODIESEL SOLD AT RETAIL.—No credit shall be allowed under subparagraph (A)(i) with respect to any biodiesel which was sold in a retail sale described in subparagraph (A)(ii).

''(3) CREDIT FOR AGRI-BIODIESEL.—In the case of any biodiesel which is agri-biodiesel, paragraphs (1)(A) and (2)(A) shall be applied by substituting '$1.00' for '50 cents'.

''(4) CERTIFICATION FOR BIODIESEL.—No credit shall be allowed under this section unless the taxpayer obtains a certification (in such form and manner as prescribed by the Secretary) from the producer or importer of the biodiesel which identifies the product produced and the percentage of biodiesel and agri-biodiesel in the product.

''(c) COORDINATION WITH CREDIT AGAINST EXCISE TAX.—The amount of the credit determined under this section with respect to any biodiesel shall be properly reduced to take into account any benefit provided with respect to such biodiesel solely by reason of the application of section 6426 or 6427(e).

''(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) BIODIESEL.—The term 'biodiesel' means the monoalkyl esters of long chain fatty acids derived from plant or animal matter which meet—

''(A) the registration requirements for fuels and fuel additives established by the Environmental Protection Agency under section 211 of the Clean Air Act (42 U.S.C. 7545), and

''(B) the requirements of the American Society of Testing and Materials D6751.

''(2) AGRI-BIODIESEL.—The term 'agri-biodiesel' means biodiesel derived solely from virgin oils, including esters derived from virgin vegetable oils from corn, soybeans, sunflower seeds, cottonseeds, canola, crambe, rapeseeds, safflowers, flaxseeds, rice bran, and mustard seeds, and from animal fats.

''(3) MIXTURE OR BIODIESEL NOT USED AS A FUEL, ETC.—

''(A) MIXTURES.—If—

''(i) any credit was determined under this section with respect to biodiesel used in the production of any qualified biodiesel mixture, and

''(ii) any person—

''(I) separates the biodiesel from the mixture, or

''(II) without separation, uses the mixture other than as a fuel,

then there is hereby imposed on such person a tax equal to the product of the rate applicable under subsection (b)(1)(A) and the number of gallons of such biodiesel in such mixture.

''(B) BIODIESEL.—If—

''(i) any credit was determined under this section with respect to the retail sale of any biodiesel, and

''(ii) any person mixes such biodiesel or uses such biodiesel other than as a fuel,

then there is hereby imposed on such person a tax equal to the product of the rate applicable under subsection (b)(2)(A) and the number of gallons of such biodiesel.

''(C) APPLICABLE LAWS.—All provisions of law, including penalties, shall, insofar as applicable and not inconsistent with this section, apply in respect of any tax imposed under subparagraph (A) or (B) as if such tax were imposed by section 4081 and not by this chapter.

''(4) PASS-THRU IN THE CASE OF ESTATES AND TRUSTS.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

''(e) TERMINATION.—This section shall not apply to any sale or use after December 31, 2006.''.

(b) CREDIT TREATED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) (relating to current year business credit) is amended by striking ''plus'' at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting '', plus'', and by adding at the end the following new paragraph:

''(16) the biodiesel fuels credit determined under section 40A(a).''.

(c) CONFORMING AMENDMENTS.—

(1) Section 39(d) is amended by adding at the end the following new paragraph:

''(11) NO CARRYBACK OF BIODIESEL FUELS CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the biodiesel fuels credit determined under section 40A may be carried back to a taxable year ending on or before September 30, 2004.''.

(2)(A) Section 87 is amended to read as follows:

''SEC. 87. ALCOHOL AND BIODIESEL FUELS CREDITS.

''Gross income includes—

''(1) the amount of the alcohol fuels credit determined with respect to the taxpayer for the taxable year under section 40(a), and

''(2) the biodiesel fuels credit determined with respect to the taxpayer for the taxable year under section 40A(a).''.

(B) The item relating to section 87 in the table of sections for part II of subchapter B of chapter 1 is amended by striking ''fuel credit'' and inserting ''and biodiesel fuels credits''.

(3) Section 196(c) is amended by striking ''and'' at the end of paragraph (9), by striking the period at the end of paragraph (10) and inserting '', and'', and by adding at the end the following new paragraph:

''(11) the biodiesel fuels credit determined under section 40A(a).''.

(4) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding after the item relating to section 40 the following new item:

''Sec. 40A. Biodiesel used as fuel.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel produced, and sold or used, after September 30, 2004, in taxable years ending after such date.

Subtitle C—Fuel Fraud Prevention

SEC. 9200. SHORT TITLE.

This subtitle may be cited as the ''Fuel Fraud Prevention Act of 2004''.

PART I—AVIATION JET FUEL

SEC. 9211. TAXATION OF AVIATION-GRADE KEROSENE.

(a) RATE OF TAX.—

(1) IN GENERAL.—Subparagraph (A) of section 4081(a)(2) is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by adding at the end the following new clause:

''(iv) in the case of aviation-grade kerosene, 21.8 cents per gallon.''.

(2) COMMERCIAL AVIATION.—Paragraph (2) of section 4081(a) is amended by adding at the end the following new subparagraph:

''(C) TAXES IMPOSED ON FUEL USED IN COMMERCIAL AVIATION.—In the case of aviation-grade kerosene which is removed from any refinery or terminal directly into the fuel tank of an aircraft for use in commercial aviation, the rate of tax under subparagraph (A)(iv) shall be 4.3 cents per gallon.''.

(3) NONTAXABLE USES.—

(A) IN GENERAL.—Section 4082 is amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

''(e) AVIATION-GRADE KEROSENE.—In the case of aviation-grade kerosene which is exempt from the tax imposed by section 4041(c) (other than by reason of a prior imposition of tax) and which is removed from any refinery or terminal directly into the fuel tank of an aircraft, the rate of tax under section 4081(a)(2)(A)(iv) shall be zero.''.

(B) CONFORMING AMENDMENTS.—

(i) Subsection (b) of section 4082 is amended by adding at the end the following new flush sentence: ''The term 'nontaxable use' does not include the use of aviation-grade kerosene in an aircraft.''.

(ii) Section 4082(d) is amended by striking paragraph (1) and by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(4) NONAIRCRAFT USE OF AVIATION-GRADE KEROSENE.—

(A) IN GENERAL.—Subparagraph (B) of section 4041(a)(1) is amended by adding at the end the following new sentence: ''This subparagraph shall not apply to aviation-grade kerosene.''.

(B) CONFORMING AMENDMENT.—The heading for paragraph (1) of section 4041(a) is amended by inserting ''and kerosene'' after ''diesel fuel''.

(b) COMMERCIAL AVIATION.—Section 4083 is amended redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

''(b) COMMERCIAL AVIATION.—For purposes of this subpart, the term 'commercial aviation' means any use of an aircraft in a business of transporting persons or property for compensation or hire by air, unless properly allocable to any transportation exempt from the taxes imposed by section 4261 and 4271 by reason of section 4281 or 4282 or by reason of section 4261(h).''.

(c) REFUNDS.—

(1) IN GENERAL.—Paragraph (4) of section 6427(l) is amended to read as follows:

''(4) REFUNDS FOR AVIATION-GRADE KEROSENE.—

''(A) NO REFUND OF CERTAIN TAXES ON FUEL USED IN COMMERCIAL AVIATION.—In the case of aviation-grade kerosene used in commercial aviation (as defined in section 4083(b)) (other than supplies for vessels or aircraft within the meaning of section 4221(d)(3)), paragraph (1) shall not apply to so much of the tax imposed by section 4081 as is attributable to—

''(i) the Leaking Underground Storage Tank Trust Fund financing rate imposed by such section, and

''(ii) so much of the rate of tax specified in section 4081(a)(2)(A)(iv) as does not exceed 4.3 cents per gallon.

''(B) PAYMENT TO ULTIMATE, REGISTERED VENDOR.—With respect to aviation-grade kerosene, if the ultimate purchaser of such kerosene waives (at such time and in such form and manner as the Secretary shall prescribe) the right to payment under paragraph (1) and assigns such right to the ultimate vendor, then the Secretary shall pay the amount which would be paid under paragraph (1) to such ultimate vendor, but only if such ultimate vendor—

''(i) is registered under section 4101, and

''(ii) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).''.

(2) TIME FOR FILING CLAIMS.—Paragraph (4) of section 6427(i) is amended by striking ''subsection (l)(5)'' and inserting ''paragraph (4)(B) or (5) of subsection (l)''.

(3) CONFORMING AMENDMENT.—Subparagraph (B) of section 6427(l)(2) is amended to read as follows:

''(B) in the case of aviation-grade kerosene—

''(i) any use which is exempt from the tax imposed by section 4041(c) other than by reason of a prior imposition of tax, or

''(ii) any use in commercial aviation (within the meaning of section 4083(b)).''.

(d) REPEAL OF PRIOR TAXATION OF AVIATION FUEL.—

(1) IN GENERAL.—Part III of subchapter A of chapter 32 is amended by striking subpart B and by redesignating subpart C as subpart B.

(2) CONFORMING AMENDMENTS.—

(A) Section 4041(c) is amended to read as follows:

''(c) AVIATION-GRADE KEROSENE.—

''(1) IN GENERAL.—There is hereby imposed a tax upon aviation-grade kerosene—

''(A) sold by any person to an owner, lessee, or other operator of an aircraft for use in such aircraft, or

''(B) used by any person in an aircraft unless there was a taxable sale of such fuel under subparagraph (A).

''(2) EXEMPTION FOR PREVIOUSLY TAXED FUEL.—No tax shall be imposed by this subsection on the sale or use of any aviation-grade kerosene if tax was imposed on such liquid under section 4081 and the tax thereon was not credited or refunded.

''(3) RATE OF TAX.—The rate of tax imposed by this subsection shall be the rate of tax specified in section 4081(a)(2)(A)(iv) which is in effect at the time of such sale or use.''.

(B) Section 4041(d)(2) is amended by striking ''section 4091'' and inserting ''section 4081''.

(C) Section 4041 is amended by striking subsection (e).

(D) Section 4041 is amended by striking subsection (i).

(E) Section 4041(m)(1) is amended to read as follows:

''(1) IN GENERAL.—In the case of the sale or use of any partially exempt methanol or ethanol fuel, the rate of the tax imposed by subsection (a)(2) shall be—

''(A) after September 30, 1997, and before September 30, 2009—

''(i) in the case of fuel none of the alcohol in which consists of ethanol, 9.15 cents per gallon, and

''(ii) in any other case, 11.3 cents per gallon, and

''(B) after September 30, 2009—

''(i) in the case of fuel none of the alcohol in which consists of ethanol, 2.15 cents per gallon, and

''(ii) in any other case, 4.3 cents per gallon.''.

(F) Sections 4101(a), 4103, 4221(a), and 6206 are each amended by striking '', 4081, or 4091'' and inserting ''or 4081''.

(G) Section 6416(b)(2) is amended by striking ''4091 or''.

(H) Section 6416(b)(3) is amended by striking ''or 4091'' each place it appears.

(I) Section 6416(d) is amended by striking ''or to the tax imposed by section 4091 in the case of refunds described in section 4091(d)''.

(J) Section 6427 is amended by striking subsection (f).

(K) Section 6427(j)(1) is amended by striking '', 4081, and 4091'' and inserting ''and 4081''.

(L)(i) Section 6427(l)(1) is amended to read as follows:

''(1) IN GENERAL.—Except as otherwise provided in this subsection and in subsection (k), if any diesel fuel or kerosene on which tax has been imposed by section 4041 or 4081 is used by any person in a nontaxable use, the Secretary shall pay (without interest) to the ultimate purchaser of such fuel an amount equal to the aggregate amount of tax imposed on such fuel under section 4041 or 4081, as the case may be, reduced by any refund paid to the ultimate vendor under paragraph (4)(B).''.

(ii) Paragraph (5)(B) of section 6427(l) is amended by striking ''Paragraph (1)(A) shall not apply to kerosene'' and inserting ''Paragraph (1) shall not apply to kerosene (other than aviation-grade kerosene)''.

(M) Subparagraph (B) of section 6724(d)(1) is amended by striking clause (xv) and by redesignating the succeeding clauses accordingly.

(N) Paragraph (2) of section 6724(d) is amended by striking subparagraph (W) and by redesignating the succeeding subparagraphs accordingly.

(O) Paragraph (1) of section 9502(b) is amended by adding ''and'' at the end of subparagraph (B) and by striking subparagraphs (C) and (D) and inserting the following new subparagraph:

''(C) section 4081 with respect to aviation gasoline and aviation-grade kerosene, and''.

(P) The last sentence of section 9502(b) is amended to read as follows: ''There shall not be taken into account under paragraph (1) so much of the taxes imposed by section 4081 as are determined at the rate specified in section 4081(a)(2)(B).''.

(Q) Subsection (b) of section 9508 is amended by striking paragraph (3) and by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(R) Section 9508(c)(2)(A) is amended by striking ''sections 4081 and 4091'' and inserting ''section 4081''.

(S) The table of subparts for part III of subchapter A of chapter 32 is amended to read as follows:

''SUBPART A. MOTOR AND AVIATION FUELS

''SUBPART B. SPECIAL PROVISIONS APPLICABLE TO FUELS TAX''.

(T) The heading for subpart A of part III of subchapter A of chapter 32 is amended to read as follows:

''Subpart A—Motor and Aviation Fuels''.

(U) The heading for subpart B of part III of subchapter A of chapter 32 is amended to read as follows:

"Subpart B—Special Provisions Applicable to Fuels Tax".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to aviation-grade kerosene removed, entered, or sold after September 30, 2004.

(f) FLOOR STOCKS TAX.—

(1) IN GENERAL.—There is hereby imposed on aviation-grade kerosene held on October 1, 2004, by any person a tax equal to—

(A) the tax which would have been imposed before such date on such kerosene had the amendments made by this section been in effect at all times before such date, reduced by

(B) the tax imposed before such date under section 4091 of the Internal Revenue Code of 1986, as in effect on the day before the date of the enactment of this Act.

(2) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(A) LIABILITY FOR TAX.—The person holding the kerosene on October 1, 2004, to which the tax imposed by paragraph (1) applies shall be liable for such tax.

(B) METHOD AND TIME FOR PAYMENT.—The tax imposed by paragraph (1) shall be paid at such time and in such manner as the Secretary of the Treasury shall prescribe, including the nonapplication of such tax on de minimis amounts of kerosene.

(3) TRANSFER OF FLOOR STOCK TAX REVENUES TO TRUST FUNDS.—For purposes of determining the amount transferred to any trust fund, the tax imposed by this subsection shall be treated as imposed by section 4081 of the Internal Revenue Code of 1986—

(A) at the Leaking Underground Storage Tank Trust Fund financing rate under such section to the extent of 0.1 cents per gallon, and

(B) at the rate under section 4081(a)(2)(A)(iv) to the extent of the remainder.

(4) HELD BY A PERSON.—For purposes of this section, kerosene shall be considered as held by a person if title thereto has passed to such person (whether or not delivery to the person has been made).

(5) OTHER LAWS APPLICABLE.—All provisions of law, including penalties, applicable with respect to the tax imposed by section 4081 of such Code shall, insofar as applicable and not inconsistent with the provisions of this subsection, apply with respect to the floor stock tax imposed by paragraph (1) to the same extent as if such tax were imposed by such section.

SEC. 9212. TRANSFER OF CERTAIN AMOUNTS FROM THE AIRPORT AND AIRWAY TRUST FUND TO THE HIGHWAY TRUST FUND TO REFLECT HIGHWAY USE OF JET FUEL.

(a) IN GENERAL.—Section 9502(d) is amended by adding at the end the following new paragraph:

''(7) TRANSFERS FROM THE TRUST FUND TO THE HIGHWAY TRUST FUND.—

''(A) IN GENERAL.—The Secretary shall pay annually from the Airport and Airway Trust Fund into the Highway Trust Fund an amount (as determined by him) equivalent to amounts received in the Airport and Airway Trust Fund which are attributable to fuel that is used primarily for highway transportation purposes.

''(B) AMOUNTS TRANSFERRED TO MASS TRANSIT ACCOUNT.—The Secretary shall transfer 11 percent of the amounts paid into the Highway Trust Fund under subparagraph (A) to the Mass Transit Account established under section 9503(e).''.

(b) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 9503 is amended—

(A) by striking ''appropriated or credited'' and inserting ''paid, appropriated, or credited'', and

(B) by striking ''or section 9602(b)'' and inserting '', section 9502(d)(7), or section 9602(b)''.

(2) Subsection (e)(1) of section 9503 is amended by striking ''or section 9602(b)'' and inserting '', section 9502(d)(7), or section 9602(b)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2004.

PART II—DYED FUEL

SEC. 9221. DYE INJECTION EQUIPMENT.

(a) IN GENERAL.—Section 4082(a)(2) (relating to exemptions for diesel fuel and kerosene) is amended by inserting ''by mechanical injection'' after ''indelibly dyed''.

(b) DYE INJECTOR SECURITY.—Not later than June 30, 2004, the Secretary of the Treasury shall issue regulations regarding mechanical dye injection systems described in the amendment made by subsection (a), and such regulations shall include standards for making such systems tamper resistant.

(c) PENALTY FOR TAMPERING WITH OR FAILING TO MAINTAIN SECURITY REQUIREMENTS FOR MECHANICAL DYE INJECTION SYSTEMS.—

(1) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by adding after section 6715 the following new section:

''SEC. 6715A. TAMPERING WITH OR FAILING TO MAINTAIN SECURITY REQUIREMENTS FOR MECHANICAL DYE INJECTION SYSTEMS.

''(a) IMPOSITION OF PENALTY.—

''(1) TAMPERING.—If any person tampers with a mechanical dye injection system used to indelibly dye fuel for purposes of section 4082, then such person shall pay a penalty in addition to the tax (if any).

''(2) FAILURE TO MAINTAIN SECURITY REQUIREMENTS.—If any operator of a mechanical dye injection system used to indelibly dye fuel for purposes of section 4082 fails to maintain the security standards for such system as established by the Secretary, then such operator shall pay a penalty.

''(b) AMOUNT OF PENALTY.—The amount of the penalty under subsection (a) shall be—

''(1) for each violation described in paragraph (1), the greater of—

''(A) $25,000, or

''(B) $10 for each gallon of fuel involved, and

''(2) for each—

''(A) failure to maintain security standards described in paragraph (2), $1,000, and

''(B) failure to correct a violation described in paragraph (2), $1,000 per day for each day after which such violation was discovered or such person should have reasonably known of such violation.

''(c) JOINT AND SEVERAL LIABILITY.—

''(1) IN GENERAL.—If a penalty is imposed under this section on any business entity, each officer, employee, or agent of such entity or other contracting party who willfully participated in any act giving rise to such penalty shall be jointly and severally liable with such entity for such penalty.

''(2) AFFILIATED GROUPS.—If a business entity described in paragraph (1) is part of an affiliated group (as defined in section 1504(a)), the parent corporation of such entity shall be jointly and severally liable with such entity for the penalty imposed under this section.''.

(2) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by adding after the item related to section 6715 the following new item:

''Sec. 6715A. Tampering with or failing to maintain security requirements for mechanical dye injection systems.''.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (c) shall take effect 180 days after the date on which the Secretary issues the regulations described in subsection (b).

SEC. 9222. ELIMINATION OF ADMINISTRATIVE REVIEW FOR TAXABLE USE OF DYED FUEL.

(a) IN GENERAL.—Section 6715 is amended by inserting at the end the following new subsection:

''(e) NO ADMINISTRATIVE APPEAL FOR THIRD AND SUBSEQUENT VIOLATIONS.—In the case of any person who is found to be subject to the penalty under this section after a chemical analysis of such fuel and who has been penalized under this section at least twice after the date of the enactment of this subsection, no administrative appeal or review shall be allowed with respect to such finding except in the case of a claim regarding—

''(1) fraud or mistake in the chemical analysis, or

''(2) mathematical calculation of the amount of the penalty.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to penalties assessed after the date of the enactment of this Act.

SEC. 9223. PENALTY ON UNTAXED CHEMICALLY ALTERED DYED FUEL MIXTURES.

(a) IN GENERAL.—Section 6715(a) (relating to dyed fuel sold for use or used in taxable use, etc.) is amended by striking ''or'' in paragraph (2), by inserting ''or'' at the end of paragraph (3), and by inserting after paragraph (3) the following new paragraph:

''(4) any person who has knowledge that a dyed fuel which has been altered as described in paragraph (3) sells or holds for sale such fuel for any use which the person knows or has reason to know is not a nontaxable use of such fuel,''.

(b) CONFORMING AMENDMENT.—Section 6715(a)(3) is amended by striking ''alters, or attempts to alter,'' and inserting ''alters, chemically or otherwise, or attempts to so alter,''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 9224. TERMINATION OF DYED DIESEL USE BY INTERCITY BUSES.

(a) IN GENERAL.—Paragraph (3) of section 4082(b) (relating to nontaxable use) is amended to read as follows:

''(3) any use described in section 4041(a)(1)(C)(iii)(II).''.

(b) ULTIMATE VENDOR REFUND.—Subsection (b) of section 6427 is amended by adding at the end the following new paragraph:

''(4) REFUNDS FOR USE OF DIESEL FUEL IN CERTAIN INTERCITY BUSES.—

''(A) IN GENERAL.—With respect to any fuel to which paragraph (2)(A) applies, if the ultimate purchaser of such fuel waives (at such time and in such form and manner as the Secretary shall prescribe) the right to payment under paragraph (1) and assigns such right to the ultimate vendor, then the Secretary shall pay the amount which would be paid under paragraph (1) to such ultimate vendor, but only if such ultimate vendor—

''(i) is registered under section 4101, and

''(ii) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).

''(B) CREDIT CARDS.—For purposes of this paragraph, if the sale of such fuel is made by means of a credit card, the person extending credit to the ultimate purchaser shall be deemed to be the ultimate vendor.''.

(c) PAYMENT OF REFUNDS.—Subparagraph (A) of section 6427(i)(4), as amended by section 9211 of this Act, is amended by inserting ''subsections (b)(4) and'' after ''filed under''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold after September 30, 2004.

PART III—MODIFICATION OF INSPECTION OF RECORDS PROVISIONS

SEC. 9231. AUTHORITY TO INSPECT ON-SITE RECORDS.

(a) IN GENERAL.—Section 4083(d)(1)(A) (relating to administrative authority), as amended by section 9211 of this Act, is amended by striking ''and'' at the end of clause (i) and by inserting after clause (ii) the following new clause:

''(iii) inspecting any books and records and any shipping papers pertaining to such fuel, and''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 9232. ASSESSABLE PENALTY FOR REFUSAL OF ENTRY.

(a) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties), as amended by section 9221 of this Act, is amended by adding at the end the following new section:

''SEC. 6717. REFUSAL OF ENTRY.

''(a) IN GENERAL.—In addition to any other penalty provided by law, any person who refuses to admit entry or refuses to permit any other action by the Secretary authorized by section 4083(d)(1) shall pay a penalty of $1,000 for such refusal.

''(b) JOINT AND SEVERAL LIABILITY.—

''(1) IN GENERAL.—If a penalty is imposed under this section on any business entity, each officer, employee, or agent of such entity or other contracting party who willfully participated in any act giving rise to such penalty shall be jointly and severally liable with such entity for such penalty.

''(2) AFFILIATED GROUPS.—If a business entity described in paragraph (1) is part of an affiliated group (as defined in section 1504(a)), the parent corporation of such entity shall be jointly and severally liable with such entity for the penalty imposed under this section.

''(c) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 4083(d)(3), as amended by section 9211 of this Act, is amended—

(A) by striking ''ENTRY.—The penalty'' and inserting: ''ENTRY.—

''(A) FORFEITURE.—The penalty'', and

(B) by adding at the end the following new subparagraph:

''(B) ASSESSABLE PENALTY.—For additional assessable penalty for the refusal to admit entry or other refusal to permit an action by the Secretary authorized by paragraph (1), see section 6717.''.

(2) The table of sections for part I of subchapter B of chapter 68, as amended by section 9221 of this Act, is amended by adding at the end the following new item:

''Sec. 6717. Refusal of entry.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2004.

PART IV—REGISTRATION AND REPORTING REQUIREMENTS

SEC. 9241. REGISTRATION OF PIPELINE OR VESSEL OPERATORS REQUIRED FOR EXEMPTION OF BULK TRANSFERS TO REGISTERED TERMINALS OR REFINERIES.

(a) IN GENERAL.—Section 4081(a)(1)(B) (relating to exemption for bulk transfers to registered terminals or refineries) is amended—

(1) by inserting ''by pipeline or vessel'' after ''transferred in bulk'', and

(2) by inserting '', the operator of such pipeline or vessel,'' after ''the taxable fuel''.

(b) CIVIL PENALTY FOR CARRYING TAXABLE FUELS BY NONREGISTERED PIPELINES OR VESSELS.—

(1) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties), as amended by section 9232 of this Act, is amended by adding at the end the following new section:

''SEC. 6718. CARRYING TAXABLE FUELS BY NONREGISTERED PIPELINES OR VESSELS.

''(a) IMPOSITION OF PENALTY.—If any person knowingly transfers any taxable fuel (as defined in section 4083(a)(1)) in bulk pursuant to section 4081(a)(1)(B) to an unregistered, such person shall pay a penalty in addition to the tax (if any).

''(b) AMOUNT OF PENALTY.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the amount of the penalty under subsection (a) on each act shall be an amount equal to the greater of—

''(A) $10,000, or

''(B) $1 per gallon.

''(2) MULTIPLE VIOLATIONS.—In determining the penalty under subsection (a) on any person, paragraph (1) shall be applied by increasing the amount in paragraph (1) by the product of such amount and the number of prior penalties (if any) imposed by this section on such person (or a related person or any predecessor of such person or related person).

''(c) JOINT AND SEVERAL LIABILITY.—

''(1) IN GENERAL.—If a penalty is imposed under this section on any business entity, each officer, employee, or agent of such entity or other contracting party who willfully participated in any act giving rise to such penalty shall be jointly and severally liable with such entity for such penalty.

''(2) AFFILIATED GROUPS.—If a business entity described in paragraph (1) is part of an affiliated group (as defined in section 1504(a)), the parent corporation of such entity shall be jointly and severally liable with such entity for the penalty imposed under this section.

''(d) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.''.

(2) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68, as amended by section 9232 of this Act, is amended by adding at the end the following new item:

''Sec. 6718. Carrying taxable fuels by nonregistered pipelines or vessels.''.

(c) PUBLICATION OF REGISTERED PERSONS.—Not later than June 30, 2004, the Secretary of the Treasury shall publish a list of persons required to be registered under section 4101 of the Internal Revenue Code of 1986.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on October 1, 2004.

SEC. 9242. DISPLAY OF REGISTRATION.

(a) IN GENERAL.—Subsection (a) of section 4101 (relating to registration) is amended—

(1) by striking ''Every'' and inserting the following:

''(1) IN GENERAL.—Every'', and

(2) by adding at the end the following new paragraph:

''(2) DISPLAY OF REGISTRATION.—Every operator of a vessel required by the Secretary to register under this section shall display proof of registration through an electronic identification device prescribed by the Secretary on each vessel used by such operator to transport any taxable fuel.''.

(b) CIVIL PENALTY FOR FAILURE TO DISPLAY REGISTRATION.—

(1) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties), as amended by section 9241 of this Act, is amended by adding at the end the following new section:

''SEC. 6719. FAILURE TO DISPLAY REGISTRATION OF VESSEL.

''(a) FAILURE TO DISPLAY REGISTRATION.—Every operator of a vessel who fails to display proof of registration pursuant to section 4101(a)(2) shall pay a penalty of $500 for each such failure. With respect to any vessel, only one penalty shall be imposed by this section during any calendar month.

''(b) MULTIPLE VIOLATIONS.—In determining the penalty under subsection (a) on any person, subsection (a) shall be applied by increasing the amount in subsection (a) by the product of such amount and the number of prior penalties (if any) imposed by this section on such person (or a related person or any predecessor of such person or related person).

''(c) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.''.

(2) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68, as amended by section 9241 of this Act, is amended by adding at the end the following new item:

''Sec. 6719. Failure to display registration of vessel.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2004.

SEC. 9243. REGISTRATION OF PERSONS WITHIN FOREIGN TRADE ZONES, ETC.

(a) IN GENERAL.—Section 4101(a), as amended by section 9242 of this Act, is amended by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following new paragraph:

''(2) REGISTRATION OF PERSONS WITHIN FOREIGN TRADE ZONES, ETC.—The Secretary shall require registration by any person which—

''(A) operates a terminal or refinery within a foreign trade zone or within a customs bonded storage facility, or

''(B) holds an inventory position with respect to a taxable fuel in such a terminal.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2004.

SEC. 9244. PENALTIES FOR FAILURE TO REGISTER AND FAILURE TO REPORT.

(a) INCREASED PENALTY.—Subsection (a) of section 7272 (relating to penalty for failure to register) is amended by inserting ''($10,000 in the case of a failure to register under section 4101)'' after ''$50''.

(b) INCREASED CRIMINAL PENALTY.—Section 7232 (relating to failure to register under section 4101, false representations of registration status, etc.) is amended by striking ''$5,000'' and inserting ''$10,000''.

(c) ASSESSABLE PENALTY FOR FAILURE TO REGISTER.—

(1) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties), as amended by section 9242 of this Act, is amended by adding at the end the following new section:

''SEC. 6720. FAILURE TO REGISTER.

''(a) FAILURE TO REGISTER.—Every person who is required to register under section 4101 and fails to do so shall pay a penalty in addition to the tax (if any).

''(b) AMOUNT OF PENALTY.—The amount of the penalty under subsection (a) shall be—

''(1) $10,000 for each initial failure to register, and

''(2) $1,000 for each day thereafter such person fails to register.

''(c) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.''.

(2) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68, as amended by section 9242 of this Act, is

amended by adding at the end the following new item:

''Sec. 6720. Failure to register.''.

(d) ASSESSABLE PENALTY FOR FAILURE TO REPORT.—

(1) IN GENERAL.—Part II of subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end the following new section:

''SEC. 6725. FAILURE TO REPORT INFORMATION UNDER SECTION 4101.

''(a) IN GENERAL.—In the case of each failure described in subsection (b) by any person with respect to a vessel or facility, such person shall pay a penalty of $10,000 in addition to the tax (if any).

''(b) FAILURES SUBJECT TO PENALTY.—For purposes of subsection (a), the failures described in this subsection are—

''(1) any failure to make a report under section 4101(d) on or before the date prescribed therefor, and

''(2) any failure to include all of the information required to be shown on such report or the inclusion of incorrect information.

''(c) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.''.

(2) CLERICAL AMENDMENT.—The table of sections for part II of subchapter B of chapter 68 is amended by adding at the end the following new item:

''Sec. 6725. Failure to report information under section 4101.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to failures pending or occurring after September 30, 2004.

SEC. 9245. INFORMATION REPORTING FOR PERSONS CLAIMING CERTAIN TAX BENEFITS.

(a) IN GENERAL.—Subpart C of part III of subchapter A of chapter 32 is amended by adding at the end the following new section:

''SEC. 4104. INFORMATION REPORTING FOR PERSONS CLAIMING CERTAIN TAX BENEFITS.

''(a) IN GENERAL.—The Secretary shall require any person claiming tax benefits—

''(1) under the provisions of section 34, 40, and 40A to file a return at the time such person claims such benefits (in such manner as the Secretary may prescribe), and

''(2) under the provisions of section 4041(b)(2), 6426, or 6427(e) to file a monthly return (in such manner as the Secretary may prescribe).

''(b) CONTENTS OF RETURN.—Any return filed under this section shall provide such information relating to such benefits and the coordination of such benefits as the Secretary may require to ensure the proper administration and use of such benefits.

''(c) ENFORCEMENT.—With respect to any person described in subsection (a) and subject to registration requirements under this title, rules similar to rules of section 4222(c) shall apply with respect to any requirement under this section.''.

(b) CONFORMING AMENDMENT.—The table of sections for subpart C of part III of subchapter A of chapter 32 is amended by adding at the end the following new item:

''Sec. 4104. Information reporting for persons claiming certain tax benefits.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2004.

SEC. 9246. ELECTRONIC REPORTING.

(a) IN GENERAL.—Section 4101(d), as amended by section 9273 of this Act, is amended by adding at the end the following new sentence: ''Any person who is required to report under this subsection and who has 25 or more reportable transactions in a month shall file such report in electronic format.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply on October 1, 2004.

PART V—IMPORTS

SEC. 9251. TAX AT POINT OF ENTRY WHERE IMPORTER NOT REGISTERED.

(a) TAX AT POINT OF ENTRY WHERE IMPORTER NOT REGISTERED.—

(1) IN GENERAL.—Subpart C of part III of subchapter A of chapter 31, as amended by section 9245 of this Act, is amended by adding at the end the following new section:

''SEC. 4105. TAX AT ENTRY WHERE IMPORTER NOT REGISTERED.

''(a) IN GENERAL.—Any tax imposed under this part on any person not registered under section 4101 for the entry of a fuel into the United States shall be imposed at the time and point of entry.

''(b) ENFORCEMENT OF ASSESSMENT.—If any person liable for any tax described under subsection (a) has not paid the tax or posted a bond, the Secretary may—

''(1) seize the fuel on which the tax is due, or

''(2) detain any vehicle transporting such fuel,

until such tax is paid or such bond is filed.

''(c) LEVY OF FUEL.—If no tax has been paid or no bond has been filed within 5 days from the date the Secretary seized fuel pursuant to subsection (b), the Secretary may sell such fuel as provided under section 6336.''.

(2) CONFORMING AMENDMENT.—The table of sections for subpart C of part III of subchapter A of chapter 31 of the Internal Revenue Code of 1986, as amended by section 9245 of this Act, is amended by adding after the last item the following new item:

''Sec. 4105. Tax at entry where importer not registered.''.

(b) DENIAL OF ENTRY WHERE TAX NOT PAID.—The Secretary of Homeland Security is authorized to deny entry into the United States of any shipment of a fuel which is taxable under section 4081 of the Internal Revenue Code of 1986 if the person entering such shipment fails to pay the tax imposed under such section or post a bond in accordance with the provisions of section 4105 of such Code.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 9252. RECONCILIATION OF ON-LOADED CARGO TO ENTERED CARGO.

(a) IN GENERAL.—Subsection (a) of section 343 of the Trade Act of 2002 is amended by inserting at the end the following new paragraph:

''(4) IN GENERAL.—Subject to paragraphs (2) and (3), not later than 1 year after the enactment of this paragraph, the Secretary of Homeland Security, together with the Secretary of the Treasury, shall promulgate regulations providing for the transmission to the Internal Revenue Service, through an electronic data interchange system, of information pertaining to cargo of taxable fuels (as defined in section 4083 of the Internal Revenue Code of 1986) destined for importation into the United States prior to such importation.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

PART VI—MISCELLANEOUS PROVISIONS

SEC. 9261. TAX ON SALE OF DIESEL FUEL WHETHER SUITABLE FOR USE OR NOT IN A DIESEL-POWERED VEHICLE OR TRAIN.

(a) IN GENERAL.—Section 4083(a)(3) is amended—

(1) by striking ''The term'' and inserting the following:

''(A) IN GENERAL.—The term'', and

(2) by inserting at the end the following new subparagraph:

''(B) LIQUID SOLD AS DIESEL FUEL.—The term 'diesel fuel' includes any liquid which is sold as or offered for sale as a fuel in a diesel-powered highway vehicle or a diesel-powered train.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 40A(b)(1)(B), as amended by section 9103 of this Act, is amended by striking ''4083(a)(3)'' and inserting ''4083(a)(3)(A)''.

(2) Section 6426(c)(3), as added by section 5102 of this Act, is amended by striking ''4083(a)(3)'' and inserting ''4083(a)(3)(A)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 9262. MODIFICATION OF ULTIMATE VENDOR REFUND CLAIMS WITH RESPECT TO FARMING.

(a) IN GENERAL.—

(1) REFUNDS.—Section 6427(l) is amended by adding at the end the following new paragraph:

''(6) REGISTERED VENDORS PERMITTED TO ADMINISTER CERTAIN CLAIMS FOR REFUND OF DIESEL FUEL AND KEROSENE SOLD TO FARMERS.—

''(A) IN GENERAL.—In the case of diesel fuel or kerosene used on a farm for farming purposes (within the meaning of section 6420(c)), paragraph (1) shall not apply to the aggregate amount of such diesel fuel or kerosene if such amount does not exceed 500 gallons (as determined under subsection (i)(5)(A)(iii)).

''(B) PAYMENT TO ULTIMATE VENDOR.—The amount which would (but for subparagraph (A)) have been paid under paragraph (1) with respect to any fuel shall be paid to the ultimate vendor of such fuel, if such vendor—

''(i) is registered under section 4101, and

''(ii) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).''.

(2) FILING OF CLAIMS.—Section 6427(i) is amended by inserting at the end the following new paragraph:

''(5) SPECIAL RULE FOR VENDOR REFUNDS WITH RESPECT TO FARMERS.—

''(A) IN GENERAL.—A claim may be filed under subsection (l)(6) by any person with respect to fuel sold by such person for any period—

''(i) for which $200 or more ($100 or more in the case of kerosene) is payable under subsection (l)(6),

''(ii) which is not less than 1 week, and

''(iii) which is for not more than 500 gallons for each farmer for which there is a claim.

Notwithstanding subsection (l)(1), paragraph (3)(B) shall apply to claims filed under the preceding sentence.

''(B) TIME FOR FILING CLAIM.—No claim filed under this paragraph shall be allowed unless filed on or before the last day of the first quarter following the earliest quarter included in the claim.''.

(3) CONFORMING AMENDMENTS.—

(A) Section 6427(l)(5)(A) is amended to read as follows:

''(A) IN GENERAL.—Paragraph (1) shall not apply to diesel fuel or kerosene used by a State or local government.''.

(B) The heading for section 6427(l)(5) is amended by striking ''farmers and''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to fuels sold for nontaxable use after the date of the enactment of this Act.

SEC. 9263. TAXABLE FUEL REFUNDS FOR CERTAIN ULTIMATE VENDORS.

(a) IN GENERAL.—Paragraph (4) of section 6416(a) (relating to abatements, credits, and refunds) is amended to read as follows:

''(4) REGISTERED ULTIMATE VENDOR TO ADMINISTER CREDITS AND REFUNDS OF GASOLINE TAX.—

''(A) IN GENERAL.—For purposes of this subsection, if an ultimate vendor purchases any gasoline on which tax imposed by section 4081 has been paid and sells such gasoline to an ultimate purchaser described in subparagraph (C) or (D) of subsection (b)(2) (and such gasoline is for a use described in such subparagraph), such ultimate vendor shall be treated as the person (and the only person) who paid such tax, but only if such ultimate vendor is registered under section 4101. For purposes of this subparagraph, if the sale of gasoline is made by means of a credit card, the person extending the credit to the ultimate purchaser shall be deemed to be the ultimate vendor.

''(B) TIMING OF CLAIMS.—The procedure and timing of any claim under subparagraph (A) shall be the same as for claims under section 6427(i)(4), except that the rules of section 6427(i)(3)(B) regarding electronic claims shall not apply unless the ultimate vendor has certified to the Secretary for the most recent quarter of the taxable year that all ultimate purchasers of the vendor are certified and entitled to a refund under subparagraph (C) or (D) of subsection (b)(2).''.

(b) CREDIT CARD PURCHASES OF DIESEL FUEL OR KEROSENE BY STATE AND LOCAL GOVERNMENTS.—Section 6427(l)(5)(C) (relating to nontaxable uses of diesel fuel, kerosene, and aviation fuel), as amended by section 9252 of this Act, is amended by adding at the end the following new sentence: ''For purposes of this subparagraph, if the sale of diesel fuel or kerosene is made by means of a credit card, the person extending the credit to the ultimate purchaser shall be deemed to be the ultimate vendor.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2004.

SEC. 9264. TWO-PARTY EXCHANGES.

(a) IN GENERAL.—Subpart C of part III of subchapter A of chapter 32, as amended by section 9251 of this Act, is amended by adding at the end the following new section:

''SEC. 4106. TWO-PARTY EXCHANGES.

''(a) IN GENERAL.—In a two-party exchange, the delivering person shall not be liable for the tax imposed under of section 4081(a)(1)(A)(ii).

''(b) TWO-PARTY EXCHANGE.—The term 'two-party exchange' means a transaction, other than a sale, in which taxable fuel is transferred from a delivering person registered under section 4101 as a taxable fuel registrant to a receiving person who is so registered where all of the following occur:

''(1) The transaction includes a transfer from the delivering person, who holds the inventory position for taxable fuel in the terminal as reflected in the records of the terminal operator.

''(2) The exchange transaction occurs before or contemporaneous with completion of removal across the rack from the terminal by the receiving person.

''(3) The terminal operator in its books and records treats the receiving person as the person that removes the product across the terminal rack for purposes of reporting the transaction to the Secretary.

''(4) The transaction is the subject of a written contract.''.

(b) CONFORMING AMENDMENT.—The table of sections for subpart C of part III of subchapter A of chapter 32, as amended by section 9251 of this Act, is amended by adding after the last item the following new item:

''Sec. 4106. Two-party exchanges.''.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 9265. MODIFICATIONS OF TAX ON USE OF CERTAIN VEHICLES.

(a) NO PRORATION OF TAX UNLESS VEHICLE IS DESTROYED OR STOLEN.—

(1) IN GENERAL.—Section 4481(c) (relating to proration of tax) is amended to read as follows:

''(c) PRORATION OF TAX WHERE VEHICLE SOLD, DESTROYED, OR STOLEN.—

''(1) IN GENERAL.—If in any taxable period a highway motor vehicle is sold, destroyed, or stolen before the first day of the last month in such period and not subsequently used during such taxable period, the tax shall be reckoned proportionately from the first day of the month in such period in which the first use of such highway motor vehicle occurs to and including the last day of the month in which such highway motor vehicle was sold, destroyed, or stolen.

''(2) DESTROYED.—For purposes of paragraph (1), a highway motor vehicle is destroyed if such vehicle is damaged by reason of an accident or other casualty to such an extent that it is not economic to rebuild.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 6156 (relating to installment payment of tax on use of highway motor vehicles) is repealed.

(B) The table of sections for subchapter A of chapter 62 is amended by striking the item relating to section 6156.

(b) DISPLAY OF TAX CERTIFICATE.—Paragraph (2) of section 4481(d) (relating to one tax liability for period) is amended to read as follows:

''(2) DISPLAY OF TAX CERTIFICATE.—Every taxpayer which pays the tax imposed under this section with respect to a highway motor vehicle shall, not later than 1 month after the due date of the return of tax with respect to each taxable period, receive and display on such vehicle an electronic identification device prescribed by the Secretary.''.

(c) ELECTRONIC FILING.—Section 4481, as amended by section 9001 of this Act, is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

''(e) ELECTRONIC FILING.—Any taxpayer who files a return under this section with respect to 25 or more vehicles for any taxable period shall file such return electronically.''.

(d) REPEAL OF REDUCTION IN TAX FOR CERTAIN TRUCKS.—Section 4483 of the Internal Revenue Code of 1986 is amended by striking subsection (f).

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable periods beginning after the date of the enactment of this Act.

(2) SUBSECTION (b).—The amendment made by subsection (b) shall take effect on October 1, 2005.

SEC. 9266. DEDICATION OF REVENUES FROM CERTAIN PENALTIES TO THE HIGHWAY TRUST FUND.

(a) IN GENERAL.—Subsection (b) of section 9503 (relating to transfer to Highway Trust Fund of amounts equivalent to certain taxes), as amended by section 9001 of this Act, is amended by redesignating paragraph (5) as paragraph (6) and inserting after paragraph (4) the following new paragraph:

''(5) CERTAIN PENALTIES.—There are hereby appropriated to the Highway Trust Fund amounts equivalent to the penalties assessed under sections 6715, 6715A, 6717, 6718, 6719, 6720, 6725, 7232, and 7272 (but only with regard to penalties under such section related to failure to register under section 4101).''.

(b) CONFORMING AMENDMENTS.—

(1) The heading of subsection (b) of section 9503 is amended by inserting ''and Penalties'' after ''Taxes''.

(2) The heading of paragraph (1) of section 9503(b) is amended by striking ''In general'' and inserting ''Certain taxes''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to penalties assessed after October 1, 2004.

SEC. 9267. NONAPPLICATION OF EXPORT EXEMPTION TO DELIVERY OF FUEL TO MOTOR VEHICLES REMOVED FROM UNITED STATES.

(a) IN GENERAL.—Section 4221(d)(2) (defining export) is amended by adding at the end the following new sentence: ''Such term does not include the delivery of a taxable fuel (as defined in section 4083(a)(1)) into a fuel tank of a motor vehicle which is shipped or driven out of the United States.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 4041(g) (relating to other exemptions) is amended by adding at the end the following new sentence: ''Paragraph (3) shall not apply to the sale for delivery of a liquid into a fuel tank of a motor vehicle which is shipped or driven out of the United States.''.

(2) Clause (iv) of section 4081(a)(1)(A) (relating to tax on removal, entry, or sale) is amended by inserting ''or at a duty-free sales enterprise (as defined in section 555(b)(8) of the Tariff Act of 1930)'' after ''section 4101''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or deliveries made after the date of the enactment of this Act.

PART VII—TOTAL ACCOUNTABILITY

SEC. 9271. TOTAL ACCOUNTABILITY.

(a) TAXATION OF REPORTABLE LIQUIDS.—

(1) IN GENERAL.—Section 4081(a), as amended by this Act, is amended—

(A) by inserting ''or reportable liquid'' after ''taxable fuel'' each place it appears, and

(B) by inserting ''such liquid'' after ''such fuel'' in paragraph (1)(A)(iv).

(2) RATE OF TAX.—Subparagraph (A) of section 4081(a)(2), as amended by section 9211 of this Act, is amended by striking ''and'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', and'', and by adding at the end the following new clause:

''(v) in the case of reportable liquids, the rate determined under section 4083(c)(2).''.

(3) EXEMPTION.—Section 4081(a)(1) is amended by adding at the end the following new subparagraph:

''(C) EXEMPTION FOR REGISTERED TRANSFERS OF REPORTABLE LIQUIDS.—The tax imposed by this paragraph shall not apply to any removal, entry, or sale of a reportable liquid if—

''(i) such removal, entry, or sale is to a registered person who certifies that such liquid will not be used as a fuel or in the production of a fuel, or

''(ii) the sale is to the ultimate purchaser of such liquid.''.

(4) REPORTABLE LIQUIDS.—Section 4083, as amended by this Act, is amended by redesignating subsections (c) and (d) (as redesignated by section 5211 of this Act) as subsections (d) and (e), respectively, and by inserting after subsection (b) the following new section:

''(c) REPORTABLE LIQUID.—For purposes of this subpart—

''(1) IN GENERAL.—The term 'reportable liquid' means any petroleum-based liquid other than a taxable fuel.

''(2) TAXATION.—

''(A) GASOLINE BLEND STOCKS AND ADDITIVES.—Gasoline blend stocks and additives which are reportable liquids (as defined in paragraph (1)) shall be subject to the rate of tax under clause (i) of section 4081(a)(2)(A).

''(B) OTHER REPORTABLE LIQUIDS.—Any reportable liquid (as defined in paragraph (1)) not described in subparagraph (A) shall be subject to the rate of tax under clause (iii) of section 4081(a)(2)(A).''.

(5) CONFORMING AMENDMENTS.—

(A) Section 4081(e) is amended by inserting ''or reportable liquid'' after ''taxable fuel''.

(B) Section 4083(d) (relating to certain use defined as removal), as redesignated by paragraph (4), is amended by inserting ''or reportable liquid'' after ''taxable fuel''.

(C) Section 4083(e)(1) (relating to administrative authority), as redesignated by paragraph (4), is amended—

(i) in subparagraph (A)—

(I) by inserting ''or reportable liquid'' after ''taxable fuel'', and

(II) by inserting ''or such liquid'' after ''such fuel'' each place it appears, and

(ii) in subparagraph (B), by inserting ''or any reportable liquid'' after ''any taxable fuel''.

(D) Section 4101(a)(2), as added by section 5243 of this Act, is amended by inserting ''or a reportable liquid'' after ''taxable fuel''.

(E) Section 4101(a)(3), as added by section 5242 of this Act and redesignated by section 5243 of this Act, is amended by inserting ''or any reportable liquid'' before the period at the end.

(F) Section 4102 is amended by inserting ''or any reportable liquid'' before the period at the end.

(G)(i) Section 6718, as added by section 5241 of this Act, is amended—

(I) in subsection (a), by inserting ''or any reportable liquid (as defined in section 4083(c)(1))'' after '' section 4083(a)(1))'', and

(II) in the heading, by inserting ''or reportable liquids'' after ''taxable fuel''.

(ii) The item relating to section 6718 in table of sections for part I of subchapter B of chapter 68, as added by section 5241 of this Act, is amended by inserting ''or reportable liquids'' after ''taxable fuels''.

(H) Section 6427(h) is amended to read as follows:

''(h) GASOLINE BLEND STOCKS OR ADDITIVES AND REPORTABLE LIQUIDS.—Except as provided in subsection (k)—

''(1) if any gasoline blend stock or additive (within the meaning of section 4083(a)(2)) is not used by any person to produce gasoline and such person establishes that the ultimate use of such gasoline blend stock or additive is not to produce gasoline, or

''(2) if any reportable liquid (within the meaning of section 4083(c)(1)) is not used by any person to produce a taxable fuel and such person establishes that the ultimate use of such reportable liquid is not to produce a taxable fuel,

then the Secretary shall pay (without interest) to such person an amount equal to the aggregate amount of the tax imposed on such person with respect to such gasoline blend stock or additive or such reportable fuel.''.

(I) Section 7232, as amended by this Act, is amended by inserting ''or reportable liquid (within the meaning of section 4083(c)(1))'' after ''section 4083)''.

(J) Section 343 of the Trade Act of 2002, as amended by section 9252 of this Act, is amended by inserting ''and reportable liquids (as defined in section 4083(c)(1) of such Code)'' after ''Internal Revenue Code of 1986)''.

(b) DYED DIESEL.—Section 4082(a) is amended by striking ''and'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ''and'', and by inserting after paragraph (3) the following new paragraph:

''(4) which is removed, entered, or sold by a person registered under section 4101.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to reportable liquids (as defined in section 4083(c) of the Internal Revenue Code) and fuel sold or used after September 30, 2004.

SEC. 9272. EXCISE TAX REPORTING.

(a) IN GENERAL.—Part II of subchapter A of chapter 61 is amended by adding at the end the following new subpart:

''Subpart E—Excise Tax Reporting

''SEC. 6025. RETURNS RELATING TO FUEL TAXES.

''(a) IN GENERAL.—The Secretary shall require any person liable for the tax imposed under Part III of subchapter A of chapter 32 to file a return of such tax on a monthly basis.

''(b) INFORMATION INCLUDED WITH RETURN.—The Secretary shall require any person filing a return under subsection (a) to provide information regarding any refined product (whether or not such product is taxable under this title) removed from a terminal during the period for which such return applies.''.

(b) CONFORMING AMENDMENT.—The table of parts for subchapter A of chapter 61 is amended by adding at the end the following new item:

''SUBPART E—EXCISE TAX REPORTING''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after September 30, 2004.

SEC. 9273. INFORMATION REPORTING.

(a) IN GENERAL.—Section 4101(d) is amended by adding at the end the following new flush sentence: ''The Secretary shall require reporting under the previous sentence with respect to taxable fuels removed, entered, or transferred from any refinery, pipeline, or vessel which is registered under this section.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply on October 1, 2004.

Subtitle D—Definition of Highway Vehicle

SEC. 9301. EXEMPTION FROM CERTAIN EXCISE TAXES FOR MOBILE MACHINERY.

(a) EXEMPTION FROM TAX ON HEAVY TRUCKS AND TRAILERS SOLD AT RETAIL.—

(1) IN GENERAL.—Section 4053 (relating to exemptions) is amended by adding at the end the following new paragraph:

''(8) MOBILE MACHINERY.—Any vehicle which consists of a chassis—

''(A) to which there has been permanently mounted (by welding, bolting, riveting, or other means) machinery or equipment to perform a construction, manufacturing, processing, farming, mining, drilling, timbering, or similar operation if the operation of the machinery or equipment is unrelated to transportation on or off the public highways,

''(B) which has been specially designed to serve only as a mobile carriage and mount (and a power source, where applicable) for the particular machinery or equipment involved, whether or not such machinery or equipment is in operation, and

''(C) which, by reason of such special design, could not, without substantial structural modification, be used as a component of a vehicle designed to perform a function of transporting any load other than that particular machinery or equipment or similar machinery or equipment requiring such a specially designed chassis.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on the day after the date of the enactment of this Act.

(b) EXEMPTION FROM TAX ON USE OF CERTAIN VEHICLES.—

(1) IN GENERAL.—Section 4483 (relating to exemptions) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

''(g) EXEMPTION FOR MOBILE MACHINERY.—No tax shall be imposed by section 4481 on the use of any vehicle described in section 4053(8).''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the day after the date of the enactment of this Act.

(d) EXEMPTION FROM FUEL TAXES.—

(1) IN GENERAL.—Section 6421(e)(2) (defining off-highway business use) is amended by adding at the end the following new subparagraph:

''(C) USES IN MOBILE MACHINERY.—

''(i) IN GENERAL.—The term 'off-highway business use' shall include any use in a vehicle which meets the requirements described in clause (ii).

''(ii) REQUIREMENTS FOR MOBILE MACHINERY.—The requirements described in this clause are—

''(I) the design-based test, and

''(II) the use-based test.

''(iii) DESIGN-BASED TEST.—For purposes of clause (ii)(I), the design-based test is met if the vehicle consists of a chassis—

''(I) to which there has been permanently mounted (by welding, bolting, riveting, or other means) machinery or equipment to perform a construction, manufacturing, processing, farming, mining, drilling, timbering, or similar operation if the operation of the machinery or equipment is unrelated to transportation on or off the public highways,

''(II) which has been specially designed to serve only as a mobile carriage and mount (and a power source, where applicable) for the particular machinery or equipment involved, whether or not such machinery or equipment is in operation, and

''(III) which, by reason of such special design, could not, without substantial structural modification, be used as a component of a vehicle designed to perform a function of transporting any load other than that particular machinery or equipment or similar machinery or equipment requiring such a specially designed chassis.

''(iv) USE-BASED TEST.—For purposes of clause (ii)(II), the use-based test is met if the use of the vehicle on public highways was less than 5,000 miles during the taxpayer's taxable year.

''(v) SPECIAL RULE FOR USE BY CERTAIN TAX-EXEMPT ORGANIZATIONS.—In the case of any use in a vehicle by an organization which is described in section 501(c) and exempt from tax under section 501(a), clause (ii) shall be applied without regard to subclause (II) thereof.''.

(2) ANNUAL REFUND OF TAX PAID.—Section 6427(i)(2) (relating to exceptions) is amended by adding at the end the following new subparagraph:

''(C) NONAPPLICATION OF PARAGRAPH.—This paragraph shall not apply to any fuel used in any off-highway business use described in section 6421(e)(2)(C).''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 9302. MODIFICATION OF DEFINITION OF OFF-HIGHWAY VEHICLE.

(a) IN GENERAL.—Section 7701(a) (relating to definitions) is amended by adding at the end the following new paragraph:

''(48) OFF-HIGHWAY VEHICLES.—

''(A) OFF-HIGHWAY TRANSPORTATION VEHICLES.—

''(i) IN GENERAL.—A vehicle shall not be treated as a highway vehicle if such vehicle is specially designed for the primary function of transporting a particular type of load other than over the public highway and because of this special design such vehicle's capability to transport a load over the public highway is substantially limited or impaired.

''(ii) DETERMINATION OF VEHICLE'S DESIGN.—For purposes of clause (i), a vehicle's design is determined solely on the basis of its physical characteristics.

''(iii) DETERMINATION OF SUBSTANTIAL LIMITATION OR IMPAIRMENT.—For purposes of

clause (i), in determining whether substantial limitation or impairment exists, account may be taken of factors such as the size of the vehicle, whether such vehicle is subject to the licensing, safety, and other requirements applicable to highway vehicles, and whether such vehicle can transport a load at a sustained speed of at least 25 miles per hour. It is immaterial that a vehicle can transport a greater load off the public highway than such vehicle is permitted to transport over the public highway.

''(B) NONTRANSPORTATION TRAILERS AND SEMITRAILERS.—A trailer or semitrailer shall not be treated as a highway vehicle if it is specially designed to function only as an enclosed stationary shelter for the carrying on of an off-highway function at an off-highway site.''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by this section shall take effect on the date of the enactment of this Act.

(2) FUEL TAXES.—With respect to taxes imposed under subchapter B of chapter 31 and part III of subchapter A of chapter 32, the amendment made by this section shall apply to taxable periods beginning after the date of the enactment of this Act.

Subtitle E—Miscellaneous Provisions

SEC. 9401. DEDICATION OF GAS GUZZLER TAX TO HIGHWAY TRUST FUND.

(a) IN GENERAL.—Section 9503(b)(1) (relating to transfer to Highway Trust Fund of amounts equivalent to certain taxes), as amended by section 9101 of this Act, is amended by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (E), and (F), respectively, and by inserting after subparagraph (B) the following new subparagraph:

''(C) section 4064 (relating to gas guzzler tax),''.

(b) UNIFORM APPLICATION OF TAX.—Subparagraph (A) of section 4064(b)(1) (defining automobile) is amended by striking the second sentence.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 9402. MOTOR FUEL TAX ENFORCEMENT ADVISORY COMMISSION.

(a) ESTABLISHMENT.—There is established a Motor Fuel Tax Enforcement Advisory Commission (in this section referred to as the ''Commission'').

(b) FUNCTION.—The Commission shall—

(1) review motor fuel revenue collections, historical and current;

(2) review the progress of investigations;

(3) develop and review legislative proposals with respect to motor fuel taxes;

(4) monitor the progress of administrative regulation projects relating to motor fuel taxes;

(5) review the results of Federal and State agency cooperative efforts regarding motor fuel taxes;

(6) review the results of Federal interagency cooperative efforts regarding motor fuel taxes; and

(7) evaluate and make recommendations regarding—

(A) the effectiveness of existing Federal enforcement programs regarding motor fuel taxes,

(B) enforcement personnel allocation, and

(C) proposals for regulatory projects, legislation, and funding.

(c) MEMBERSHIP.—

(1) APPOINTMENT.—The Commission shall be composed of the following representatives appointed by the Chairmen and the Ranking Members of the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives:

(A) At least 1 representative from each of the following Federal entities: the Department of Homeland Security, the Department of Transportation—Office of Inspector General, the Federal Highway Administration, the Department of Defense, and the Department of Justice.

(B) At least 1 representative from the Federation of State Tax Administrators.

(C) At least 1 representative from any State department of transportation.

(D) 2 representatives from the highway construction industry.

(E) 5 representatives from industries relating to fuel distribution — refiners (2 representatives), distributors (1 representative), pipelines (1 representative), and terminal operators (2 representatives).

(F) 1 representative from the retail fuel industry.

(G) 2 representatives from the staff of the Committee on Finance of the Senate and 2 representatives from the staff of the Committee on Ways and Means of the House of Representatives.

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

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

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

(d) FUNDING.—Such sums as are necessary shall be available from the Highway Trust fund for the expenses of the Commission.

(e) CONSULTATION.—Upon request of the Commission, representatives of the Department of the Treasury and the Internal Revenue Service shall be available for consultation to assist the Commission in carrying out its duties under this section.

(f) OBTAINING DATA.—The Commission may secure directly from any department or agency of the United States, information (other than information required by any law to be kept confidential by such department or agency) necessary for the Commission to carry out its duties under this section. Upon request of the Commission, the head of that department or agency shall furnish such nonconfidential information to the Commission. The Commission shall also gather evidence through such means as it may deem appropriate, including through holding hearings and soliciting comments by means of Federal Register notices.

(g) TERMINATION.—The Commission shall terminate after September 30, 2009.

SEC. 9403. TREASURY STUDY OF FUEL TAX COMPLIANCE AND INTERAGENCY COOPERATION.

(a) IN GENERAL.—Not later than January 31, 2006, the Secretary of the Treasury shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report regarding fuel tax enforcement which shall include the information and analysis specified in subsections (b) and (c) and any other information and recommendations the Secretary of the Treasury may deem appropriate.

(b) AUDITS.—With respect to audits conducted by the Internal Revenue Service, the report required under subsection (a) shall include—

(1) the number and geographic distribution of audits conducted annually, by fiscal year, between October 1, 2001, and September 30, 2005;

(2) the total volume involved for each of the taxable fuels covered by such audits and a comparison to the annual production of such fuels;

(3) the staff hours and number of personnel devoted to the audits per year; and

(4) the results of such audits by year, including total tax collected, total penalties collected, and number of referrals for criminal prosecution.

(c) ENFORCEMENT ACTIVITIES.—With respect to enforcement activities, the report required under subsection (a) shall include—

(1) the number and geographic distribution of criminal investigations and prosecutions annually, by fiscal year, between October 1, 2001, and September 30, 2005, and the results of such investigations and prosecutions;

(2) to the extent such investigations and prosecutions involved other agencies, State or Federal, a breakdown by agency of the number of joint investigations involved;

(3) an assessment of the effectiveness of joint action and cooperation between the Department of the Treasury and other Federal and State agencies, including a discussion of the ability and need to share information across agencies for both civil and criminal Federal tax enforcement and enforcement of State or Federal laws relating to fuels;

(4) the staff hours and number of personnel devoted to criminal investigations and prosecutions per year;

(5) the staff hours and number of personnel devoted to administrative collection of fuel taxes; and

(6) the results of administrative collection efforts annually, by fiscal year, between October 1, 2001, and September 30, 2005.

SEC. 9404. TREASURY STUDY OF HIGHWAY FUELS USED BY TRUCKS FOR NON-TRANSPORTATION PURPOSES.

(a) STUDY.—The Secretary of the Treasury shall conduct a study regarding the use of highway motor fuel by trucks that is not used for the propulsion of the vehicle. As part of such study—

(1) in the case of vehicles carrying equipment that is unrelated to the transportation function of the vehicle—

(A) the Secretary of the Treasury, in consultation with the Secretary of Transportation, and with public notice and comment, shall determine the average annual amount of tax paid fuel consumed per vehicle, by type of vehicle, used by the propulsion engine to provide the power to operate the equipment attached to the highway vehicle, and

(B) the Secretary of the Treasury shall review the technical and administrative feasibility of exempting such nonpropulsive use of highway fuels for the highway motor fuels excise taxes,

(2) in the case where non-transportation equipment is run by a separate motor—

(A) the Secretary of the Treasury shall determine the annual average amount of fuel exempted from tax in the use of such equipment by equipment type, and

(B) the Secretary of the Treasury shall review issues of administration and compliance related to the present-law exemption provided for such fuel use, and

(3) the Secretary of the Treasury shall—

(A) estimate the amount of taxable fuel consumed by trucks and the emissions of various pollutants due to the long-term idling of diesel engines, and

(B) determine the cost of reducing such long-term idling through the use of plug-ins at truck stops, auxiliary power units, or other technologies.

(b) REPORT.—Not later than January 1, 2006, the Secretary of the Treasury shall report the findings of the study required under subsection (a) to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

SEC. 9405. TREATMENT OF EMPLOYER-PROVIDED TRANSIT AND VAN POOLING BENEFITS.

(a) IN GENERAL.—Subparagraph (A) of section 132(f)(2) (relating to limitation on exclusion) is amended by striking ''$100'' and inserting ''$120''.

(b) INFLATION ADJUSTMENT CONFORMING AMENDMENTS.—The last sentence of section 132(f)(6)(A) (relating to inflation adjustment) is amended—

(1) by striking ''2002'' and inserting ''2005'', and

(2) by striking ''2001'' and inserting ''2004''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 9406. STUDY OF INCENTIVES FOR PRODUCTION OF BIODIESEL.

(a) STUDY.—The General Comptroller of the United States shall conduct a study related to biodiesel fuels and the tax credit for biodiesel fuels established under this Act. Such study shall include—

(1) an assessment on whether such credit provides sufficient assistance to the producers of biodiesel fuel to establish the fuel as a viable energy alternative in the current market place,

(2) an assessment on how long such credit or similar subsidy would have to remain in effect before biodiesel fuel can compete in the market place without such assistance,

(3) a cost-benefit analysis of such credit, comparing the cost of the credit in forgone revenue to the benefits of lower fuel costs for consumers, increased profitability for the biodiesel industry, increased farm income, reduced program outlays from the Department of Agriculture, and the improved environmental conditions through the use of biodiesel fuel, and

(4) an assessment on whether such credit results in any unintended consequences for unrelated industries, including the impact, if any, on the glycerin market.

(b) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Comptroller General of the United States shall report the findings of the study required under subsection (a) to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

Subtitle F—Provisions Designed to Curtail Tax Shelters

SEC. 9501. CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE.

(a) IN GENERAL.—Section 7701 is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

''(m) CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE; ETC.—

''(1) GENERAL RULES.—

''(A) IN GENERAL.—In applying the economic substance doctrine, the determination of whether a transaction has economic substance shall be made as provided in this paragraph.

''(B) DEFINITION OF ECONOMIC SUBSTANCE.—For purposes of subparagraph (A)—

''(i) IN GENERAL.—A transaction has economic substance only if—

''(I) the transaction changes in a meaningful way (apart from Federal tax effects and, if there are any Federal tax effects, also apart from any foreign, State, or local tax effects) the taxpayer's economic position, and

''(II) the taxpayer has a substantial nontax purpose for entering into such transaction and the transaction is a reasonable means of accomplishing such purpose.

''(ii) SPECIAL RULE WHERE TAXPAYER RELIES ON PROFIT POTENTIAL.—A transaction shall not be treated as having economic substance by reason of having a potential for profit unless—

''(I) the present value of the reasonably expected pre-tax profit from the transaction is substantial in relation to the present value of the expected net tax benefits that would be allowed if the transaction were respected, and

''(II) the reasonably expected pre-tax profit from the transaction exceeds a risk-free rate of return.

''(C) TREATMENT OF FEES AND FOREIGN TAXES.—Fees and other transaction expenses and foreign taxes shall be taken into account as expenses in determining pre-tax profit under subparagraph (B)(ii).

''(2) SPECIAL RULES FOR TRANSACTIONS WITH TAX-INDIFFERENT PARTIES.—

''(A) SPECIAL RULES FOR FINANCING TRANSACTIONS.—The form of a transaction which is in substance the borrowing of money or the acquisition of financial capital directly or indirectly from a tax-indifferent party shall not be respected if the present value of the deductions to be claimed with respect to the transaction is substantially in excess of the present value of the anticipated economic returns of the person lending the money or providing the financial capital. A public offering shall be treated as a borrowing, or an acquisition of financial capital, from a tax-indifferent party if it is reasonably expected that at least 50 percent of the offering will be placed with tax-indifferent parties.

''(B) ARTIFICIAL INCOME SHIFTING AND BASIS ADJUSTMENTS.—The form of a transaction with a tax-indifferent party shall not be respected if—

''(i) it results in an allocation of income or gain to the tax-indifferent party in excess of such party's economic income or gain, or

''(ii) it results in a basis adjustment or shifting of basis on account of overstating the income or gain of the tax-indifferent party.

''(3) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

''(A) ECONOMIC SUBSTANCE DOCTRINE.—The term 'economic substance doctrine' means the common law doctrine under which tax benefits under subtitle A with respect to a transaction are not allowable if the transaction does not have economic substance or lacks a business purpose.

''(B) TAX-INDIFFERENT PARTY.—The term 'tax-indifferent party' means any person or entity not subject to tax imposed by subtitle A. A person shall be treated as a tax-indifferent party with respect to a transaction if the items taken into account with respect to the transaction have no substantial impact on such person's liability under subtitle A.

''(C) SUBSTANTIAL NONTAX PURPOSE.—In applying subclause (II) of paragraph (1)(B)(i), a purpose of achieving a financial accounting benefit shall not be taken into account in determining whether a transaction has a substantial nontax purpose if the origin of such financial accounting benefit is a reduction of income tax.

''(D) EXCEPTION FOR PERSONAL TRANSACTIONS OF INDIVIDUALS.—In the case of an individual, this subsection shall apply only to transactions entered into in connection with a trade or business or an activity engaged in for the production of income.

''(E) TREATMENT OF LESSORS.—In applying subclause (I) of paragraph (1)(B)(ii) to the lessor of tangible property subject to a lease, the expected net tax benefits shall not include the benefits of depreciation, or any tax credit, with respect to the leased property and subclause (II) of paragraph (1)(B)(ii) shall be disregarded in determining whether any of such benefits are allowable.

''(4) OTHER COMMON LAW DOCTRINES NOT AFFECTED.—Except as specifically provided in this subsection, the provisions of this subsection shall not be construed as altering or supplanting any other rule of law, and the requirements of this subsection shall be construed as being in addition to any such other rule of law.

''(5) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection. Such regulations may include exemptions from the application of this subsection.''

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after February 13, 2003.

SEC. 9502. PENALTY FOR FAILING TO DISCLOSE REPORTABLE TRANSACTION.

(a) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6707 the following new section:

''SEC. 6707A. PENALTY FOR FAILURE TO INCLUDE REPORTABLE TRANSACTION INFORMATION WITH RETURN OR STATEMENT.

''(a) IMPOSITION OF PENALTY.—Any person who fails to include on any return or statement any information with respect to a reportable transaction which is required under section 6011 to be included with such return or statement shall pay a penalty in the amount determined under subsection (b).

''(b) AMOUNT OF PENALTY.—

''(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amount of the penalty under subsection (a) shall be $50,000.

''(2) LISTED TRANSACTION.—The amount of the penalty under subsection (a) with respect to a listed transaction shall be $100,000.

''(3) INCREASE IN PENALTY FOR LARGE ENTITIES AND HIGH NET WORTH INDIVIDUALS.—

''(A) IN GENERAL.—In the case of a failure under subsection (a) by—

''(i) a large entity, or

''(ii) a high net worth individual,

the penalty under paragraph (1) or (2) shall be twice the amount determined without regard to this paragraph.

''(B) LARGE ENTITY.—For purposes of subparagraph (A), the term 'large entity' means, with respect to any taxable year, a person (other than a natural person) with gross receipts in excess of $10,000,000 for the taxable year in which the reportable transaction occurs or the preceding taxable year. Rules similar to the rules of paragraph (2) and subparagraphs (B), (C), and (D) of paragraph (3) of section 448(c) shall apply for purposes of this subparagraph.

''(C) HIGH NET WORTH INDIVIDUAL.—For purposes of subparagraph (A), the term 'high net worth individual' means, with respect to a reportable transaction, a natural person whose net worth exceeds $2,000,000 immediately before the transaction.

''(c) DEFINITIONS.—For purposes of this section—

''(1) REPORTABLE TRANSACTION.—The term 'reportable transaction' means any transaction with respect to which information is required to be included with a return or statement because, as determined under regulations prescribed under section 6011, such transaction is of a type which the Secretary determines as having a potential for tax avoidance or evasion.

''(2) LISTED TRANSACTION.—Except as provided in regulations, the term 'listed transaction' means a reportable transaction which is the same as, or substantially similar to, a transaction specifically identified by the Secretary as a tax avoidance transaction for purposes of section 6011.

''(d) AUTHORITY TO RESCIND PENALTY.—

''(1) IN GENERAL.—The Commissioner of Internal Revenue may rescind all or any portion of any penalty imposed by this section with respect to any violation if—

''(A) the violation is with respect to a reportable transaction other than a listed transaction,

''(B) the person on whom the penalty is imposed has a history of complying with the requirements of this title,

''(C) it is shown that the violation is due to an unintentional mistake of fact;

''(D) imposing the penalty would be against equity and good conscience, and

''(E) rescinding the penalty would promote compliance with the requirements of this title and effective tax administration.

''(2) DISCRETION.—The exercise of authority under paragraph (1) shall be at the sole discretion of the Commissioner and may be delegated only to the head of the Office of Tax Shelter Analysis. The Commissioner, in the Commissioner's sole discretion, may establish a procedure to determine if a penalty should be referred to the Commissioner or the head of such Office for a determination under paragraph (1).

''(3) NO APPEAL.—Notwithstanding any other provision of law, any determination under this subsection may not be reviewed in any administrative or judicial proceeding.

''(4) RECORDS.—If a penalty is rescinded under paragraph (1), the Commissioner shall place in the file in the Office of the Commissioner the opinion of the Commissioner or the head of the Office of Tax Shelter Analysis with respect to the determination, including—

''(A) the facts and circumstances of the transaction,

''(B) the reasons for the rescission, and

''(C) the amount of the penalty rescinded.

''(5) REPORT.—The Commissioner shall each year report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate—

''(A) a summary of the total number and aggregate amount of penalties imposed, and rescinded, under this section, and

''(B) a description of each penalty rescinded under this subsection and the reasons therefor.

''(e) PENALTY REPORTED TO SEC.—In the case of a person—

''(1) which is required to file periodic reports under section 13 or 15(d) of the Securities Exchange Act of 1934 or is required to be consolidated with another person for purposes of such reports, and

''(2) which—

''(A) is required to pay a penalty under this section with respect to a listed transaction,

''(B) is required to pay a penalty under section 6662A with respect to any reportable transaction at a rate prescribed under section 6662A(c), or

''(C) is required to pay a penalty under section 6662B with respect to any noneconomic substance transaction,

the requirement to pay such penalty shall be disclosed in such reports filed by such person for such periods as the Secretary shall specify. Failure to make a disclosure in accordance with the preceding sentence shall be treated as a failure to which the penalty under subsection (b)(2) applies.

''(f) COORDINATION WITH OTHER PENALTIES.—The penalty imposed by this section is in addition to any penalty imposed under this title.''.

(b) CONFORMING AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6707 the following:

''Sec. 6707A. Penalty for failure to include reportable transaction information with return or statement.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns and statements the due date for which is after the date of the enactment of this Act.

SEC. 9503. ACCURACY-RELATED PENALTY FOR LISTED TRANSACTIONS AND OTHER REPORTABLE TRANSACTIONS HAVING A SIGNIFICANT TAX AVOIDANCE PURPOSE.

(a) IN GENERAL.—Subchapter A of chapter 68 is amended by inserting after section 6662 the following new section:

''SEC. 6662A. IMPOSITION OF ACCURACY-RELATED PENALTY ON UNDERSTATEMENTS WITH RESPECT TO REPORTABLE TRANSACTIONS.

''(a) IMPOSITION OF PENALTY.—If a taxpayer has a reportable transaction understatement for any taxable year, there shall be added to the tax an amount equal to 20 percent of the amount of such understatement.

''(b) REPORTABLE TRANSACTION UNDERSTATEMENT.—For purposes of this section—

''(1) IN GENERAL.—The term 'reportable transaction understatement' means the sum of—

''(A) the product of—

''(i) the amount of the increase (if any) in taxable income which results from a difference between the proper tax treatment of an item to which this section applies and the taxpayer's treatment of such item (as shown on the taxpayer's return of tax), and

''(ii) the highest rate of tax imposed by section 1 (section 11 in the case of a taxpayer which is a corporation), and

''(B) the amount of the decrease (if any) in the aggregate amount of credits determined under subtitle A which results from a difference between the taxpayer's treatment of an item to which this section applies (as shown on the taxpayer's return of tax) and the proper tax treatment of such item.

For purposes of subparagraph (A), any reduction of the excess of deductions allowed for the taxable year over gross income for such year, and any reduction in the amount of capital losses which would (without regard to section 1211) be allowed for such year, shall be treated as an increase in taxable income.

''(2) ITEMS TO WHICH SECTION APPLIES.—This section shall apply to any item which is attributable to—

''(A) any listed transaction, and

''(B) any reportable transaction (other than a listed transaction) if a significant purpose of such transaction is the avoidance or evasion of Federal income tax.

''(c) HIGHER PENALTY FOR NONDISCLOSED LISTED AND OTHER AVOIDANCE TRANSACTIONS.—

''(1) IN GENERAL.—Subsection (a) shall be applied by substituting '30 percent' for '20 percent' with respect to the portion of any reportable transaction understatement with respect to which the requirement of section 6664(d)(2)(A) is not met.

''(2) RULES APPLICABLE TO COMPROMISE OF PENALTY.—

''(A) IN GENERAL.—If the 1st letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals has been sent with respect to a penalty to which paragraph (1) applies, only the Commissioner of Internal Revenue may compromise all or any portion of such penalty.

''(B) APPLICABLE RULES.—The rules of paragraphs (3), (4), and (5) of section 6707A(d) shall apply for purposes of subparagraph (A).

''(d) DEFINITIONS OF REPORTABLE AND LISTED TRANSACTIONS.—For purposes of this section, the terms 'reportable transaction' and 'listed transaction' have the respective meanings given to such terms by section 6707A(c).

''(e) SPECIAL RULES.—

''(1) COORDINATION WITH PENALTIES, ETC., ON OTHER UNDERSTATEMENTS.—In the case of an understatement (as defined in section 6662(d)(2))—

''(A) the amount of such understatement (determined without regard to this paragraph) shall be increased by the aggregate amount of reportable transaction understatements and noneconomic substance transaction understatements for purposes of determining whether such understatement is a substantial understatement under section 6662(d)(1), and

''(B) the addition to tax under section 6662(a) shall apply only to the excess of the amount of the substantial understatement (if any) after the application of subparagraph (A) over the aggregate amount of reportable transaction understatements and noneconomic substance transaction understatements.

''(2) COORDINATION WITH OTHER PENALTIES.—

''(A) APPLICATION OF FRAUD PENALTY.—References to an underpayment in section 6663 shall be treated as including references to a reportable transaction understatement and a noneconomic substance transaction understatement.

''(B) NO DOUBLE PENALTY.—This section shall not apply to any portion of an understatement on which a penalty is imposed under section 6662B or 6663.

''(3) SPECIAL RULE FOR AMENDED RETURNS.—Except as provided in regulations, in no event shall any tax treatment included with an amendment or supplement to a return of tax be taken into account in determining the amount of any reportable transaction understatement or noneconomic substance transaction understatement if the amendment or supplement is filed after the earlier of the date the taxpayer is first contacted by the Secretary regarding the examination of the return or such other date as is specified by the Secretary.

''(4) NONECONOMIC SUBSTANCE TRANSACTION UNDERSTATEMENT.—For purposes of this subsection, the term 'noneconomic substance transaction understatement' has the meaning given such term by section 6662B(c).

''(5) CROSS REFERENCE.—For reporting of section 6662A(c) penalty to the Securities and Exchange Commission, see section 6707A(e).''

(b) DETERMINATION OF OTHER UNDERSTATEMENTS.—Subparagraph (A) of section 6662(d)(2) is amended by adding at the end the following flush sentence: ''The excess under the preceding sentence shall be determined without regard to items to which section 6662A applies and without regard to items with respect to which a penalty is imposed by section 6662B.''

(c) REASONABLE CAUSE EXCEPTION.—

(1) IN GENERAL.—Section 6664 is amended by adding at the end the following new subsection:

''(d) REASONABLE CAUSE EXCEPTION FOR REPORTABLE TRANSACTION UNDERSTATEMENTS.—

''(1) IN GENERAL.—No penalty shall be imposed under section 6662A with respect to any portion of a reportable transaction understatement if it is shown that there was a reasonable cause for such portion and that the taxpayer acted in good faith with respect to such portion.

''(2) SPECIAL RULES.—Paragraph (1) shall not apply to any reportable transaction understatement unless—

''(A) the relevant facts affecting the tax treatment of the item are adequately disclosed in accordance with the regulations prescribed under section 6011,

''(B) there is or was substantial authority for such treatment, and

''(C) the taxpayer reasonably believed that such treatment was more likely than not the proper treatment.

A taxpayer failing to adequately disclose in accordance with section 6011 shall be treated

as meeting the requirements of subparagraph (A) if the penalty for such failure was rescinded under section 6707A(d).

''(3) RULES RELATING TO REASONABLE BELIEF.—For purposes of paragraph (2)(C)—

''(A) IN GENERAL.—A taxpayer shall be treated as having a reasonable belief with respect to the tax treatment of an item only if such belief—

''(i) is based on the facts and law that exist at the time the return of tax which includes such tax treatment is filed, and

''(ii) relates solely to the taxpayer's chances of success on the merits of such treatment and does not take into account the possibility that a return will not be audited, such treatment will not be raised on audit, or such treatment will be resolved through settlement if it is raised.

''(B) CERTAIN OPINIONS MAY NOT BE RELIED UPON.—

''(i) IN GENERAL.—An opinion of a tax advisor may not be relied upon to establish the reasonable belief of a taxpayer if—

''(I) the tax advisor is described in clause (ii), or

''(II) the opinion is described in clause (iii).

''(ii) DISQUALIFIED TAX ADVISORS.—A tax advisor is described in this clause if the tax advisor—

''(I) is a material advisor (within the meaning of section 6111(b)(1)) who participates in the organization, management, promotion, or sale of the transaction or who is related (within the meaning of section 267(b) or 707(b)(1)) to any person who so participates,

''(II) is compensated directly or indirectly by a material advisor with respect to the transaction,

''(III) has a fee arrangement with respect to the transaction which is contingent on all or part of the intended tax benefits from the transaction being sustained, or

''(IV) as determined under regulations prescribed by the Secretary, has a continuing financial interest with respect to the transaction.

''(iii) DISQUALIFIED OPINIONS.—For purposes of clause (i), an opinion is disqualified if the opinion—

''(I) is based on unreasonable factual or legal assumptions (including assumptions as to future events),

''(II) unreasonably relies on representations, statements, findings, or agreements of the taxpayer or any other person,

''(III) does not identify and consider all relevant facts, or

''(IV) fails to meet any other requirement as the Secretary may prescribe.''

(2) CONFORMING AMENDMENT.—The heading for subsection (c) of section 6664 is amended by inserting ''for Underpayments'' after ''Exception''.

(d) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 461(i)(3) is amended by striking ''section 6662(d)(2)(C)(iii)'' and inserting ''section 1274(b)(3)(C)''.

(2) Paragraph (3) of section 1274(b) is amended—

(A) by striking ''(as defined in section 6662(d)(2)(C)(iii))'' in subparagraph (B)(i), and

(B) by adding at the end the following new subparagraph:

''(C) TAX SHELTER.—For purposes of subparagraph (B), the term 'tax shelter' means—

''(i) a partnership or other entity,

''(ii) any investment plan or arrangement, or

''(iii) any other plan or arrangement,

if a significant purpose of such partnership, entity, plan, or arrangement is the avoidance or evasion of Federal income tax.''

(3) Section 6662(d)(2) is amended by striking subparagraphs (C) and (D).

(4) Section 6664(c)(1) is amended by striking ''this part'' and inserting ''section 6662 or 6663''.

(5) Subsection (b) of section 7525 is amended by striking ''section 6662(d)(2)(C)(iii)'' and inserting ''section 1274(b)(3)(C)''.

(6)(A) The heading for section 6662 is amended to read as follows:

''SEC. 6662. IMPOSITION OF ACCURACY-RELATED PENALTY ON UNDERPAYMENTS.''

(B) The table of sections for part II of subchapter A of chapter 68 is amended by striking the item relating to section 6662 and inserting the following new items:

''Sec. 6662. Imposition of accuracy-related penalty on underpayments.

''Sec. 6662A. Imposition of accuracy-related penalty on understatements with respect to reportable transactions.''

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 9504. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE, ETC.

(a) IN GENERAL.—Subchapter A of chapter 68 is amended by inserting after section 6662A the following new section:

''SEC. 6662B. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE, ETC.

''(a) IMPOSITION OF PENALTY.—If a taxpayer has an noneconomic substance transaction understatement for any taxable year, there shall be added to the tax an amount equal to 40 percent of the amount of such understatement.

''(b) REDUCTION OF PENALTY FOR DISCLOSED TRANSACTIONS.—Subsection (a) shall be applied by substituting '20 percent' for '40 percent' with respect to the portion of any noneconomic substance transaction understatement with respect to which the relevant facts affecting the tax treatment of the item are adequately disclosed in the return or a statement attached to the return.

''(c) NONECONOMIC SUBSTANCE TRANSACTION UNDERSTATEMENT.—For purposes of this section—

''(1) IN GENERAL.—The term 'noneconomic substance transaction understatement' means any amount which would be an understatement under section 6662A(b)(1) if section 6662A were applied by taking into account items attributable to noneconomic substance transactions rather than items to which section 6662A would apply without regard to this paragraph.

''(2) NONECONOMIC SUBSTANCE TRANSACTION.—The term 'noneconomic substance transaction' means any transaction if—

''(A) there is a lack of economic substance (within the meaning of section 7701(m)(1)) for the transaction giving rise to the claimed tax benefit or the transaction was not respected under section 7701(m)(2), or

''(B) the transaction fails to meet the requirements of any similar rule of law.

''(d) RULES APPLICABLE TO COMPROMISE OF PENALTY.—

''(1) IN GENERAL.—If the 1st letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals has been sent with respect to a penalty to which this section applies, only the Commissioner of Internal Revenue may compromise all or any portion of such penalty.

''(2) APPLICABLE RULES.—The rules of paragraphs (3), (4), and (5) of section 6707A(d) shall apply for purposes of paragraph (1).

''(e) COORDINATION WITH OTHER PENALTIES.—Except as otherwise provided in this part, the penalty imposed by this section shall be in addition to any other penalty imposed by this title.

''(f) CROSS REFERENCES.—

''(1) For coordination of penalty with understatements under section 6662 and other special rules, see section 6662A(e).

''(2) For reporting of penalty imposed under this section to the Securities and Exchange Commission, see section 6707A(e).''

(b) CLERICAL AMENDMENT.—The table of sections for part II of subchapter A of chapter 68 is amended by inserting after the item relating to section 6662A the following new item:

''Sec. 6662B. Penalty for understatements attributable to transactions lacking economic substance, etc.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after February 13, 2003.

SEC. 9505. MODIFICATIONS OF SUBSTANTIAL UNDERSTATEMENT PENALTY FOR NONREPORTABLE TRANSACTIONS.

(a) SUBSTANTIAL UNDERSTATEMENT OF CORPORATIONS.—Section 6662(d)(1)(B) (relating to special rule for corporations) is amended to read as follows:

''(B) SPECIAL RULE FOR CORPORATIONS.—In the case of a corporation other than an S corporation or a personal holding company (as defined in section 542), there is a substantial understatement of income tax for any taxable year if the amount of the understatement for the taxable year exceeds the lesser of—

''(i) 10 percent of the tax required to be shown on the return for the taxable year (or, if greater, $10,000), or

''(ii) $10,000,000.''

(b) REDUCTION FOR UNDERSTATEMENT OF TAXPAYER DUE TO POSITION OF TAXPAYER OR DISCLOSED ITEM.—

(1) IN GENERAL.—Section 6662(d)(2)(B)(i) (relating to substantial authority) is amended to read as follows:

''(i) the tax treatment of any item by the taxpayer if the taxpayer had reasonable belief that the tax treatment was more likely than not the proper treatment, or''.

(2) CONFORMING AMENDMENT.—Section 6662(d) is amended by adding at the end the following new paragraph:

''(3) SECRETARIAL LIST.—For purposes of this subsection, section 6664(d)(2), and section 6694(a)(1), the Secretary may prescribe a list of positions for which the Secretary believes there is not substantial authority or there is no reasonable belief that the tax treatment is more likely than not the proper tax treatment. Such list (and any revisions thereof) shall be published in the Federal Register or the Internal Revenue Bulletin.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 9506. TAX SHELTER EXCEPTION TO CONFIDENTIALITY PRIVILEGES RELATING TO TAXPAYER COMMUNICATIONS.

(a) IN GENERAL.—Section 7525(b) (relating to section not to apply to communications regarding corporate tax shelters) is amended to read as follows:

''(b) SECTION NOT TO APPLY TO COMMUNICATIONS REGARDING TAX SHELTERS.—The privilege under subsection (a) shall not apply to any written communication which is—

''(1) between a federally authorized tax practitioner and—

''(A) any person,

''(B) any director, officer, employee, agent, or representative of the person, or

''(C) any other person holding a capital or profits interest in the person, and

''(2) in connection with the promotion of the direct or indirect participation of the

person in any tax shelter (as defined in section 1274(b)(3)(C)).''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to communications made on or after the date of the enactment of this Act.

SEC. 9507. DISCLOSURE OF REPORTABLE TRANSACTIONS.

(a) IN GENERAL.—Section 6111 (relating to registration of tax shelters) is amended to read as follows:

''SEC. 6111. DISCLOSURE OF REPORTABLE TRANSACTIONS.

''(a) IN GENERAL.—Each material advisor with respect to any reportable transaction shall make a return (in such form as the Secretary may prescribe) setting forth—

''(1) information identifying and describing the transaction,

''(2) information describing any potential tax benefits expected to result from the transaction, and

''(3) such other information as the Secretary may prescribe.

Such return shall be filed not later than the date specified by the Secretary.

''(b) DEFINITIONS.—For purposes of this section—

''(1) MATERIAL ADVISOR.—

''(A) IN GENERAL.—The term 'material advisor' means any person—

''(i) who provides any material aid, assistance, or advice with respect to organizing, promoting, selling, implementing, or carrying out any reportable transaction, and

''(ii) who directly or indirectly derives gross income in excess of the threshold amount for such aid, assistance, or advice.

''(B) THRESHOLD AMOUNT.—For purposes of subparagraph (A), the threshold amount is—

''(i) $50,000 in the case of a reportable transaction substantially all of the tax benefits from which are provided to natural persons, and

''(ii) $250,000 in any other case.

''(2) REPORTABLE TRANSACTION.—The term 'reportable transaction' has the meaning given to such term by section 6707A(c).

''(c) REGULATIONS.—The Secretary may prescribe regulations which provide—

''(1) that only 1 person shall be required to meet the requirements of subsection (a) in cases in which 2 or more persons would otherwise be required to meet such requirements,

''(2) exemptions from the requirements of this section, and

''(3) such rules as may be necessary or appropriate to carry out the purposes of this section.''

(b) CONFORMING AMENDMENTS.—

(1) The item relating to section 6111 in the table of sections for subchapter B of chapter 61 is amended to read as follows:

''Sec. 6111. Disclosure of reportable transactions.''

(2)(A) So much of section 6112 as precedes subsection (c) thereof is amended to read as follows:

''SEC. 6112. MATERIAL ADVISORS OF REPORTABLE TRANSACTIONS MUST KEEP LISTS OF ADVISEES.

''(a) IN GENERAL.—Each material advisor (as defined in section 6111) with respect to any reportable transaction (as defined in section 6707A(c)) shall maintain, in such manner as the Secretary may by regulations prescribe, a list—

''(1) identifying each person with respect to whom such advisor acted as such a material advisor with respect to such transaction, and

''(2) containing such other information as the Secretary may by regulations require.

This section shall apply without regard to whether a material advisor is required to file a return under section 6111 with respect to such transaction.''

(B) Section 6112 is amended by redesignating subsection (c) as subsection (b).

(C) Section 6112(b), as redesignated by subparagraph (B), is amended—

(i) by inserting ''written'' before ''request'' in paragraph (1)(A), and

(ii) by striking ''shall prescribe'' in paragraph (2) and inserting ''may prescribe''.

(D) The item relating to section 6112 in the table of sections for subchapter B of chapter 61 is amended to read as follows:

''Sec. 6112. Material advisors of reportable transactions must keep lists of advisees.''

(3)(A) The heading for section 6708 is amended to read as follows:

''SEC. 6708. FAILURE TO MAINTAIN LISTS OF ADVISEES WITH RESPECT TO REPORTABLE TRANSACTIONS. ''

(B) The item relating to section 6708 in the table of sections for part I of subchapter B of chapter 68 is amended to read as follows:

''Sec. 6708. Failure to maintain lists of advisees with respect to reportable transactions.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions with respect to which material aid, assistance, or advice referred to in section 6111(b)(1)(A)(i) of the Internal Revenue Code of 1986 (as added by this section) is provided after the date of the enactment of this Act.

SEC. 9508. MODIFICATIONS TO PENALTY FOR FAILURE TO REGISTER TAX SHELTERS.

(a) IN GENERAL.—Section 6707 (relating to failure to furnish information regarding tax shelters) is amended to read as follows:

''SEC. 6707. FAILURE TO FURNISH INFORMATION REGARDING REPORTABLE TRANSACTIONS.

''(a) IN GENERAL.—If a person who is required to file a return under section 6111(a) with respect to any reportable transaction—

''(1) fails to file such return on or before the date prescribed therefor, or

''(2) files false or incomplete information with the Secretary with respect to such transaction,

such person shall pay a penalty with respect to such return in the amount determined under subsection (b).

''(b) AMOUNT OF PENALTY.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the penalty imposed under subsection (a) with respect to any failure shall be $50,000.

''(2) LISTED TRANSACTIONS.—The penalty imposed under subsection (a) with respect to any listed transaction shall be an amount equal to the greater of—

''(A) $200,000, or

''(B) 50 percent of the gross income derived by such person with respect to aid, assistance, or advice which is provided with respect to the reportable transaction before the date the return including the transaction is filed under section 6111.

Subparagraph (B) shall be applied by substituting '75 percent' for '50 percent' in the case of an intentional failure or act described in subsection (a).

''(c) RESCISSION AUTHORITY.—The provisions of section 6707A(d) (relating to authority of Commissioner to rescind penalty) shall apply to any penalty imposed under this section.

''(d) REPORTABLE AND LISTED TRANSACTIONS.—The terms 'reportable transaction' and 'listed transaction' have the respective meanings given to such terms by section 6707A(c).''.

(b) CLERICAL AMENDMENT.—The item relating to section 6707 in the table of sections for part I of subchapter B of chapter 68 is amended by striking ''tax shelters'' and inserting ''reportable transactions''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns the due date for which is after the date of the enactment of this Act.

SEC. 9509. MODIFICATION OF PENALTY FOR FAILURE TO MAINTAIN LISTS OF INVESTORS.

(a) IN GENERAL.—Subsection (a) of section 6708 is amended to read as follows:

''(a) IMPOSITION OF PENALTY.—

''(1) IN GENERAL.—If any person who is required to maintain a list under section 6112(a) fails to make such list available upon written request to the Secretary in accordance with section 6112(b)(1)(A) within 20 business days after the date of the Secretary's request, such person shall pay a penalty of $10,000 for each day of such failure after such 20th day.

''(2) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed by paragraph (1) with respect to the failure on any day if such failure is due to reasonable cause.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to requests made after the date of the enactment of this Act.

SEC. 9510. MODIFICATION OF ACTIONS TO ENJOIN CERTAIN CONDUCT RELATED TO TAX SHELTERS AND REPORTABLE TRANSACTIONS.

(a) IN GENERAL.—Section 7408 (relating to action to enjoin promoters of abusive tax shelters, etc.) is amended by redesignating subsection (c) as subsection (d) and by striking subsections (a) and (b) and inserting the following new subsections:

''(a) AUTHORITY TO SEEK INJUNCTION.—A civil action in the name of the United States to enjoin any person from further engaging in specified conduct may be commenced at the request of the Secretary. Any action under this section shall be brought in the district court of the United States for the district in which such person resides, has his principal place of business, or has engaged in specified conduct. The court may exercise its jurisdiction over such action (as provided in section 7402(a)) separate and apart from any other action brought by the United States against such person.

''(b) ADJUDICATION AND DECREE.—In any action under subsection (a), if the court finds—

''(1) that the person has engaged in any specified conduct, and

''(2) that injunctive relief is appropriate to prevent recurrence of such conduct,

the court may enjoin such person from engaging in such conduct or in any other activity subject to penalty under this title.

''(c) SPECIFIED CONDUCT.—For purposes of this section, the term 'specified conduct' means any action, or failure to take action, subject to penalty under section 6700, 6701, 6707, or 6708.''

(b) CONFORMING AMENDMENTS.—

(1) The heading for section 7408 is amended to read as follows:

''SEC. 7408. ACTIONS TO ENJOIN SPECIFIED CONDUCT RELATED TO TAX SHELTERS AND REPORTABLE TRANSACTIONS. ''

(2) The table of sections for subchapter A of chapter 67 is amended by striking the item relating to section 7408 and inserting the following new item:

''Sec. 7408. Actions to enjoin specified conduct related to tax shelters and reportable transactions.''

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on the day after the date of the enactment of this Act.

SEC. 9511. UNDERSTATEMENT OF TAXPAYER'S LIABILITY BY INCOME TAX RETURN PREPARER.

(a) STANDARDS CONFORMED TO TAXPAYER STANDARDS.—Section 6694(a) (relating to understatements due to unrealistic positions) is amended—

(1) by striking ''realistic possibility of being sustained on its merits'' in paragraph (1) and inserting ''reasonable belief that the tax treatment in such position was more likely than not the proper treatment'',

(2) by striking ''or was frivolous'' in paragraph (3) and inserting ''or there was no reasonable basis for the tax treatment of such position'', and

(3) by striking ''Unrealistic'' in the heading and inserting ''Improper''.

(b) AMOUNT OF PENALTY.—Section 6694 is amended—

(1) by striking ''$250'' in subsection (a) and inserting ''$1,000'', and

(2) by striking ''$1,000'' in subsection (b) and inserting ''$5,000''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to documents prepared after the date of the enactment of this Act.

SEC. 9512. PENALTY ON FAILURE TO REPORT INTERESTS IN FOREIGN FINANCIAL ACCOUNTS.

(a) IN GENERAL.—Section 5321(a)(5) of title 31, United States Code, is amended to read as follows:

''(5) FOREIGN FINANCIAL AGENCY TRANSACTION VIOLATION.—

''(A) PENALTY AUTHORIZED.—The Secretary of the Treasury may impose a civil money penalty on any person who violates, or causes any violation of, any provision of section 5314.

''(B) AMOUNT OF PENALTY.—

''(i) IN GENERAL.—Except as provided in subparagraph (C), the amount of any civil penalty imposed under subparagraph (A) shall not exceed $5,000.

''(ii) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under subparagraph (A) with respect to any violation if—

''(I) such violation was due to reasonable cause, and

''(II) the amount of the transaction or the balance in the account at the time of the transaction was properly reported.

''(C) WILLFUL VIOLATIONS.—In the case of any person willfully violating, or willfully causing any violation of, any provision of section 5314—

''(i) the maximum penalty under subparagraph (B)(i) shall be increased to the greater of—

''(I) $25,000, or

''(II) the amount (not exceeding $100,000) determined under subparagraph (D), and

''(ii) subparagraph (B)(ii) shall not apply.

''(D) AMOUNT.—The amount determined under this subparagraph is—

''(i) in the case of a violation involving a transaction, the amount of the transaction, or

''(ii) in the case of a violation involving a failure to report the existence of an account or any identifying information required to be provided with respect to an account, the balance in the account at the time of the violation.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring after the date of the enactment of this Act.

SEC. 9513. FRIVOLOUS TAX SUBMISSIONS.

(a) CIVIL PENALTIES.—Section 6702 is amended to read as follows:

''SEC. 6702. FRIVOLOUS TAX SUBMISSIONS.

''(a) CIVIL PENALTY FOR FRIVOLOUS TAX RETURNS.—A person shall pay a penalty of $5,000 if—

''(1) such person files what purports to be a return of a tax imposed by this title but which—

''(A) does not contain information on which the substantial correctness of the self-assessment may be judged, or

''(B) contains information that on its face indicates that the self-assessment is substantially incorrect; and

''(2) the conduct referred to in paragraph (1)—

''(A) is based on a position which the Secretary has identified as frivolous under subsection (c), or

''(B) reflects a desire to delay or impede the administration of Federal tax laws.

''(b) CIVIL PENALTY FOR SPECIFIED FRIVOLOUS SUBMISSIONS.—

''(1) IMPOSITION OF PENALTY.—Except as provided in paragraph (3), any person who submits a specified frivolous submission shall pay a penalty of $5,000.

''(2) SPECIFIED FRIVOLOUS SUBMISSION.—For purposes of this section—

''(A) SPECIFIED FRIVOLOUS SUBMISSION.—The term 'specified frivolous submission' means a specified submission if any portion of such submission—

''(i) is based on a position which the Secretary has identified as frivolous under subsection (c), or

''(ii) reflects a desire to delay or impede the administration of Federal tax laws.

''(B) SPECIFIED SUBMISSION.—The term 'specified submission' means—

''(i) a request for a hearing under—

''(I) section 6320 (relating to notice and opportunity for hearing upon filing of notice of lien), or

''(II) section 6330 (relating to notice and opportunity for hearing before levy), and

''(ii) an application under—

''(I) section 6159 (relating to agreements for payment of tax liability in installments),

''(II) section 7122 (relating to compromises), or

''(III) section 7811 (relating to taxpayer assistance orders).

''(3) OPPORTUNITY TO WITHDRAW SUBMISSION.—If the Secretary provides a person with notice that a submission is a specified frivolous submission and such person withdraws such submission within 30 days after such notice, the penalty imposed under paragraph (1) shall not apply with respect to such submission.

''(c) LISTING OF FRIVOLOUS POSITIONS.—The Secretary shall prescribe (and periodically revise) a list of positions which the Secretary has identified as being frivolous for purposes of this subsection. The Secretary shall not include in such list any position that the Secretary determines meets the requirement of section 6662(d)(2)(B)(ii)(II).

''(d) REDUCTION OF PENALTY.—The Secretary may reduce the amount of any penalty imposed under this section if the Secretary determines that such reduction would promote compliance with and administration of the Federal tax laws.

''(e) PENALTIES IN ADDITION TO OTHER PENALTIES.—The penalties imposed by this section shall be in addition to any other penalty provided by law.''

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS BEFORE LEVY.—

(1) FRIVOLOUS REQUESTS DISREGARDED.—Section 6330 (relating to notice and opportunity for hearing before levy) is amended by adding at the end the following new subsection:

''(g) FRIVOLOUS REQUESTS FOR HEARING, ETC.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of a request for a hearing under this section or section 6320 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.''

(2) PRECLUSION FROM RAISING FRIVOLOUS ISSUES AT HEARING.—Section 6330(c)(4) is amended—

(A) by striking ''(A)'' and inserting ''(A)(i)'';

(B) by striking ''(B)'' and inserting ''(ii)'';

(C) by striking the period at the end of the first sentence and inserting ''; or''; and

(D) by inserting after subparagraph (A)(ii) (as so redesignated) the following:

''(B) the issue meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A).''

(3) STATEMENT OF GROUNDS.—Section 6330(b)(1) is amended by striking ''under subsection (a)(3)(B)'' and inserting ''in writing under subsection (a)(3)(B) and states the grounds for the requested hearing''.

(c) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS UPON FILING OF NOTICE OF LIEN.—Section 6320 is amended—

(1) in subsection (b)(1), by striking ''under subsection (a)(3)(B)'' and inserting ''in writing under subsection (a)(3)(B) and states the grounds for the requested hearing'', and

(2) in subsection (c), by striking ''and (e)'' and inserting ''(e), and (g)''.

(d) TREATMENT OF FRIVOLOUS APPLICATIONS FOR OFFERS-IN-COMPROMISE AND INSTALLMENT AGREEMENTS.—Section 7122 is amended by adding at the end the following new subsection:

''(e) FRIVOLOUS SUBMISSIONS, ETC.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of an application for an offer-in-compromise or installment agreement submitted under this section or section 6159 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.''

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by striking the item relating to section 6702 and inserting the following new item:

''Sec. 6702. Frivolous tax submissions.''

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to submissions made and issues raised after the date on which the Secretary first prescribes a list under section 6702(c) of the Internal Revenue Code of 1986, as amended by subsection (a).

SEC. 9514. REGULATION OF INDIVIDUALS PRACTICING BEFORE THE DEPARTMENT OF TREASURY.

(a) CENSURE; IMPOSITION OF PENALTY.—

(1) IN GENERAL.—Section 330(b) of title 31, United States Code, is amended—

(A) by inserting '', or censure,'' after ''Department'', and

(B) by adding at the end the following new flush sentence: ''The Secretary may impose a monetary penalty on any representative described in the preceding sentence. If the representative was acting on behalf of an employer or any firm or other entity in connection with the conduct giving rise to such penalty, the Secretary may impose a monetary penalty on such employer, firm, or entity if it knew, or reasonably should have known, of such conduct. Such penalty shall not exceed the gross income derived (or to be derived) from the conduct giving rise to the penalty and may be in addition to, or in lieu of, any suspension, disbarment, or censure.''

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to actions taken after the date of the enactment of this Act.

(b) TAX SHELTER OPINIONS, ETC.—Section 330 of such title 31 is amended by adding at the end the following new subsection:

''(d) Nothing in this section or in any other provision of law shall be construed to limit the authority of the Secretary of the Treasury to impose standards applicable to the rendering of written advice with respect to any entity, transaction plan or arrangement,

or other plan or arrangement, which is of a type which the Secretary determines as having a potential for tax avoidance or evasion.''

SEC. 9515. PENALTY ON PROMOTERS OF TAX SHELTERS.

(a) PENALTY ON PROMOTING ABUSIVE TAX SHELTERS.—Section 6700(a) is amended by adding at the end the following new sentence: ''Notwithstanding the first sentence, if an activity with respect to which a penalty imposed under this subsection involves a statement described in paragraph (2)(A), the amount of the penalty shall be equal to 50 percent of the gross income derived (or to be derived) from such activity by the person on which the penalty is imposed.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to activities after the date of the enactment of this Act.

SEC. 9516. STATUTE OF LIMITATIONS FOR TAXABLE YEARS FOR WHICH LISTED TRANSACTIONS NOT REPORTED.

(a) IN GENERAL.—Section 6501(e)(1) (relating to substantial omission of items for income taxes) is amended by adding at the end the following new subparagraph:

''(C) LISTED TRANSACTIONS.—If a taxpayer fails to include on any return or statement for any taxable year any information with respect to a listed transaction (as defined in section 6707A(c)(2)) which is required under section 6011 to be included with such return or statement, the tax for such taxable year may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time within 6 years after the time the return is filed. This subparagraph shall not apply to any taxable year if the time for assessment or beginning the proceeding in court has expired before the time a transaction is treated as a listed transaction under section 6011.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to transactions after the date of the enactment of this Act in taxable years ending after such date.

SEC. 9517. DENIAL OF DEDUCTION FOR INTEREST ON UNDERPAYMENTS ATTRIBUTABLE TO NONDISCLOSED REPORTABLE AND NONECONOMIC SUBSTANCE TRANSACTIONS.

(a) IN GENERAL.—Section 163 (relating to deduction for interest) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

''(m) INTEREST ON UNPAID TAXES ATTRIBUTABLE TO NONDISCLOSED REPORTABLE TRANSACTIONS AND NONECONOMIC SUBSTANCE TRANSACTIONS.—No deduction shall be allowed under this chapter for any interest paid or accrued under section 6601 on any underpayment of tax which is attributable to—

''(1) the portion of any reportable transaction understatement (as defined in section 6662A(b)) with respect to which the requirement of section 6664(d)(2)(A) is not met, or

''(2) any noneconomic substance transaction understatement (as defined in section 6662B(c)).''

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions after the date of the enactment of this Act in taxable years ending after such date.

Subtitle G—Other Provisions

SEC. 9601. LIMITATION ON TRANSFER OR IMPORTATION OF BUILT-IN LOSSES.

(a) IN GENERAL.—Section 362 (relating to basis to corporations) is amended by adding at the end the following new subsection:

''(e) LIMITATIONS ON BUILT-IN LOSSES.—

''(1) LIMITATION ON IMPORTATION OF BUILT-IN LOSSES.—

''(A) IN GENERAL.—If in any transaction described in subsection (a) or (b) there would (but for this subsection) be an importation of a net built-in loss, the basis of each property described in subparagraph (B) which is acquired in such transaction shall (notwithstanding subsections (a) and (b)) be its fair market value immediately after such transaction.

''(B) PROPERTY DESCRIBED.—For purposes of subparagraph (A), property is described in this paragraph if—

''(i) gain or loss with respect to such property is not subject to tax under this subtitle in the hands of the transferor immediately before the transfer, and

''(ii) gain or loss with respect to such property is subject to such tax in the hands of the transferee immediately after such transfer.

In any case in which the transferor is a partnership, the preceding sentence shall be applied by treating each partner in such partnership as holding such partner's proportionate share of the property of such partnership.

''(C) IMPORTATION OF NET BUILT-IN LOSS.—For purposes of subparagraph (A), there is an importation of a net built-in loss in a transaction if the transferee's aggregate adjusted bases of property described in subparagraph (B) which is transferred in such transaction would (but for this paragraph) exceed the fair market value of such property immediately after such transaction.''

''(2) LIMITATION ON TRANSFER OF BUILT-IN LOSSES IN SECTION 351 TRANSACTIONS.—

''(A) IN GENERAL.—If—

''(i) property is transferred in any transaction which is described in subsection (a) and which is not described in paragraph (1) of this subsection, and

''(ii) the transferee's aggregate adjusted bases of the property so transferred would (but for this paragraph) exceed the fair market value of such property immediately after such transaction,

then, notwithstanding subsection (a), the transferee's aggregate adjusted bases of the property so transferred shall not exceed the fair market value of such property immediately after such transaction.

''(B) ALLOCATION OF BASIS REDUCTION.—The aggregate reduction in basis by reason of subparagraph (A) shall be allocated among the property so transferred in proportion to their respective built-in losses immediately before the transaction.

''(C) EXCEPTION FOR TRANSFERS WITHIN AFFILIATED GROUP.—Subparagraph (A) shall not apply to any transaction if the transferor owns stock in the transferee meeting the requirements of section 1504(a)(2). In the case of property to which subparagraph (A) does not apply by reason of the preceding sentence, the transferor's basis in the stock received for such property shall not exceed its fair market value immediately after the transfer.''

(b) COMPARABLE TREATMENT WHERE LIQUIDATION.—Paragraph (1) of section 334(b) (relating to liquidation of subsidiary) is amended to read as follows:

''(1) IN GENERAL.—If property is received by a corporate distributee in a distribution in a complete liquidation to which section 332 applies (or in a transfer described in section 337(b)(1)), the basis of such property in the hands of such distributee shall be the same as it would be in the hands of the transferor; except that the basis of such property in the hands of such distributee shall be the fair market value of the property at the time of the distribution—

''(A) in any case in which gain or loss is recognized by the liquidating corporation with respect to such property, or

''(B) in any case in which the liquidating corporation is a foreign corporation, the corporate distributee is a domestic corporation, and the corporate distributee's aggregate adjusted bases of property described in section 362(e)(1)(B) which is distributed in such liquidation would (but for this subparagraph) exceed the fair market value of such property immediately after such liquidation.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions after the date of the enactment of this Act.

SEC. 9602. DISALLOWANCE OF CERTAIN PARTNERSHIP LOSS TRANSFERS.

(a) TREATMENT OF CONTRIBUTED PROPERTY WITH BUILT-IN LOSS.—Paragraph (1) of section 704(c) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following:

''(C) if any property so contributed has a built-in loss—

''(i) such built-in loss shall be taken into account only in determining the amount of items allocated to the contributing partner, and

''(ii) except as provided in regulations, in determining the amount of items allocated to other partners, the basis of the contributed property in the hands of the partnership shall be treated as being equal to its fair market value immediately after the contribution.

For purposes of subparagraph (C), the term 'built-in loss' means the excess of the adjusted basis of the property (determined without regard to subparagraph (C)(ii)) over its fair market value immediately after the contribution.''

(b) ADJUSTMENT TO BASIS OF PARTNERSHIP PROPERTY ON TRANSFER OF PARTNERSHIP INTEREST IF THERE IS SUBSTANTIAL BUILT-IN LOSS.—

(1) ADJUSTMENT REQUIRED.—Subsection (a) of section 743 (relating to optional adjustment to basis of partnership property) is amended by inserting before the period ''or unless the partnership has a substantial built-in loss immediately after such transfer''.

(2) ADJUSTMENT.—Subsection (b) of section 743 is amended by inserting ''or with respect to which there is a substantial built-in loss immediately after such transfer'' after ''section 754 is in effect''.

(3) SUBSTANTIAL BUILT-IN LOSS.—Section 743 is amended by adding at the end the following new subsection:

''(d) SUBSTANTIAL BUILT-IN LOSS.—

''(1) IN GENERAL.—For purposes of this section, a partnership has a substantial built-in loss with respect to a transfer of an interest in a partnership if the transferee partner's proportionate share of the adjusted basis of the partnership property exceeds by more than $250,000 the basis of such partner's interest in the partnership.

''(2) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out the purposes of paragraph (1) and section 734(d), including regulations aggregating related partnerships and disregarding property acquired by the partnership in an attempt to avoid such purposes.''

(4) CLERICAL AMENDMENTS.—

(A) The section heading for section 743 is amended to read as follows:

''SEC. 743. ADJUSTMENT TO BASIS OF PARTNERSHIP PROPERTY WHERE SECTION 754 ELECTION OR SUBSTANTIAL BUILT-IN LOSS.''

(B) The table of sections for subpart C of part II of subchapter K of chapter 1 is amended by striking the item relating to section 743 and inserting the following new item:

''Sec. 743. Adjustment to basis of partnership property where section 754 election or substantial built-in loss.''

(c) ADJUSTMENT TO BASIS OF UNDISTRIBUTED PARTNERSHIP PROPERTY IF THERE IS SUBSTANTIAL BASIS REDUCTION.—

(1) ADJUSTMENT REQUIRED.—Subsection (a) of section 734 (relating to optional adjustment to basis of undistributed partnership property) is amended by inserting before the period ''or unless there is a substantial basis reduction''.

(2) ADJUSTMENT.—Subsection (b) of section 734 is amended by inserting ''or unless there is a substantial basis reduction'' after ''section 754 is in effect''.

(3) SUBSTANTIAL BASIS REDUCTION.—Section 734 is amended by adding at the end the following new subsection:

''(d) SUBSTANTIAL BASIS REDUCTION.—

''(1) IN GENERAL.—For purposes of this section, there is a substantial basis reduction with respect to a distribution if the sum of the amounts described in subparagraphs (A) and (B) of subsection (b)(2) exceeds $250,000.

''(2) REGULATIONS.—For regulations to carry out this subsection, see section 743(d)(2).''

(4) CLERICAL AMENDMENTS.—

(A) The section heading for section 734 is amended to read as follows:

''SEC. 734. ADJUSTMENT TO BASIS OF UNDISTRIBUTED PARTNERSHIP PROPERTY WHERE SECTION 754 ELECTION OR SUBSTANTIAL BASIS REDUCTION. ''

(B) The table of sections for subpart B of part II of subchapter K of chapter 1 is amended by striking the item relating to section 734 and inserting the following new item:

''Sec. 734. Adjustment to basis of undistributed partnership property where section 754 election or substantial basis reduction.''

(d) EFFECTIVE DATES.—

(1) SUBSECTION (A).—The amendment made by subsection (a) shall apply to contributions made after the date of the enactment of this Act.

(2) SUBSECTION (B).—The amendments made by subsection (b) shall apply to transfers after the date of the enactment of this Act.

(3) SUBSECTION (C).—The amendments made by subsection (c) shall apply to distributions after the date of the enactment of this Act.

SEC. 9603. NO REDUCTION OF BASIS UNDER SECTION 734 IN STOCK HELD BY PARTNERSHIP IN CORPORATE PARTNER.

(a) IN GENERAL.—Section 755 is amended by adding at the end the following new subsection:

''(c) NO ALLOCATION OF BASIS DECREASE TO STOCK OF CORPORATE PARTNER.—In making an allocation under subsection (a) of any decrease in the adjusted basis of partnership property under section 734(b)—

''(1) no allocation may be made to stock in a corporation which is a partner in the partnership, and

''(2) any amount not allocable to stock by reason of paragraph (1) shall be allocated under subsection (a) to other partnership property.

Gain shall be recognized to the partnership to the extent that the amount required to be allocated under paragraph (2) to other partnership property exceeds the aggregate adjusted basis of such other property immediately before the allocation required by paragraph (2).''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions after the date of the enactment of this Act.

SEC. 9604. REPEAL OF SPECIAL RULES FOR FASITS.

(a) IN GENERAL.—Part V of subchapter M of chapter 1 (relating to financial asset securitization investment trusts) is hereby repealed.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (6) of section 56(g) is amended by striking ''REMIC, or FASIT'' and inserting ''or REMIC''.

(2) Clause (ii) of section 382(l)(4)(B) is amended by striking ''a REMIC to which part IV of subchapter M applies, or a FASIT to which part V of subchapter M applies,'' and inserting ''or a REMIC to which part IV of subchapter M applies,''.

(3) Paragraph (1) of section 582(c) is amended by striking '', and any regular interest in a FASIT,''.

(4) Subparagraph (E) of section 856(c)(5) is amended by striking the last sentence.

(5) Paragraph (5) of section 860G(a) is amended by adding ''and'' at the end of subparagraph (B), by striking '', and'' at the end of subparagraph (C) and inserting a period, and by striking subparagraph (D).

(6) Subparagraph (C) of section 1202(e)(4) is amended by striking ''REMIC, or FASIT'' and inserting ''or REMIC''.

(7) Subparagraph (C) of section 7701(a)(19) is amended by adding ''and'' at the end of clause (ix), by striking '', and'' at the end of clause (x) and inserting a period, and by striking clause (xi).

(8) The table of parts for subchapter M of chapter 1 is amended by striking the item relating to part V.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2003.

(2) EXCEPTION FOR EXISTING FASITS.—

(A) IN GENERAL.—Paragraph (1) shall not apply to any FASIT in existence on the date of the enactment of this Act.

(B) TRANSFER OF ADDITIONAL ASSETS NOT PERMITTED.—Except as provided in regulations prescribed by the Secretary of the Treasury or the Secretary's delegate, subparagraph (A) shall cease to apply as of the earliest date after the date of the enactment of this Act that any property is transferred to the FASIT.

SEC. 9605. EXPANDED DISALLOWANCE OF DEDUCTION FOR INTEREST ON CONVERTIBLE DEBT.

(a) IN GENERAL.—Paragraph (2) of section 163(l) is amended by striking ''or a related party'' and inserting ''or equity held by the issuer (or any related party) in any other person''.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 163(l) is amended by striking ''or a related party'' in the material preceding subparagraph (A) and inserting ''or any other person''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to debt instruments issued after the date of the enactment of this Act.

SEC. 9606. EXPANDED AUTHORITY TO DISALLOW TAX BENEFITS UNDER SECTION 269.

(a) IN GENERAL.—Subsection (a) of section 269 (relating to acquisitions made to evade or avoid income tax) is amended to read as follows:

''(a) IN GENERAL.—If—

''(1)(A) any person acquires stock in a corporation, or

''(B) any corporation acquires, directly or indirectly, property of another corporation and the basis of such property, in the hands of the acquiring corporation, is determined by reference to the basis in the hands of the transferor corporation, and

''(2) the principal purpose for which such acquisition was made is evasion or avoidance of Federal income tax by securing the benefit of a deduction, credit, or other allowance,

then the Secretary may disallow such deduction, credit, or other allowance.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to stock and property acquired after February 13, 2003.

SEC. 9607. MODIFICATIONS OF CERTAIN RULES RELATING TO CONTROLLED FOREIGN CORPORATIONS.

(a) LIMITATION ON EXCEPTION FROM PFIC RULES FOR UNITED STATES SHAREHOLDERS OF CONTROLLED FOREIGN CORPORATIONS.—Paragraph (2) of section 1297(e) (relating to passive investment company) is amended by adding at the end the following flush sentence: ''Such term shall not include any period if there is only a remote likelihood of an inclusion in gross income under section 951(a)(1)(A)(i) of subpart F income of such corporation for such period.''

(b) DETERMINATION OF PRO RATA SHARE OF SUBPART F INCOME.—Subsection (a) of section 951 (relating to amounts included in gross income of United States shareholders) is amended by adding at the end the following new paragraph:

''(4) SPECIAL RULES FOR DETERMINING PRO RATA SHARE OF SUBPART F INCOME.—The pro rata share under paragraph (2) shall be determined by disregarding—

''(A) any rights lacking substantial economic effect, and

''(B) stock owned by a shareholder who is a tax-indifferent party (as defined in section 7701(m)(3)) if the amount which would (but for this paragraph) be allocated to such shareholder does not reflect such shareholder's economic share of the earnings and profits of the corporation.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years on controlled foreign corporation beginning after February 13, 2003, and to taxable years of United States shareholder in which or with which such taxable years of controlled foreign corporations end.

SEC. 9608. BASIS FOR DETERMINING LOSS ALWAYS REDUCED BY NONTAXED PORTION OF DIVIDENDS.

(a) IN GENERAL.—Section 1059 (relating to corporate shareholder's basis in stock reduced by nontaxed portion of extraordinary dividends) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

''(g) BASIS FOR DETERMINING LOSS ALWAYS REDUCED BY NONTAXED PORTION OF DIVIDENDS.—The basis of stock in a corporation (for purposes of determining loss) shall be reduced by the nontaxed portion of any dividend received with respect to such stock if this section does not otherwise apply to such dividend.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to dividends received after the date of the enactment of this Act.

SEC. 9609. AFFIRMATION OF CONSOLIDATED RETURN REGULATION AUTHORITY.

(a) IN GENERAL.—Section 1502 (relating to consolidated return regulations) is amended by adding at the end the following new sentence: ''In prescribing such regulations, the Secretary may prescribe rules applicable to corporations filing consolidated returns under section 1501 that are different from other provisions of this title that would apply if such corporations filed separate returns.''

(b) RESULT NOT OVERTURNED.—Notwithstanding subsection (a), the Internal Revenue Code of 1986 shall be construed by treating Treasury regulation § 1.1502–20(c)(1)(iii) (as in effect on January 1, 2001) as being inapplicable to the type of factual situation in 255 F.3d 1357 (Fed. Cir. 2001).

(c) EFFECTIVE DATE.—The provisions of this section shall apply to taxable years beginning before, on, or after the date of the enactment of this Act.

SEC. 9610. EXTENSION OF CUSTOMS USER FEES.

Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)) is amended by striking ''March 1, 2005'' and inserting ''March 31, 2010''.

Subtitle H—Prevention of Corporate Expatriation to Avoid United States Income Tax

SEC. 9701. PREVENTION OF CORPORATE EXPATRIATION TO AVOID UNITED STATES INCOME TAX.

(a) IN GENERAL.—Paragraph (4) of section 7701(a) (defining domestic) is amended to read as follows:

''(4) DOMESTIC.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'domestic' when applied to a corporation or partnership means created or organized in the United States or under the law of the United States or of any State unless, in the case of a partnership, the Secretary provides otherwise by regulations.

''(B) CERTAIN CORPORATIONS TREATED AS DOMESTIC.—

''(i) IN GENERAL.—The acquiring corporation in a corporate expatriation transaction shall be treated as a domestic corporation.

''(ii) CORPORATE EXPATRIATION TRANSACTION.—For purposes of this subparagraph, the term 'corporate expatriation transaction' means any transaction if—

''(I) a nominally foreign corporation (referred to in this subparagraph as the 'acquiring corporation') acquires, as a result of such transaction, directly or indirectly substantially all of the properties held directly or indirectly by a domestic corporation, and

''(II) immediately after the transaction, more than 80 percent of the stock (by vote or value) of the acquiring corporation is held by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation.

''(iii) LOWER STOCK OWNERSHIP REQUIREMENT IN CERTAIN CASES.—Subclause (II) of clause (ii) shall be applied by substituting '50 percent' for '80 percent' with respect to any nominally foreign corporation if—

''(I) such corporation does not have substantial business activities (when compared to the total business activities of the expanded affiliated group) in the foreign country in which or under the law of which the corporation is created or organized, and

''(II) the stock of the corporation is publicly traded and the principal market for the public trading of such stock is in the United States.

''(iv) PARTNERSHIP TRANSACTIONS.—The term 'corporate expatriation transaction' includes any transaction if—

''(I) a nominally foreign corporation (referred to in this subparagraph as the 'acquiring corporation') acquires, as a result of such transaction, directly or indirectly properties constituting a trade or business of a domestic partnership,

''(II) immediately after the transaction, more than 80 percent of the stock (by vote or value) of the acquiring corporation is held by former partners of the domestic partnership or related foreign partnerships (determined without regard to stock of the acquiring corporation which is sold in a public offering related to the transaction), and

''(III) the acquiring corporation meets the requirements of subclauses (I) and (II) of clause (iii).

''(v) SPECIAL RULES.—For purposes of this subparagraph—

''(I) a series of related transactions shall be treated as 1 transaction, and

''(II) stock held by members of the expanded affiliated group which includes the acquiring corporation shall not be taken into account in determining ownership.

''(vi) OTHER DEFINITIONS.—For purposes of this subparagraph—

''(I) NOMINALLY FOREIGN CORPORATION.—The term 'nominally foreign corporation' means any corporation which would (but for this subparagraph) be treated as a foreign corporation.

''(II) EXPANDED AFFILIATED GROUP.—The term 'expanded affiliated group' means an affiliated group (as defined in section 1504(a) without regard to section 1504(b)).

''(III) RELATED FOREIGN PARTNERSHIP.—A foreign partnership is related to a domestic partnership if they are under common control (within the meaning of section 482), or they shared the same trademark or tradename.''

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendment made by this section shall apply to corporate expatriation transactions completed after September 11, 2001.

(2) SPECIAL RULE.—The amendment made by this section shall also apply to corporate expatriation transactions completed on or before September 11, 2001, but only with respect to taxable years of the acquiring corporation beginning after December 31, 2003.

Mr. FROST. Mr. Speaker, I urge my Members to vote ''no'' on the previous question, and I yield back the balance of my time.

Mr. DREIER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I rise in strong support of this rule. We have looked into the history of rules that allow for consideration of transportation legislation. And going back to the 102nd Congress we found that 12 amendments were made in order. That was consideration of the ISTEA legislation. The TEA 21 legislation had six amendments made in order. And this measure will allow for 23 amendments. And I believe it will give an opportunity for full consideration. Actually, it is probably 23 more amendments than the distinguished chairman of the committee, the gentleman from Alaska (Mr. YOUNG), would have preferred because he is so proud of his work product; but we are going to allow Members the opportunity to have the chance to work their will on this very important measure.

If I had my way, the Federal Government would not be involved in these kinds of transportation decisions. In fact, I think that the notion of being able to completely turn back to the States the revenues that come into the trust fund and allowing States to make these decisions would be in many ways the wisest thing. But I have to face reality. And reality is that the Federal Government is involved in the issue of transportation. I believe for that reason we need to do it in the most responsible way.

This measure authorizes in excess of a quarter of a trillion dollars. A quarter of a trillion dollars. And I believe that as we look at the very important pressing needs out there, this is a level of funding that can allow us to make sure that we do improve our infrastructure.

We know that our infrastructure includes more than highways; it includes a wide range of other areas which have to do with transportation. And when we think about the ability of the United States of America to compete in this global economy, it is important for goods and services to be able to move around this country. It is important for U.S. manufacturers, for workers in this country to be able to get their goods to our Nation's ports so that they can, in fact, move into these new markets which this administration, and many of the rest of us, is working to pry open through new bilateral as well as multilateral trade agreements so that we can get into those markets.

And that is why I believe this is a very, very important measure for all of us. For our security, which is an important aspect of this measure, it is important that we improve our infrastructure here.

Let me say that when I think about that issue, I do have, as a Californian, a particular concern. My State is, in fact, the gateway to the Pacific Rim, Asia, Latin America. And a tremendous percentage of the goods that come to and from this country come through the ports of Long Beach and Los Angeles, as I said in my opening remarks.

And we have a very important issue that needs to be addressed in Southern California, the extension of the Alameda Corridor East, which is an issue that the gentleman from Minnesota (Mr. OBERSTAR) chose to address when he was testifying before the Committee on Rules as an important one.

With these two ports, Los Angeles and Long Beach, it is important now that we have the Alameda Corridor project that takes goods to downtown Los Angeles and brings goods into that Los Angeles area to get to the ports for export. We have to realize that there are areas to the east of Los Angeles that are impacted tremendously because of this new trade.

We have to realize that this also deals very closely with the issue of safety and making sure that in the area that I represent in the Inland Empire, east of downtown Los Angeles, that our emergency vehicles, ambulances, fire, police, that they are able to move as easily as possible throughout the area.

The Alameda Corridor East project is something that will be very, very greatly benefited by this legislation. And I think it is important that we proceed with that.

There are a wide range of other very important projects which will, as has been pointed out by many Members, create jobs to see this already strong and growing economy grow even stronger.

So I hope that my colleagues will join in a bipartisan way to agreeing to the previous question, making sure that we move ahead with this legislation and pass this measure with a strong bipartisan vote.

Mr. Speaker, I yield back the balance of my time, and move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that the quorum is not present and make a point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on the question of adopting the resolution.

The vote was taken by electronic device, and there were—yeas 229, nays 194, not voting 10, as follows:

[Roll No. 105]

YEAS—229

Aderholt
Akin
Andrews
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Brady (TX)
Brown (SC)
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capuano
Carter
Chabot
Chocola
Coble
Cole
Collins
Costello
Cox
Crane
Crenshaw
Crowley
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
Delahunt
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gilchrest
Gillmor
Gingrey
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoeffel
Hoekstra
Holden
Hostettler
Houghton
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nadler
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Pascrell
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Sullivan
Sweeney
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—194

Abercrombie
Ackerman
Alexander
Allen
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Castle
Chandler
Clay
Clyburn
Conyers
Cooper
Cramer
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeGette
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gallegly
Gonzalez
Goode
Gordon
Green (TX)
Grijalva
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Holt
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Murtha
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tancredo
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—10

Bradley (NH)
Brown-Waite, Ginny
Gephardt
Gibbons
Honda
Hulshof
Moran (VA)
Quinn
Sessions
Tauzin

□ 1417

Messrs. HILL, KILDEE, HASTINGS of Florida, CASTLE, Mrs. NAPOLITANO, Ms. KILPATRICK, Mr. JONES of North Carolina and Mr. WEINER changed their vote from ''yea'' to ''nay.''

Messrs. CROWLEY, CAPUANO, HOEFFEL, WALSH and PASCRELL changed their vote from ''nay'' to ''yea.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. HONDA. Mr. Speaker, on rollcall No. 105, had I been present, I would have voted "nay."

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HOUR OF MEETING ON FRIDAY, APRIL 2, 2004

Mr. DREIER. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 9 a.m. tomorrow Friday, April 2, 2004.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

TRANSPORTATION EQUITY ACT: A LEGACY FOR USERS

The SPEAKER pro tempore. Pursuant to House Resolution 593 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3550.

□ 1418

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3550) to authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes, with Mr. SIMPSON (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose earlier today, all time for initial general debate pursuant to the order of the House of March 30, 2004, had expired.

Pursuant to House Resolution 593, no further general debate, except for the final period contemplated in the previous order of the House, is in order.

The committee amendment in the nature of a substitute printed in the bill, modified by the amendments printed in part A of House Report 108–456, is adopted. The bill, as amended, shall be considered as an original bill for the purpose of amendment under the 5-minute rule and shall be considered read.

The text of the committee amendment in the nature of a substitute, as modified, is as follows:

H.R. 3550

Be it enacted by the Senate and House of Representatives 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''.

(b) TABLE OF CONTENTS.—

Sec. 1. Short title, table of contents.

TITLE I—FEDERAL-AID HIGHWAYS

Subtitle A—Authorization of programs

Sec. 1101. Authorizations of appropriations.
Sec. 1102. Obligation ceiling.
Sec. 1103. Apportionments.
Sec. 1104. Minimum guarantee.
Sec. 1105. Project approval and oversight.
Sec. 1106. Temporary traffic control devices.
Sec. 1107. Revenue aligned budget authority.
Sec. 1108. Emergency relief.
Sec. 1109. Surface transportation program.
Sec. 1110. Highway use tax evasion projects.
Sec. 1111. Appalachian development highway system.
Sec. 1112. Construction of ferry boats and ferry terminal facilities.
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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, $4,323,076,000 for fiscal year 2004, $4,431,153,000 for fiscal year 2005, $4,541,932,000 for fiscal year, 2006, $4,655,480,000 for fiscal year 2007, $4,771,867,000 for fiscal year 2008, and $4,891,164,000 for fiscal year 2009.

(2) NATIONAL HIGHWAY SYSTEM.—For the National Highway System under section 103 of that title, $5,187,691,000 for fiscal year 2004, $5,317,383,000 for fiscal year 2005, $5,450,318,000 for fiscal year 2006, $5,586,576,000 for fiscal year 2007, $5,726,240,000 for fiscal year 2008, and $5,869,396,000 for fiscal year 2009.

(3) BRIDGE PROGRAM.—For the bridge program under section 144 of that title, $3,709,440,000 for fiscal year 2004, $3,802,176,000 for fiscal year 2005, $3,897,231,000 for fiscal year 2006, $3,994,661,000 for fiscal year 2007, $4,094,528,000 for fiscal year 2008, and $4,196,891,000 for fiscal year 2009.

(4) HIGHWAY SAFETY IMPROVEMENT PROGRAM.—For the highway safety improvement program under sections 130 and 152 of that title, $0 for fiscal year 2004, $630,000,000 for fiscal year 2005, $645,000,000 for fiscal year 2006, $660,000,000 for fiscal year 2007, $680,000,000 for fiscal year 2008, and $695,000,000 for fiscal year 2009. Of such funds ⅓ per fiscal year shall be available to carry out section 130 and ⅔ shall be available to carry out section 152.

(5) SURFACE TRANSPORTATION PROGRAM.—For the surface transportation program under section 133 of that title, $6,052,306,000 for fiscal year 2004, $6,203,614,000 for fiscal year 2005, $6,358,704,000 for fiscal year 2006, $6,517,672,000 for fiscal year 2007, $6,680,614,000 for fiscal year 2008, and $6,847,629,000 for fiscal year 2009.

(6) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—For the congestion mitigation and air quality improvement program under section 149 of that title, $1,469,846,000 for fiscal year 2004, $1,506,592,000 for fiscal year 2005, $1,544,257,000 for fiscal year 2006, $1,582,863,000 for fiscal year 2007, $1,622,435,000 for fiscal year 2008, and $1,662,996,000 for fiscal year 2009.

(7) APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM PROGRAM.—For the Appalachian development highway system program under section 14501 of title 40, United States Code, $460,000,000 for fiscal year 2004 and $470,000,000 for each of fiscal years 2005 through 2009.

(8) RECREATIONAL TRAILS PROGRAM.—For the recreational trails program under section 206 of

title 23, United States Code, $53,000,000 for fiscal year 2004, $70,000,000 for fiscal year 2005, $80,000,000 for fiscal year 2006, $90,000,000 for fiscal year 2007, $100,000,000 for fiscal year 2008, and $110,000,000 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, $325,000,000 for fiscal year 2004, $365,000,000 for fiscal year 2005, $390,000,000 for fiscal year 2006, $395,000,000 for fiscal year 2007, $420,000,000 for fiscal year 2008, and $420,000,000 for fiscal year 2009.

(B) PARK ROADS AND PARKWAYS.—For park roads and parkways roads under section 204 of that title, $170,000,000 for fiscal year 2004, $185,000,000 for fiscal year 2005, $200,000,000 for fiscal year 2006, $215,000,000 for fiscal year 2007, $225,000,000 for fiscal year 2008, and $225,000,000 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, $260,000,000 for fiscal year 2005, $280,000,000 for fiscal year 2006, $280,000,000 for fiscal year 2007, $290,000,000 for fiscal year 2008, and $300,000,000 for fiscal year 2009.

(D) REFUGE ROADS.—For refuge roads under section 204 of that title, $20,000,000 for each of fiscal years 2004 through 2009.

(10) NATIONAL CORRIDOR INFRASTRUCTURE IMPROVEMENT PROGRAM.—For the national corridor infrastructure improvement program under section 1301 of this title, $333,333,000 for fiscal year 2004, $600,000,000 for fiscal year 2005, $600,000,000 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.

(11) COORDINATED BORDER INFRASTRUCTURE PROGRAM.—For the coordinated border infrastructure program under section 1302 of this title, $105,000,000 for fiscal year 2004, $200,000,000 for fiscal year 2005, $200,000,000 for fiscal year 2006, $200,000,000 for fiscal year 2007, $200,000,000 for fiscal year 2008, and $225,000,000 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, $600,000,000 for fiscal year 2004, $1,100,000,000 for fiscal year 2005, $1,100,000,000 for fiscal year 2006, $1,200,000,000 for fiscal year 2007, $1,300,000,000 for fiscal year 2008, and $1,300,000,000 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, $60,000,000 for fiscal year 2004, $70,000,000 for fiscal year 2005, $75,000,000 for fiscal year 2006, $75,000,000 for fiscal year 2007, $75,000,000 for fiscal year 2008, and $75,000,000 for fiscal year 2009.

(14) NATIONAL SCENIC BYWAYS PROGRAM.—For the national scenic byways program under section 162 of title 23, United States Code, $30,000,000 for fiscal year 2004, $40,000,000 for fiscal year 2005, $45,000,000 for fiscal year 2006, $55,000,000 for fiscal year 2007, $55,000,000 for fiscal year 2008, and $60,000,000 for fiscal year 2009.

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

(16) DEPLOYMENT OF 511 TRAVELER INFORMATION PROGRAM.—For the 511 traveler information program under section 1204(c)(7) of this title, $6,000,000 for each of fiscal years 2004 through 2009.

(17) HIGH PRIORITY PROJECTS PROGRAM.—For the high priority projects program under section 117 of title 23, United States Code, $2,176,042,000 for fiscal year 2004, $2,061,242,000 for fiscal year 2005, $1,809,342,000 for fiscal year 2006, $1,708,042,000 for fiscal year 2007, $1,757,242,000 for fiscal year 2008, and $1,615,242,000 for fiscal year 2009.

(18) FREIGHT INTERMODAL CONNECTOR PROGRAM.—For the freight intermodal connector program under section 1303 of this title, $115,000,000 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.

(19) HIGH RISK RURAL ROAD SAFETY IMPROVEMENT PROGRAM.—For the high risk rural road safety improvement program under section 1403 of this title, $85,000,000 for fiscal year 2004, $105,000,000 for fiscal year 2005, $110,000,000 for fiscal year 2006, $120,000,000 for fiscal year 2007, $125,000,000 for fiscal year 2008, and $130,000,000 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, $12,000,000 for fiscal year 2004, $30,000,000 for fiscal year 2005, $30,000,000 for fiscal year 2006, $20,000,000 for fiscal year 2007, $10,000,000 for fiscal year 2008, and $7,000,000 for fiscal year 2009.

(21) PEDESTRIAN AND CYCLIST EQUITY.—

(A) SAFE ROUTES TO SCHOOL PROGRAM.—For the safe routes to school program under section 1120(a) of this title, $125,000,000 for fiscal year 2004, $150,000,000 for fiscal year 2005, $175,000,000 for fiscal year 2006, $175,000,000 for fiscal year 2007, $175,000,000 for fiscal year 2008, and $200,000,000 for fiscal year 2009.

(B) NONMOTORIZED PILOT PROGRAM.—For the nonmotorized pilot program under section 1120(b) of this title, $20,000,000 for fiscal year 2004 and $25,000,000 for each of fiscal years 2005 through 2009.

(22) DEDICATED TRUCK LANES.—For dedicated truck lanes under section 1305 of this title, $80,000,000 for fiscal year 2004 ,$165,000,000 for each of fiscal years 2005 through 2008, and $170,000,000 for fiscal year 2009.

(23) HIGHWAYS FOR LIFE PROGRAM.—For the highways for life program under section 1504 of this title, $40,000,000 for fiscal year 2004, $55,000,000 for fiscal year 2005, and $60,000,000 for each of fiscal years 2006 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), $115,000,000 for fiscal year 2004, $125,000,000 for fiscal year 2005, $130,000,000 for fiscal year 2006, $130,000,000 for fiscal year 2007, $140,000,000 for fiscal year 2008, and $140,000,000 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 and section 403 of title 23, United States Code, 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 and section 403 of title 23, United States Code, 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) $33,644,000,000 for fiscal year 2004;

(2) $34,641,000,000 for fiscal year 2005;

(3) $35,668,000,000 for fiscal year 2006;

(4) $36,725,000,000 for fiscal year 2007;

(5) $37,813,000,000 for fiscal year 2008; and

(6) $38,934,000,000 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(c) 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 (c)(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 (c)(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)(ii)(I)(cc) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(B)(ii)(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) $390,000,000 for fiscal year 2004;

(2) $395,000,000 for fiscal year 2005;

(3) $395,000,000 for fiscal year 2006;

(4) $395,000,000 for fiscal year 2007;

(5) $395,000,000 for fiscal year 2008; and

(6) $400,000,000 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) $390,000,000 for fiscal year 2004, $395,000,000 for fiscal year 2005, $395,000,000 for fiscal year 2006, $395,000,000 for fiscal year 2007, $395,000,000 for fiscal year 2008, and $400,000,000 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)—

(A) by striking ''$36,400,000 for each fiscal year'' and inserting ''$40,000,000 for fiscal year 2004, $40,000,000 for fiscal year 2005, $40,000,000 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''; and

(B) by striking ''$18,800,000 for each of fiscal years 1998 through 2002'' and inserting ''$20,000,000 for fiscal year 2004 and $30,000,000 for each of fiscal years 2005 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''.

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 ''$2,870,000,000 in fiscal year 2004, $2,941,750,000 in fiscal year 2005, $3,015,293,750 in fiscal year 2006, $3,090,676,094 in fiscal year 2007, $3,167,942,996 in fiscal year 2008, and $3,247,141,571 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''.

(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''; and

(2) in paragraph (1) by striking ''1999 through 2003'' and inserting ''2004 through 2009''.

(f) CONFORMING AMENDMENTS.—

(1) SECTION 131.—Section 131(m) of title 23, United States Code, is amended by striking ''in accordance with the program of projects approval process of section 105''.

(2) SECTION 140.—Section 140 of such title is amended—

(A) in subsection (a) by striking ''programs for projects as provided for in subsection (a) of section 105 of this title'' and inserting ''project under this chapter''; and

(B) in subsection (c) by striking ''subsection 104(b)(3) of this title'' and inserting ''section 104(b)(3)''.

SEC. 1105. PROJECT APPROVAL AND OVERSIGHT.

Section 106(h) of title 23, United States Code, is amended by striking ''$1,000,000,000'' and inserting ''$500,000,000''.

SEC. 1106. TEMPORARY TRAFFIC CONTROL DEVICES.

(a) STANDARDS.—Section 109(e) of title 23, United States Code, is amended__

(1) by striking ''(e) No funds'' and inserting the following:

''(e) INSTALLATION OF SAFETY DEVICES.—

''(1) HIGHWAY AND RAILROAD GRADE CROSSINGS AND DRAWBRIDGES.—No funds''; and

(2) by adding at the end the following:

''(2) TEMPORARY TRAFFIC CONTROL DEVICES.—No funds shall be approved for expenditure on any Federal-aid highway, or highway affected under chapter 2 of this title, unless proper temporary traffic control devices to improve safety in work zones will be installed and maintained during construction, utility, and maintenance operations on that portion of the highway with respect to which such expenditures are to be made. Installation and maintenance of the devices shall be in accordance with the Manual on Uniform Traffic Control Devices.''.

(b) LETTING OF CONTRACTS.—Section 112 of such title is amended—

(1) by striking subsection (f);

(2) by redesignating subsection (g) as subsection (f); and

(3) by adding at the end the following:

''(g) TEMPORARY TRAFFIC CONTROL DEVICES.—

''(1) ISSUANCE OF REGULATIONS.—The Secretary, after consultation with appropriate Federal and State officials, shall issue regulations establishing the conditions for the appropriate use of, and expenditure of funds for, uniformed law enforcement officers, positive protective measures between workers and motorized traffic, and installation and maintenance of temporary traffic control devices during construction, utility, and maintenance operations.

''(2) EFFECTS OF REGULATIONS.—Based on regulations issued under paragraph (1), a State shall—

''(A) develop separate pay items for the use of uniformed law enforcement officers, positive protective measures between workers and motorized traffic, and installation and maintenance of temporary traffic control devices during construction, utility, and maintenance operations; and

''(B) incorporate such pay items into contract provisions to be included in each contract entered into by the State with respect to a highway project to ensure compliance with section 109(e)(2).

''(3) LIMITATION.—Nothing in the regulations shall be construed to prohibit a State from implementing standards that are more stringent than those required under the regulations.

''(4) POSITIVE PROTECTIVE MEASURES DEFINED.—In this subsection, the term 'positive protective measures' means temporary traffic barriers, crash cushions, and other strategies to avoid traffic accidents in work zones, including full road closures.''.

SEC. 1107. REVENUE ALIGNED BUDGET AUTHORITY.

(a) IN GENERAL.—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 funding level adjustments and maintain a direct relationship to the receipts in the Highway Account of the Highway Trust Fund.

(b) TECHNICAL AMENDMENT.—Section 110(b)(1)(A) of title 23, United States Code, is amended by striking ''for'' the second place it appears.

SEC. 1108. EMERGENCY RELIEF.

(a) IN GENERAL.—Effective October 1, 2004, section 125(c)(1) of title 23, United States Code, is amended by striking ''$100,000,000'' and inserting ''$120,000,000''.

(b) AUTHORIZATIONS OF APPROPRIATIONS FROM GENERAL FUND.—There is authorized to be appropriated for a fiscal year such sums as may be necessary for allocations 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 $120,000,000.

SEC. 1109. 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. 1110. HIGHWAY USE TAX EVASION PROJECTS.

(a) ELIGIBLE ACTIVITIES.—

(1) INTERGOVERNMENTAL ENFORCEMENT EFFORTS.—Section 143(b)(2) of title 23, United States Code, is amended by inserting before the period the following: ''; except that of funds so made available for each of fiscal years 2004 through 2009, $2,000,000 shall be available only to carry out intergovernmental enforcement efforts, including research and training''.

(2) CONDITIONS ON FUNDS ALLOCATED TO INTERNAL REVENUE SERVICE.—Section 143(b)(3) of such title is amended by striking ''The'' and inserting ''Except as otherwise provided in this section, the''.

(3) LIMITATION ON USE OF FUNDS.—Section 143(b)(4) of such title is amended—

(A) by striking ''and'' at the end of subparagraph (F);

(B) by striking the period at the end of subparagraph (G) and inserting a semicolon; and

(C) by adding at the end the following:

''(H) to support efforts between States and Indian tribes to address issues related to State motor fuel taxes; and

''(I) to analyze and implement programs to reduce tax evasion associated with foreign imported fuel.''.

(4) REPORTS.—Section 143(b) of such title is amended by adding at the end the following:

''(9) REPORTS.—The Commissioner of the Internal Revenue Service and each State shall submit to the Secretary an annual report that describes the projects, examinations, and criminal investigations funded by and carried out under this section. Such report shall specify the annual yield estimated for each project funded under this section.''.

(b) EXCISE FUEL REPORTING SYSTEM.—

(1) IN GENERAL.—Section 143(c)(1) of such title is amended—

(A) by striking ''August 1, 1998,'' and inserting ''90 days after the date of enactment of the Transportation Equity Act: A Legacy for Users,'';

(B) by striking ''development'' and inserting ''completion, operation,''; and

(C) by striking ''an excise fuel reporting system (in this subsection referred to as 'the system')'' and inserting ''an excise summary terminal activity reporting system''.

(2) ELEMENTS OF MEMORANDUM OF UNDERSTANDING.—Section 143(c)(2) of such title is amended—

(A) by striking ''the system'' the first place it appears and inserting ''the excise summary terminal activity reporting system'';

(B) in subparagraph (A) by striking ''develop'' and inserting ''complete'';

(C) by striking ''and'' at the end of subparagraph (B);

(D) by striking the period at the end of subparagraph (C) and inserting ''; and''; and

(E) by adding at the end the following:

''(D) the Commissioner of the Internal Revenue Service shall submit and the Secretary shall approve a budget and project plan for the completion, operation, and maintenance of the system.''; and

(3) FUNDING PRIORITY.—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 available to the Internal Revenue Service such funds as may be necessary to complete, operate, and maintain the excise summary terminal activity reporting system in accordance with this subsection.''.

(c) REGISTRATION SYSTEM AND ELECTRONIC DATABASE.—Section 143 of such title is further amended by adding at the end the following:

''(d) PIPELINE, VESSEL, AND BARGE REGISTRATION SYSTEM.—

''(1) IN GENERAL.—Not later than 90 days after the date of enactment of this subsection, the Secretary shall enter into a memorandum of understanding with the Commissioner of the Internal Revenue Service for the purposes of the development, operation, and maintenance of a registration system for pipelines, vessels, and barges, and operators of such pipelines, vessels, and barges, that make bulk transfers of taxable fuel.

''(2) ELEMENTS OF MEMORANDUM OF UNDERSTANDING.—The memorandum of understanding shall provide that—

''(A) the Internal Revenue Service shall develop and maintain the registration system through contracts;

''(B) the Commissioner of the Internal Revenue Service shall submit and the Secretary shall approve a budget and project plan for development, operation, and maintenance of the registration system;

''(C) the registration system shall be under the control of the Internal Revenue Service; and

''(D) the registration system shall be made available for use by appropriate State and Federal revenue, tax, and law enforcement authorities, subject to section 6103 of the Internal Revenue Code of 1986.

''(3) FUNDING.—Of the amounts made available to carry out this section for each of fiscal years 2004 through 2009, the Secretary shall make available to the Internal Revenue Service such funds as may be necessary to complete, operate, and maintain a registration system for pipelines, vessels, and barges, and operators of such pipelines, vessels, and barges, that make bulk transfers of taxable fuel in accordance with this subsection.

''(e) HEAVY VEHICLE USE TAX PAYMENT DATABASE.—

''(1) IN GENERAL.—Not later than 90 days after the date of enactment of this subsection, the Secretary shall enter into a memorandum of understanding with the Commissioner of the Internal Revenue Service for the purposes of the establishment, operation, and maintenance of an electronic database of heavy vehicle highway use tax payments.

''(2) ELEMENTS OF MEMORANDUM OF UNDERSTANDING.—The memorandum of understanding shall provide that—

''(A) the Internal Revenue Service shall establish and maintain the electronic database through contracts;

''(B) the Commissioner of the Internal Revenue Service shall submit and the Secretary shall approve a budget and project plan for establishment, operation, and maintenance of the electronic database;

''(C) the electronic database shall be under the control of the Internal Revenue Service; and

''(D) the electronic database shall be made available for use by appropriate State and Federal revenue, tax, and law enforcement authorities, subject to section 6103 of the Internal Revenue Code of 1986.

''(3) FUNDING.—Of the amounts made available to carry out this section for each of fiscal

years 2004 through 2009, the Secretary shall make available to the Internal Revenue Service such funds as may be necessary to establish, operate, and maintain an electronic database of heavy vehicle highway use tax payments in accordance with this subsection.

''(f) REPORTS.—Not later than March 30 and September 30 of each year, the Commissioner of the Internal Revenue Service shall provide reports to the Secretary on the status of the Internal Revenue Service projects funded under this section related to the excise summary terminal activity reporting system, the pipeline, vessel, and barge registration system, and the heavy vehicle use tax electronic database.''.

SEC. 1111. 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. 1112. 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.

''(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 adding at the end the following:

''165. Construction of ferry boats and ferry terminal facilities.''.

(c) NATIONAL FERRY DATABASE.—

(1) ESTABLISHMENT.—The Secretary, acting through the Bureau of Transportation Statistics, shall establish and maintain a national ferry database.

(2) CONTENTS.—The database shall contain current information regarding ferry systems, including information regarding routes, vessels, passengers and vehicles carried, funding sources and such other information as the Secretary considers useful.

(3) UPDATE REPORT.— Using information collected through the database, the Secretary shall periodically modify as appropriate the report submitted under section 1207(c) of the Transportation Equity Act for the 21st Century (23 U.S.C. 129 note; 112 Stat. 185–186).

(4) REQUIREMENTS.—The Secretary shall—

(A) compile the database not later than 1 year after the date of enactment of this Act and update the database every 2 years thereafter;

(B) ensure that the database is easily accessible to the public;

(C) make available, from the ferry boat and ferry terminal program authorized under section 165 of title 23, United States Code, not more than $500,000 for each of fiscal years 2004 through 2009 to establish the database.

SEC. 1113. 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 (c) and (d), respectively.

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

(c) TECHNICAL AMENDMENTS.—

(1) SECTION 114.—Section 114(a) of such title is amended by striking ''Except as provided in section 117 of this title, such'' and inserting ''Such''.

(2) SECTION 116.—Section 116(b) of such title is amended by striking ''highway department'' and inserting ''transportation department''.

(3) SECTION 120.—Section 120(e) of such title is amended in the first sentence by striking ''such system'' and inserting ''such highway''.

(4) SECTION 126.—Section 126(a) of such title is amended by inserting ''under'' before ''section 104(b)(3)''.

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

(6) BICYCLE AND PEDESTRIAN SAFETY GRANTS.—Section 1212(i) of the Transportation Equity Act for the 21st Century (112 Stat. 196–197) is amended by redesignating subparagraphs (D) and (E) as paragraphs (2) and (3), respectively, and moving such paragraphs 2 ems to the left.

(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. 1114. 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 COMPOSITIONS.—Whenever any State makes application to the Secretary for assistance in painting, seismic retrofit, or preventive maintenance of, or installing scour countermeasures or applying calcium magnesium acetate, sodium acetate/formate, or other environmentally acceptable, minimally corrosive anti-icing and de-icing compositions to, the structure of a highway bridge, the Secretary may approve Federal 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 composition to, such structure.

''(3) ELIGIBILITY.—The Secretary shall determine the eligibility of highway bridges for replacement 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 maintenance on a bridge, seismic retrofit of a bridge, or installing 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 ''15 percent'' and inserting ''20 percent'';

(2) by striking ''1987'' and inserting ''2004'';

(3) by striking ''2003'' and inserting ''2009'';

(4) by inserting '', perform systematic preventive maintenance,'' after ''paint''; and

(5) 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''.

SEC. 1115. TRANSPORTATION AND COMMUNITY AND SYSTEM PRESERVATION PROGRAM.

(a) EXTENSION.—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 $25,000,000 for fiscal year 2004, $30,000,000 for fiscal year 2005, $35,000,000 for fiscal year 2006, $35,000,000,000 for fiscal year 2007, and $35,000,000 for each of fiscal years 2008 and 2009''.

(b) FEDERAL SHARE.—Section 1221(e)(2) of such Act is amended by inserting before the period at the end ''; except that such funds shall not be transferable and the Federal share for projects and activities carried out with such funds shall be determined in accordance with section 120(b) of title 23, United States Code''.

SEC. 1116. 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.

(3) APPLICABILITY OF OTHER LAWS.—Financial assistance made available under this section, and projects assisted with such assistance, shall be subject to section 5333(a) of title 49, United States Code.

(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 $15,000,000 for fiscal year 2005 and $20,000,000 for each of fiscal years 2006 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 and shall not be transferable.

SEC. 1117. 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)''; and

(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. 1118. 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 organizational level at which the Department of the Interior has previously carried out, or the Department 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 Indian 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 accordance 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 administration 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 termini, such as airports, harbors, or boat landings.

''(ii) LIMITATION ON PRIMARY ACCESS ROUTES.—For purposes of this subparagraph, a proposed primary access route is the shortest practicable route connecting 2 points of the proposed route.''.

(c) GRANTS FOR FINANCING TRANSPORTATION DEBT.—Section 202(a) is amended by inserting before the period at the end the following: ''; except that the Secretary may use up to 3 percent of such funds for making grants to Indian tribes for the purpose of financing transportation debt for individual Indian reservation roads subject to all requirements governing Federal assistance for Indian roads under this section and section 204''.

(d) DEPUTY ASSISTANT SECRETARY OF TRANSPORTATION FOR TRIBAL GOVERNMENT AFFAIRS.—Section 102 of title 49, United States Code, is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

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

''(f) DEPUTY ASSISTANT SECRETARY FOR TRIBAL GOVERNMENT AFFAIRS.—The Department of Transportation shall have, within the office of the Secretary, a Deputy Assistant Secretary for Tribal Government Affairs appointed by the President to plan, coordinate, and implement the Department of Transportation policy and programs 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 associated with the tribal transportation program.''.

SEC. 1119. RESERVED.

SEC. 1120. PEDESTRIAN AND CYCLIST EQUITY.

(a) SAFE ROUTES TO SCHOOL PROGRAM.—

(1) ESTABLISHMENT.—Subject to the requirements of this subsection, the Secretary shall establish 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, including those with disabilities, to walk and bicycle to school;

(B) to make bicycling and walking to school a safer and more appealing transportation 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 improvements, pedestrian and bicycle crossing improvements, on-street bicycle facilities, off-street bicycle and pedestrian facilities, secure bicycle parking facilities, and traffic diversion improvements in the vicinity of schools.

(ii) LOCATION OF PROJECTS.—Infrastructure-related projects under subparagraph (A) may be carried out on any public road or any bicycle or pedestrian pathway or trail in the vicinity of schools.

(B) NONINFRASTRUCTURE-RELATED ACTIVITIES.—

(i) IN GENERAL.—In addition to projects described in subparagraph (A), amounts apportioned to a State under this subsection may be used for noninfrastructure-related activities to encourage walking and bicycling to school, including public awareness campaigns and outreach to press and community leaders, traffic education and enforcement in the vicinity of schools, student sessions on bicycle and pedestrian safety, health, and environment, and funding for training, volunteers, and managers 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) and information regarding the use of funds for infrastructure-related and noninfrastructure-related activities under subparagraphs (A) and (B) of paragraph (6).

(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.

(b) NONMOTORIZED TRANSPORTATION PILOT PROGRAM.—

(1) ESTABLISHMENT.—The Secretary shall establish and carry out a nonmotorized transportation pilot program to construct, in 4 communities selected by the Secretary, a network of nonmotorized transportation infrastructure facilities, including sidewalks, bicycle lanes, and pedestrian and bicycle trails, that connect directly with transit stations, schools, residences, businesses, recreation areas, and other community activity centers.

(2) PURPOSE.—The purpose of the program shall be to demonstrate the extent to which bicycling and walking can carry a significant part of the transportation load, and represent a major portion of the transportation solution, within selected communities.

(3) GRANTS.—In carrying out the program, the Secretary may make grants to State, local, and regional agencies, that the Secretary determines are suitably equipped and organized to carry out the objectives and requirements of this subsection. An agency that receives a grant under this subsection may suballocate grant funds to a nonprofit organization to carry out the program under this subsection.

(4) 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 a project carried out under this subsection shall be 80 percent, and such funds shall not be transferable and shall remain available until expended.

(5) STATISTICAL INFORMATION.—In carrying out the program, the Secretary shall develop statistical information on changes in motor vehicle, nonmotorized transportation, and public transportation usage in communities participating in the program and assess how such changes decrease congestion and energy usage, increase the frequency of biking and walking, and promote better health and a cleaner environment.

(6) REPORTS.—The Secretary shall transmit to Congress an interim report not later than September 30, 2007, and a final report not later than September 30, 2010, on the results of the program.

SEC. 1121. 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) a study evaluating alternative short-term sources of Highway Trust Fund revenue to support the requirements of section 1124; and

(B) 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) develop recommendations to generate Highway Trust Fund revenue necessary to accomplish the requirements of section 1124;

(B) 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;

(C) consult with the Secretary of Transportation and the Secretary of the Treasury to assure that their views concerning essential attributes of Highway Trust Fund revenue alternatives are understood;

(D) assure that State transportation agency views on alternative revenue sources to support State transportation improvement programs are appropriately considered and that any recommended Federal financing strategy take into account State financial requirements; and

(E) make specific recommendations regarding 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 paragraph (1)(B)shall address specifically—

(A) advantages and disadvantages of alternative revenue sources to meet anticipated Federal surface transportation financial requirements;

(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 paragraph (1)(B), 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 consider—

(A) the ability to generate sufficient revenues to meet anticipated long term surface transportation financing needs;

(B) the roles of the various levels of government and the private sector in meeting future surface transportation financing needs;

(C) administrative costs, including enforcement, 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 implemented; and

(H) potential compatibility issues with States tax mechanisms under each alternative.

(5) MEMBERSHIP.—

(A) COMPOSITION.—The Commission shall be composed of nine members of whom—

(i) three members shall be appointed by the Secretary;

(ii) two members shall be appointed by the Speaker of the House of Representatives;

(iii) one member shall be appointed by the minority leader of the House of Representatives;

(iv) two members shall be appointed by the majority leader of the Senate; and

(v) one member shall be appointed by the minority leader of the Senate.

(B) QUALIFICATIONS.—Members appointed under subparagraph (A) shall have experience in public finance, surface transportation 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.—

(A) IN GENERAL.—The Commission may engage the services of an appropriate organization, agency, or firm to conduct the studies under this subsection, but the Commission shall provide strategic guidance for the studies.

(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 conducting the studies under this subsection, including providing the Commission with such nonconfidential data and information as necessary for conducting and completing 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) REPORTS AND RECOMMENDATIONS.——

(A) REVENUE ACTIONS.—Not later than September 30, 2005, the Commission shall transmit to Congress a report on revenue actions that would support the requirements of section 1124.

(B) ALTERNATIVE LONG-TERM SOURCES OF REVENUE.—Not later than September 30, 2006, the Commission shall transmit to Congress a report on the results of the study conducted under paragraph (1)(B), relating to alternative long-term sources of revenue to support the Highway Trust Fund, 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)(B). By such 180th day, the Commission shall deliver all records and papers of the Commission to the Archivist of the United States 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 provide are safe, efficient, and reliable (1) national and interregional personal mobility, (2) flow of interstate commerce, and (3) travel movements essential for national security. To the maximum extent, actions under this title should address congestion, safety, and freight transportation to provide for a strong and vigorous national economy. The Interstate System is hereby declared to be the Nation's premiere highway system, essential for the Nation's economic vitality, national security, and general welfare. 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 accordance with this title.''.

(c) NATIONAL COMMISSION ON FUTURE OF INTERSTATE 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 condition and future of the Interstate System and develop a conceptual plan with alternative approaches for the future of the Interstate System to assure that the Interstate System will continue to serve the needs of the Nation;

(B) assure that State transportation agency views are considered; and

(C) make specific recommendations regarding those design standards, Federal policies, and legislative changes that must be made to assure the national interests are served in meeting 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 legislative and policy approaches for 15-, 30-, and 50-year horizons.

(4) SPECIFIC ISSUES AND DETAILS TO ADDRESS.—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 linkages; 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) COMPOSITION.—The Commission shall be composed of nine members of whom—

(i) three members shall be appointed by the Secretary;

(ii) two members shall be appointed by the Speaker of the House of Representatives;

(iii) one member shall be appointed by the minority leader of the House of Representatives;

(iv) two members shall be appointed by the majority leader of the Senate; and

(v) one member shall be appointed by the minority leader of the Senate.

(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.—

(A) IN GENERAL.—The Commission may engage the services of an appropriate organization, agency, or firm to conduct the study under this subsection, 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.

(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 Archivist of the United States 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. 1122. ADJUSTMENTS FOR THE SURFACE TRANSPORTATION EXTENSION ACT OF 2003.

[Reserved]

SEC. 1123. ROADWAY SAFETY.

(a) ROAD SAFETY.—

(1) IN GENERAL.—The Secretary shall enter into an agreement to assist in the activities of a national nonprofit organization that is dedicated solely to improving public road safety—

(A) by improving the quality of data pertaining to public road hazards and design features that affect or increase the severity of motor vehicle crashes;

(B) by developing and carrying out a public awareness campaign to educate State and local transportation officials, public safety officials, and motorists regarding the extent to which public road hazards and design features are a factor in motor vehicle crashes; and

(C) by promoting public road safety research and technology transfer activities.

(2) FUNDING.—There is authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) $500,000 for each of fiscal years 2004 through 2009 to carry out this subsection.

(3) APPLICABILITY OF TITLE 23.—Funds made available by 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 funds shall remain available until expended.

(b) BICYCLE AND PEDESTRIAN SAFETY GRANTS.—

(1) IN GENERAL.—The Secretary shall make grants to a national, not-for-profit organization engaged in promoting bicycle and pedestrian safety—

(A) to operate a national bicycle and pedestrian clearinghouse;

(B) to develop information and educational programs; and

(C) to disseminate techniques and strategies for improving bicycle and pedestrian safety.

(2) FUNDING.—There is authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) $500,000 for each of fiscal years 2004 through 2009 to carry out this subsection.

(3) APPLICABILITY OF TITLE 23.—Funds made available by 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 funds shall remain available until expended.

SEC. 1124. EQUITY REQUIREMENT.

(a) IN GENERAL.—The Secretary may not apportion before August 1, 2006, any funds for any of the programs referred to in subsection (b) for fiscal year 2006 unless, after the date of enactment of this Act, a law has been enacted that—

(1) increases the guaranteed rate of return pursuant to section 105 of title 23, United States Code, to 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; and

(2) requires that each State receive apportionments for such programs for each of such fiscal years that in the aggregate are at least equal to the greater of—

(A) the State's minimum guaranteed rate of return required under paragraph (1); and

(B) the State's prior fiscal year's apportioned highway funds for programs referred in subsection (b) plus an amount equal to the State's prior year apportioned funds for such programs multiplied by the percentage increase in the consumer price index during the 12-month period ending June 30 of the calendar year in which the fiscal year begins.

(b) APPLICABILITY.—The withholding of apportioned funds under subsection (a) shall apply to the following programs:

(1) The National Highway System program under section 103(b) of title 23, United States Code.

(2) The high priority projects program under section 117 of such title.

(3) The Interstate maintenance program under section 119 of such title.

(4) The surface transportation program under section 133 of such title.

(5) Metropolitan planning under chapter 52 of title 49, United States Code.

(6) The highway bridge replacement and rehabilitation program under section 144 of title 23, United States Code.

(7) The congestion mitigation and air quality improvement program under section 149 of such title.

(8) The recreational trails program under section 206 of such title.

(9) The Appalachian development highway system under subtitle IV of title 40, United States Code.

(10) The freight intermodal connectors program under section 1303 of this Act.

(11) The coordinated border infrastructure program under section 1302 of this Act.

(12) The high risk rural road safety improvement program under section 1403 of this Act.

(13) The safe routes to schools program under section 1120 of this Act.

(14) The minimum guarantee program under section 105 of title 23, United States Code.

(c) CONSIDERATION OF COMMISSION FINDINGS.—In considering a law that increases the guaranteed rate of return referred to in subsection (a), Congress should consider the findings of the report on alternative short-term sources of Highway Trust Fund revenue to be published by the National Commission on Future Revenue Sources to Support the Highway Trust Fund pursuant to section 1121 of this Act.

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.—

''(1) IN GENERAL.—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).

''(2) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this subsection shall be construed as requiring a State to obligate proportional or equal amounts under sections 104(b)(1), 104(b)(2), 104(b)(3), and 104(b)(4) for any congestion relief activity under this section.

''(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 interchanges, improved access to major terminals, construction of parallel roads, construction of truck only lanes, and major arterial improvements.

''(ii) Transportation systemwide operational improvements targeted at increasing motor vehicle travel reliability through such means as incident management programs, traffic monitoring and surveillance, and traveler information initiatives.

''(iii) Maximizing efficient use of existing 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, alternative 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 urbanized area or is an element of the congestion management system of the applicable metropolitan planning organization.

''(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 urbanized area or is an element of the congestion management system of the applicable metropolitan planning organization.''.

(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,''.

(3) 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 IMPROVEMENTS.—The term includes regional operations collaboration and coordination activities between transportation and public safety agencies and improvements such as traffic detection and surveillance, arterial management, freeway management, demand management, work zone management, emergency management, electronic toll collection, automated enforcement, traffic operations measures to improve capacity, traffic signal coordination, optimization of traffic signal timing, traffic incident management, roadway weather management, traveler information services, commercial vehicle operations, traffic control, freight management, and coordination of highway, rail, transit, bicycle, and pedestrian operations.''.

(b) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM ELIGIBILITY.—Section 149(b)(5) of such title is amended by inserting ''improve transportation systems management and operations,'' after ''intersections,''

(c) SURFACE TRANSPORTATION PROGRAM ELIGIBILITY.—Section 133(b) of such title is amended—

(1) by redesignating paragraphs (13) and (14) as paragraphs (12) and (13), respectively; and

(2) by adding at the end the following:

''(14) 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), jurisdictions (including States, cities, counties, and areas represented by metropolitan planning organizations), private-sector entities, and the traveling public.

''(b) EXECUTION.—To support the successful execution of transportation systems management and operations activities, the Secretary may undertake the following activities:

''(1) Assist and cooperate with other Federal departments and agencies, State and local governments, metropolitan planning organizations, private industry representatives, and other interested parties to improve regional collaboration and real-time information sharing between transportation system managers and operators, public safety officials, emergency 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.''.

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

''166. Transportation systems management and operations.''.

(g) INTELLIGENT TRANSPORTATION SYSTEM PROCUREMENT POLICY.—

(1) STUDY.—The Secretary shall—

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

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

(2) RECOMMENDATIONS.—Based on the results of the study, the Secretary shall make recommendations in the report under paragraph (4) 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 this subsection 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) REPORT AND RECOMMENDATIONS.—Not later than September 30, 2005, the Secretary shall transmit to the appropriate committees of Congress a final report regarding the results of the study conducted under this subsection and recommendations to address the needs identified in such study.

(5) INITIATION OF RULEMAKING PROCEEDING.—To the extent any recommendation made by the Secretary under this subsection may be implemented by regulation, the Secretary shall initiate a rulemaking proceeding to address such recommendation not later than the 90th day following the date of submission of the report under paragraph (4).

(6) 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.

(7) 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 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 may be made available to 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 metropolitan 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.—

''(1) IN GENERAL.—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).

''(2) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this subsection shall be construed as requiring a State to obligate proportional or equal amounts under sections 104(b)(1), 104(b)(2), 104(b)(3), and 104(b)(4) for any congestion relief activity under this section.

''(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.

(a) CATEGORICAL EXCLUSIONS.—Not later than one year after the date of enactment of this Act, the Secretary shall initiate a rulemaking process to establish, to the extent appropriate, categorical exclusions for activities that support the deployment of intelligent transportation infrastructure and systems from the requirement that an environmental assessment or an environmental impact statement be prepared under section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) (42 U.S.C. 4332) in compliance with the standards for categorical exclusions established by that Act.

(b) NATIONWIDE PROGRAMMATIC AGREEMENT.—

(1) DEVELOPMENT.—The Secretary shall develop a nationwide programmatic agreement governing the review of activities that support the deployment of intelligent transportation infrastructure and systems in accordance with section 106 of the National Historic Preservation Act (16 U.S.C. 470f) and the regulations of the Advisory Council on Historic Preservation.

(2) CONSULTATION.—The Secretary shall develop the agreement under paragraph (1) in consultation with the National Conference of State Historic Preservation Officers and the Advisory Council on Historic Preservation established under title II of the National Historic Preservation Act (26 U.S.C. 470i et seq.) and after soliciting the views of other interested parties

(c) INTELLIGENT TRANSPORTATION INFRASTRUCTURE AND SYSTEMS DEFINED.—In this section, the term ''intelligent transportation infrastructure and systems'' means intelligent transportation infrastructure and intelligent transportation systems, as such terms are defined in section 5607.

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

[Reserved.]

SEC. 1208. HOV FACILITIES.

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

"§ 167. HOV facilities

''(a) IN GENERAL.—

''(1) AUTHORITY OF STATE AGENCIES.—A State agency that has jurisdiction over the operation of a HOV facility shall establish the occupancy requirements of vehicles operating on the facility.

''(2) OCCUPANCY REQUIREMENT.—Except as otherwise provided by this section, no fewer than 2 occupants per vehicle may be required for use of a HOV facility.

''(b) EXCEPTIONS.—Notwithstanding the occupancy requirements of subsection (a)(2), the following exceptions shall apply with respect to a State agency operating a HOV facility:

''(1) MOTORCYCLES AND BICYCLES.——

''(A) IN GENERAL.—Subject to subparagraph (B), the State agency shall allow motorcycles and bicycles to use the HOV facility.

''(B) SAFETY EXCEPTION.—A State agency may restrict use of the HOV facility by motorcycles or bicycles (or both) if the agency certifies to the Secretary that such use would create a safety hazard and the Secretary accepts the certification. The Secretary may accept a certification under this subparagraph only after the Secretary publishes notice of the certification in the Federal Register and provides an opportunity for public comment.

''(2) PUBLIC TRANSPORTATION VEHICLES.—The State agency may allow public transportation vehicles to use the HOV facility if the agency—

''(A) establishes requirements for clearly identifying the vehicles; and

''(B) establishes procedures for enforcing the restrictions on the use of the facility by such vehicles.

''(3) HIGH OCCUPANCY TOLL VEHICLES.—The State agency may allow vehicles not otherwise exempt pursuant to this subsection to use the HOV facility if the operators of such vehicles pay a toll charged by the agency for use of the facility and the agency—

''(A) establishes a program that addresses how motorists can enroll and participate in the toll program;

''(B) develops, manages, and maintains a system that will automatically collect the toll; and

''(C) establishes policies and procedures to—

''(i) manage the demand to use the facility by varying the toll amount that is charged;

''(ii) enforce violations of use of the facility; and

''(iii) permit low-income individuals to pay reduced tolls.

''(4) LOW EMISSION AND ENERGY-EFFICIENT VEHICLES.—

''(A) INHERENTLY LOW-EMISSION VEHICLE.—Before September 30, 2009, the State agency may allow vehicles that are certified as inherently low-emission vehicles pursuant to section 88.311–93 of title 40, Code of Federal Regulations, and are labeled in accordance with section 88.312–93 of such title, to use the HOV facility if the agency establishes procedures for enforcing the restrictions on the use of the facility by such vehicles.

''(B) OTHER LOW EMISSION AND ENERGY-EFFICIENT VEHICLES.—Before September 30, 2009, the State agency may allow vehicles certified as low emission and energy-efficient vehicles under subsection (e), and labeled in accordance with subsection (e), to use the HOV facility if the operators of such vehicles pay a toll charged by the agency for use of the facility and the agency—

''(i) establishes a program that addresses the selection of vehicles under this paragraph; and

''(ii) establishes procedures for enforcing the restrictions on the use of the facility by such vehicles.

''(C) AMOUNT OF TOLLS.—Tolls charged under subparagraph (B) may be less than tolls charged under paragraph (3).

''(c) REQUIREMENTS APPLICABLE TO TOLLS.——

''(1) IN GENERAL.—Tolls may be charged under subsections (b)(3) and (b)(4) notwithstanding section 301 and, except as provided in paragraphs (2) and (3), subject to the requirements of section 129.

''(2) HOV FACILITIES ON THE INTERSTATE SYSTEM.—Notwithstanding section 129, tolls may be charged under subsections (b)(3) and (b)(4) on a HOV facility on the Interstate System.

''(3) EXCESS TOLL REVENUES.—If a State agency makes a certification under the last sentence of section 129(a)(3) with respect to toll revenues collected under under subsections (b)(3) and (b)(4), the State, in the use of tolls revenues under that sentence, shall give priority consideration to projects for developing alternatives to single occupancy vehicle travel and projects for improving highway safety.

''(d) HOV FACILITY MANAGEMENT, OPERATION, MONITORING, AND ENFORCEMENT.—

''(1) IN GENERAL.—A State agency that allows vehicles to use a HOV facility under subsection (b)(3) or (b)(4) in a fiscal year shall certify to the Secretary that the agency will carry out the following responsibilities with respect to the facility in the fiscal year:

''(A) Establishing, managing, and supporting a performance monitoring, evaluation, and reporting program for the facility that provides for continuous monitoring, assessment, and reporting on the impacts that such vehicles may have on the operation of the facility and adjacent highways.

''(B) Establishing, managing, and supporting an enforcement program that ensures that the facility is being operated in accordance with the requirements of this section.

''(C) Limiting or discontinuing the use of the facility by such vehicles if the presence of such vehicles has degraded the operation of the facility.

''(2) DEGRADED FACILITY.——

''(A) IN GENERAL.—For purposes of paragraph (1), the operation of a HOV facility shall be considered to be degraded if vehicles operating on the facility are failing to maintain a minimum average operating speed 90 percent of the time over a consecutive 6-month period during morning or evening weekday peak hour periods (or both).

''(B) MINIMUM AVERAGE OPERATING SPEED DEFINED.—In subparagraph (A), the term 'minimum average operating speed' means—

''(i) 45 miles per hour, in the case of a HOV facility with a speed limit of 50 miles per hour or greater; and

''(ii) not more than 10 miles per hour below the speed limit, in the case of a HOV facility with a speed limit of less than 50 miles per hour.

''(e) CERTIFICATION OF LOW EMISSION AND ENERGY-EFFICIENT VEHICLES.—Not later than 6 months after the date of enactment of this section, the Administrator of the Environmental Protection Agency shall issue a final rule establishing requirements for certification of vehicles as low emission and energy-efficient vehicles for purposes of this section and requirements for the labeling of such vehicles.

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

''(1) ALTERNATIVE FUEL VEHICLE.—The term 'alternative fuel vehicle' means a vehicle that operates on—

''(A) methanol, denatured ethanol, or other alcohols;

''(B) a mixture containing at least 85 percent of methanol, denatured ethanol, and other alcohols by volume with gasoline or other fuels;

''(C) natural gas;

''(D) liquefied petroleum gas;

''(E) hydrogen;

''(F) coal derived liquid fuels;

''(G) fuels (except alcohol) derived from biological materials;

''(H) electricity (including electricity from solar energy); or

''(I) any other fuel that the Secretary prescribes by regulation that is not substantially petroleum and that would yield substantial energy security and environmental benefits.

''(2) HOV FACILITY.—The term 'HOV facility' means a high occupancy vehicle facility.

''(3) LOW EMISSION AND ENERGY EFFICIENT VEHICLE.—The term 'low emission and energy-efficient vehicle' means a vehicle that—

''(A) has been certified by the Administrator of the Environmental Protection Agency as meeting the Tier II emission level established in regulations prescribed by the Administrator under section 202(i) of the Clean Air Act (42 U.S.C. 7521(i)) for that make and model year vehicle; and

''(B)(i) has been certified by the Administrator to have a 45-mile-per-gallon or greater fuel economy highway rating; or

''(ii) is an alternative fuel vehicle.

''(4) PUBLIC TRANSPORTATION VEHICLE.—The term 'public transportation vehicle' means a vehicle that provides public transportation (as defined in section 5302(a) of title 49).

''(5) STATE AGENCY.—The term 'State agency', as used with respect to a HOV facility, means an agency of a State or local government having jurisdiction over the operation of the facility and includes a State transportation department.''.

(b) CONFORMING AMENDMENTS.—

(1) PROGRAM EFFICIENCIES.—Section 102 of title 23, United States Code, is amended by striking subsection (a) and redesignating subsections (b) and (c) as subsections (a) and (b), respectively.

(2) CHAPTER ANALYSIS.—The analysis for subchapter I of chapter 1 of such title is amended by adding at the end the following:

''167. HOV facilities.''.

(c) TECHNICAL AMENDMENT.—Section 102(c) of title 23, United States Code, is amended by striking ''10 years'' and all that follows through ''after'' and inserting ''10 years (or such longer period as the State requests and the Secretary determines to be reasonable) after''.

SEC. 1209. CONGESTION PRICING PILOT PROGRAM.

(a) ESTABLISHMENT.—Section 1012(b)(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended to read as follows:

''(1) ESTABLISHMENT.—

''(A) IN GENERAL.—The Secretary may enter into cooperative agreements with State and local governments to carry out not more than 25 congestion pricing pilot projects.

''(B) PREVIOUSLY APPROVED PROJECTS.—Projects carried out under paragraph (1) shall include each project approved under this subsection before the date of enactment of the Transportation Equity Act: A Legacy for Users and under which highway tolls are being collected as of such date of enactment.''.

(b) LOW-INCOME DRIVERS.—Section 1012(b)(7) of such Act (23 U.S.C. 149 note) is amended to read as follows:

''(7) REDUCED TOLLS FOR LOW-INCOME DRIVERS.—Any congestion pricing pilot project carried out under this subsection that involves the collection of highway tolls shall include a program to permit low-income drivers to pay a reduced toll amount.''.

(c) SET-ASIDE FOR PROJECTS NOT INVOLVING HIGHWAY TOLLS.—At the end of section 1012(b)(8) of such Act (23 U.S.C. 149 note), add the following:

''(D) SET-ASIDE FOR PROJECTS NOT INVOLVING HIGHWAY TOLLS.—Of the amounts made available to carry out this subsection, $3,000,000 per fiscal year shall be available only for congestion pricing pilot projects that do not involve highway tolls.''.

(d) CONFORMING AMENDMENTS.—Section 1012(b) of such Act (23 U.S.C. 149 note) is amended—

(1) in the subsection heading by striking ''VALUE PRICING'' and inserting ''CONGESTION PRICING'';

(2) in paragraph (2)—

(A) by striking ''(2) Notwithstanding'' and inserting the following:

''(2) FEDERAL SHARE; ELIGIBLE COSTS.—Notwithstanding'';

(B) in the first sentence by striking ''programs'' and inserting ''projects''; and

(C) in the second sentence by striking ''program'' and inserting ''project'';

(3) in paragraph (3) by striking ''(3) Revenues'' and inserting the following:

''(3) USE OF REVENUES.—Revenues'';

(4) in paragraph (4)—

(A) by striking ''(4) Notwithstanding'' and inserting the following:

''(4) USE OF TOLLS ON INTERSTATE SYSTEM.—Notwithstanding'';

(B) by striking ''value pricing pilot program'' and inserting ''congestion pricing pilot project'';

(5) in paragraph (5)—

(A) by striking ''(5) The Secretary'' and inserting the following:

''(5) MONITORING.—The Secretary''; and

(B) by striking ''programs'' the first and second place it appears and inserting ''projects''; and

(6) in paragraph (6) by striking ''value pricing pilot program'' and inserting ''congestion pricing pilot project''.

(e) PORT HURON, MICHIGAN.——

(1) TRAFFIC STUDY.—There is authorized to be appropriated to the Secretary $100,000 for a traffic study to be conducted in Port Huron, Michigan, in connection with economic development that may result from the implementation of the agreement of the State of Michigan resolving a title dispute concerning certain property, executed on August 23, 2002, and filed with the Michigan department of State on September 20, 2002.

(2) RATIFICATION OF AGREEMENT.—The agreement is hereby ratified.

(3) TREATMENT OF CERTAIN LANDS.—The alternative lands described in the agreement shall be treated as meeting the requirements of section 20(b)(1)(B)(i) of Public Law 100–497 (25 U.S.C. 2719(b)(1)(B)(i)).

(4) TRUST.—The Secretary of the Interior shall take the alternative lands into trust for the benefit of the non-State party within 60 days of the non-State party's acquisition of the land described in section 4 of the agreement.

(5) EXTINGUISHMENT OF CLAIM.—Upon implementation, the claim to the lands of the non-State party described in section 1 of the agreement is hereby extinguished.

(f) ROMULUS, MICHIGAN.—

(1) TRAFFIC STUDY.—There is authorized to be appropriated to the Secretary $100,000 for a traffic study to be conducted in Romulus, Michigan, in connection with economic development that may result from the implementation of the agreement of the State of Michigan resolving a title dispute concerning certain property, executed on December 30, 2002, and filed with the Michigan department of state on December 30, 2002.

(2) RATIFICATION OF AGREEMENT.—The agreement is hereby ratified.

(3) TREATMENT OF CERTAIN LANDS.—The alternative lands described in the agreement are deemed to meet the requirements of section 20(b)(1)(B)(i) of Public Law 100–497 (25 U.S.C. 2719(b)(1)(B)(i)).

(4) TRUST.—The Secretary of the Interior shall take the alternative lands into trust for the benefit of the non-State party within 60 days of the non-State party's acquisition of the land described in section 4(B)(ii) of the agreement, the non-State party having exercised its options under the agreement to so limit its alternative lands.

(5) EXTINGUISHMENT OF CLAIM.—Upon implementation, the claim to the lands of the non-State party described in section 1 of the agreement is hereby extinguished.

Subtitle C—Mobility and Efficiency

SEC. 1301. NATIONAL CORRIDOR INFRASTRUCTURE IMPROVEMENT PROGRAM.

(a) IN GENERAL.—The Secretary shall establish and implement a program to make allocations to States for highway construction projects in corridors of national significance to promote economic growth and international or interregional trade pursuant to the selection factors provided in this section. A State must submit an application to the Secretary in order to receive an allocation under this section.

(b) SELECTION PROCESS.—

(1) PRIORITY.—In the selection process under this section, the Secretary shall give priority to projects in corridors that are a part of, or will be designated as part of, the Dwight D. Eisenhower National System of Interstate and Defense Highways after completion of the work described in the application received by the Secretary and to any project that will be completed within 5 years of the date of the allocation of funds for the project.

(2) SELECTION FACTORS.—In making allocations under this section, the Secretary shall consider the following factors:

(A) The extent to which the corridor provides a link between 2 existing segments of the Interstate System.

(B) The extent to which the project will facilitate major multistate or regional mobility and economic growth and development in areas underserved by existing highway infrastructure.

(C) The extent to which commercial vehicle traffic in the corridor—

(i) has increased since the date of enactment of the North American Free Trade Agreement Implementation Act (16 U.S.C. 4401 et seq.); and

(ii) is projected to increase in the future.

(D) The extent to which international truck-borne commodities move through the corridor.

(E) The extent to which the project will make improvements to an existing segment of the Interstate System that will result in a decrease in congestion.

(F) The reduction in commercial and other travel time through a major freight corridor expected as a result of the project.

(G) The value of the cargo carried by commercial vehicle traffic in the corridor and the economic costs arising from congestion in the corridor.

(H) The extent of leveraging of Federal funds provided to carry out this section, including—

(i) use of innovative financing;

(ii) combination with funding provided under other sections of this Act and title 23, United States Code; and

(iii) combination with other sources of Federal, State, local, or private funding.

(c) PERIOD OF AVAILABILITY.—Funds allocated for a project to a State under this section shall remain available for obligation in that State until 6 months from the day on which they are allocated. Sums not obligated within 6 months of the day on which they are allocated shall be available to the Secretary to be allocated for other projects eligible under this section.

(d) FEDERAL SHARE.—The Federal share of the cost of a project under this section shall be determined in accordance with section 120(b) of title 23, United States Code.

(e) APPLICABILITY OF TITLE 23.—Except as provided in subsections (c) and (d), funds made available by section 1101(a)(10) of this Act 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.

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

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 border with Canada or Mexico.

(3) COMMERCIAL TRUCK.—The term ''commercial truck'' means a commercial motor vehicle as defined in section 31301(4) (other than subparagraph (B)) of title 49, United States Code.

(4) MOTOR VEHICLE.—The term ''motor vehicle'' has the meaning such term has under section 101(a) of title 23, United States Code.

(5) STATE.—The term ''State'' has the meaning such term has in section 101(a) of such title 23.

SEC. 1303. FREIGHT INTERMODAL CONNECTORS.

(a) IN GENERAL.—

(1) ESTABLISHMENT.—The Secretary shall establish a freight intermodal connector program to improve productivity and improve the efficiency of the transportation of freight, while mitigating congestion 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''.

(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 address 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—

(1) $500,000,000; or

(2) 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 consider the extent to which the project—

(A) leverages Federal investment by encouraging non-Federal contributions to the project, including contributions from public-private partnerships;

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

(C) helps maintain or protect the environment.

(4) PRELIMINARY ENGINEERING.—In evaluating a project under paragraph (2)(A), the Secretary shall analyze and consider the results of preliminary engineering for the project.

(5) NON-FEDERAL FINANCIAL COMMITMENT.—

(A) EVALUATION OF PROJECT.—In evaluating 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 engineering, 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 engineering to final design and construction only if 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. In making such findings, the Secretary shall evaluate and rate the project as ''highly recommended'', ''recommended'', or ''not recommended'' based on the results of preliminary engineering, the project justification criteria, and the degree of non-Federal 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 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 feasibility, 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 Secretary gives priority consideration to financing projects that include more than the non-Government share required 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 proposal 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.

(a) IN GENERAL.—The Secretary shall establish and implement a pilot program to make allocations to States for the construction of projects that separate commercial truck traffic from other motor vehicle traffic. A State must submit an application to the Secretary in order to receive an allocation under this section.

(b) SELECTION PROCESS.—

(1) PRIORITY.—In the selection process under this section, the Secretary shall give priority to projects that provide additional capacity.

(2) SELECTION FACTORS.—In making allocations under this section, the Secretary shall consider the following factors:

(A) The extent to which the project will improve the safe and efficient movement of freight.

(B) The extent to which the project provides positive separation of commercial trucks from other motor vehicle traffic.

(C) The extent to which the project connects an intermodal freight facility or an international port of entry to the Dwight D. Eisenhower National System of Interstate and Defense Highways by providing limited access lanes that allow commercial truck traffic to enter the Interstate System at the posted speed limit.

(D) The extent to which the project will remove truck traffic from surface streets.

(E) The extent to which travel time is expected to be reduced as a result of the proposed project.

(F) The extent of leveraging of Federal funds provided to carry out this section, including—

(i) use of innovative financing;

(ii) combination with funding provided under other sections of this Act and title 23, United States Code; and

(iii) combination with other sources of Federal, State, local, or private funding.

(c) FEDERAL SHARE.—The Federal share of the cost of a project under this section shall be determined in accordance with section 120(b) of title 23, United States Code.

(d) APPLICABILITY OF TITLE 23.—Except as provided in subsection (d), funds made available by section 1101(a)(22) of this Act 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.

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

(1) COMMERCIAL TRUCK.—The term ''commercial truck'' means a self-propelled or towed vehicle used on highways in commerce principally to transport cargo if the vehicle has a gross vehicle weight rating or gross vehicle weight of at least 10,001 pounds, whichever is greater.

(2) STATE.—The term ''State'' has the meaning such term has under section 101 of title 23, United States Code.

SEC. 1306. TRUCK PARKING FACILITIES.

(a) ESTABLISHMENT.—In cooperation with appropriate State, regional, and local governments, the Secretary shall establish a pilot program to address the shortage of long-term parking for commercial motor vehicles on the National Highway System.

(b) ALLOCATION OF FUNDS.—

(1) IN GENERAL.—The Secretary shall allocate funds made available to carry out this section among States, metropolitan planning organizations, and local governments.

(2) APPLICATIONS.—To be eligible for an allocation under this section, a State, metropolitan planning organization, or local government shall submit to the Secretary an application at such time and containing such information as the Secretary may require.

(3) ELIGIBLE PROJECTS.—Funds allocated under this subsection shall be used by the recipient for projects described in an application approved by the Secretary. Such projects shall serve the National Highway System and may include the following:

(A) Constructing safety rest areas, as defined in section 120(c) of title 23, United States Code, that include parking for commercial motor vehicles.

(B) Constructing commercial motor vehicle parking facilities adjacent to commercial truck stops and travel plazas.

(C) Opening existing facilities to commercial motor vehicle parking, including inspection and weigh stations and park-and-ride facilities.

(D) Promoting the availability of publicly or privately provided commercial motor vehicle parking on the National Highway System using intelligent transportation systems and other means.

(E) Constructing turnouts along the National Highway System for commercial motor vehicles.

(F) Making capital improvements to public commercial motor vehicle parking facilities currently closed on a seasonal basis to allow the facilities to remain open year-round.

(G) Improving the geometric design of interchanges on the National Highway System to improve access to commercial motor vehicle parking facilities.

(4) PRIORITY.—In allocating funds made available to carry out this section, the Secretary shall give priority to applicants that—

(A) demonstrate a severe shortage of commercial motor vehicle parking capacity in the corridor to be addressed;

(B) have consulted with affected State and local governments, community groups, private providers of commercial motor vehicle parking, and motorist and trucking organizations; and

(C) demonstrate that their proposed projects are likely to have positive effects on highway safety, traffic congestion, or air quality.

(c) FUNDING.—

(1) IN GENERAL.—There is authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $5,000,000 for each of fiscal years 2005 through 2009.

(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

(d) REPORT TO CONGRESS.—Not later than 5 years after the date of enactment of this Act, the Secretary shall transmit to Congress a report on the results of the pilot program.

(e) FEDERAL SHARE.—The Federal share of the cost of a project carried out using amounts made available under this section shall be determined in accordance with sections 120(b) and 120(c) of title 23, United States Code.

(f) APPLICABILITY OF TITLE 23.—Notwithstanding any other provision of law, projects funded under this section shall be treated as projects on a Federal-aid system under chapter 1 of title 23, United States Code.

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.—

(1) IN GENERAL.—Section 104(d)(2) of such title is amended—

(A) in subparagraph (A) by striking ''$5,250,000'' and inserting ''$7,500,000 for each of fiscal years 2004 and 2005, $10,000,000 for each of fiscal years 2006 and 2007, and $15,000,000 for each of fiscal years 2008 and 2009''; and

(B) in subparagraph (E)—

(i) by striking ''Not less than $250,000 of such set-aside'' and inserting ''Of such set-aside, not less than $875,000 for each of fiscal years 2004 and 2005, $1,500,000 for each of fiscal years 2006 and 2007, and $2,750,000 for each of fiscal years 2008 and 2009''; and

(ii) by striking ''per fiscal year''.

(2) DESIGNATION OF CORRIDORS.—Of the rail corridors selected by the Secretary in accordance with section 104(d)(2) of title 23, United States Code—

(A) the Northern New England High Speed Rail Corridor is expanded to include the train routes from Boston, Massachusetts, to Albany, New York, and from Springfield, Massachusetts, to New Haven, Connecticut; and

(B) the South Central Corridor is expanded to include the train route from Killeen, Texas, to Houston, Texas, via Bryan-College Station.

(d) RAILWAY-HIGHWAY CROSSINGS.—

(1) FUNDS FOR PROTECTIVE DEVICES.—Section 130(e) of such title is amended—

(A) by striking ''At'' and inserting the following:

''(1) IN GENERAL.—At''; and

(B) by adding at the end the following:

''(2) SPECIAL RULE.—If a State demonstrates to the satisfaction of the Secretary that the State has met all its needs for installation of protective devices at railway-highway crossings, the State may use funds made available by this subsection for other purposes by this section.''.

(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.—Notwithstanding paragraph (1), each State shall receive a minimum of ½ 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.''.

(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 analysis of data in support of activities carried out under subsection (g).''.

(e) 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), respectively; and

(C) in paragraph (2) (as so redesignated)—

(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)''; and

(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 ½ 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.

(g) EFFECTIVE DATE.—The amendments made by subsections (d), (e), and (f) shall take effect on September 30, 2004.

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 regulations 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) ⅓ 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) ⅓ 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) ⅓ 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(c) 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)''; and

(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)''; and

(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 INCENTIVE GRANTS FOR USE OF SEAT BELTS.

Section 157(g)(1) of title 23, United States Code, is amended by striking ''fiscal year 2003'' and inserting ''each of fiscal years 2003 and 2004''.

SEC. 1406. 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) AUTHORIZATION OF APPROPRIATIONS.—Section 163(f)(1) of such title, as redesignated by subsection (a)(1) of this section, is amended by striking ''fiscal year 2003'' and inserting ''each of fiscal years 2003 and 2004''.

(c) REPEAL.—Section 351 of the Department of Transportation and Related Agencies Appropriations Act, 2001 (23 U.S.C. 163 note; 114 Stat. 1356A–34) is repealed.

SEC. 1407. REPEAT OFFENDERS FOR DRIVING WHILE INTOXICATED.

Section 164(a)(5)(A) of title 23, United States Code, is amended to read as follows:

''(A) receive (i) a driver's license suspension for not less than 1 year, or (ii) a combination of suspension of all driving privileges of an individual for the first 45 days of the suspension period followed by a reinstatement of limited driving privileges for the propose of getting to and from work, school, or an alcohol treatment program if an ignition interlock device is installed on each of the motor vehicles owned or operated, or both, by the individual;''.

Subtitle E—Construction and Contract Efficiencies

SEC. 1501. DESIGN–BUILD.

(a) QUALIFIED PROJECTS.—Section 112(b)(3)(C) of title 23, United States Code, is amended to read as follows:

''(C) QUALIFIED PROJECTS.—A qualified project referred to in subparagraph (A) is a project under this chapter for which the Secretary has approved the use of design-build contracting under criteria specified in regulations issued by the Secretary.''.

(b) EXPERIMENTAL PROCUREMENT.—Section 112(b)(3) of such title is further amended—

(1) by redesigning subparagraph (D) as subparagraph (G); and

(2) by inserting after subparagraph (C) the following:

''(D) EXPERIMENTAL PROCUREMENT.—As part of any experimental program carried out under this section, the Secretary shall evaluate the use of procurement procedures under this paragraph where subjective evaluation criteria account for the majority of the selection determination.

''(E) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section shall be construed as effecting the authority to carry out any experimental program concerning design-build contracting that is being carried out by the Secretary on the date of enactment of this subparagraph.

''(F) REPORT.—Not later than 3 years after the date of enactment of this subparagraph, the Secretary shall transmit to Congress a report on the effectiveness of design-build contracting procedures in which the majority of the selection determinations are made based on subjective criteria in accordance with subparagraph (D). ''.

SEC. 1502. WARRANTY HIGHWAY CONSTRUCTION PROJECT PILOT PROGRAM.

(a) IN GENERAL.—The Secretary shall establish and implement a pilot program designed to encourage States to incorporate warranties in the letting of contracts for highway construction projects.

(b) MAXIMUM NUMBER OF PROJECTS.—The Secretary may allow not more than 15 projects a year to be carried out under the pilot program.

(c) FEDERAL SHARE.—The Federal share of the costs of a project under the pilot program may not exceed 90 percent.

(d) MINIMUM PROJECT COST.—The estimated total cost of a project to be carried out under the pilot program must be greater than $15,000,000.

(e) SELECTION PROCESS.—In the selection process for the pilot program, the Secretary shall select, to the extent possible, projects from several different regions of the United States in order to demonstrate the effects that different climates and traffic patterns have on warranty highway construction projects.

(f) RULEMAKING.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall issue a rule to implement the pilot program. The rule shall include the following factors for eligibility of a highway construction project to be included in the program:

(A) A requirement that the contract for the project must include a long-term limited warranty that is of a duration sufficient to ensure that—

(i) the cost to the State of the project that will be carried out is less than the estimated cost to construct the project without the warranty plus the estimated costs that would be incurred by the State and that would otherwise be covered during the proposed warranty period if a warranty were in effect; and

(ii) the estimated cost to road users during the warranty period is less than such estimated cost without a warranty.

(B) In determining the sufficient duration of a long-term limited warranty under subparagraph (A), the Secretary shall establish separate sufficient durations for different types of projects, such as initial construction, pavement resurfacing and rehabilitation, and pavement markings.

(C) A requirement that the limited warranty must address, at a minimum—

(i) the responsibilities of the warranty provider;

(ii) the responsibilities of the Department of Transportation;

(iii) the terms of the warranty, including duration and, if applicable, traffic volumes and vehicle classification; and

(iv) performance criteria to be met to determine if maintenance is required.

(2) FACTORS TO CONSIDER.—In issuing the rule, the Secretary may consider the following factors as requirements for the warranty contract for eligibility under the pilot program:

(A) A plan to account for inflation during the warranty period.

(B) The frequency of performance assessments performed.

(C) The response time for repairs.

(D) A plan for emergency repairs.

(E) Clearly set out limits of liability under the warranty, if any.

(F) Dispute resolution provisions.

(G) A severability provision.

(H) Other provisions the Secretary considers necessary for carrying out the program.

(g) SAVINGS.—Section 112 of title 23, United States Code, shall apply to the projects carried out under this section unless the Secretary determines that applying such section to such projects is inconsistent with the provisions of this section.

(h) REPORTS.—Not later than 5 years after the date of enactment of this Act and every year 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 outlining activities carried out under the program and the results of the program.

SEC. 1503. PRIVATE INVESTMENT STUDY.

(a) STUDY.—Not later than 6 months after the date of enactment of this Act, the Secretary shall enter into an agreement with the National Academy of Sciences to conduct a comprehensive study of private investment in surface transportation infrastructure.

(b) MATTERS TO BE EVALUATED.—Under the agreement, the National Academy of Sciences shall evaluate the advantages and disadvantages of private investment in surface transportation infrastructure and the impact of such investment on the ability of State and local authorities to use innovative financing, including—

(1) preconstruction funding requirements;

(2) integration of private investment in the transportation planning process;

(3) use of toll revenues by State and local authorities;

(4) use of toll credits by State and local authorities;

(5) requirements for debt financing instruments, reimbursable expenses, and conditions on payments;

(6) limitation on fees charged at federally funded fringe and corridor parking facilities;

(7) revenues needed to provide a reasonable rate of return to private investors;

(8) costs to users of facilities due to imposition of tolls;

(9) sales-in-lease-out arrangement of transportation assets; and

(10) such other matters as the Secretary considers appropriate.

(c) REPORT.—

(1) TO SECRETARY.—Under the agreement, the National Academy of Sciences shall submit to the Secretary a report on the results of the study by such date as the Secretary may require.

(2) TO CONGRESS.—Not later than January 1, 2006, 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 copy of the report of the National Academy of Sciences, together with such recommendations as the Secretary considers appropriate.

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 accomplish 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 variety 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 technologies, manufacturing processes, financing, contracting practices, and performance measures that will demonstrate substantial improvements 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 construct long-lasting, high-quality, cost-effective projects that improve safety and reduce congestion;

(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 Secretary 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 subsection 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 Secretary shall ensure that the information and technology used, developed, or deployed under this subsection is made available to the transportation community 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.

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;

(4) by striking the period at the end of paragraph (8)(B) (as so redesignated) and inserting a semicolon; and

(5) in paragraph (10) (as so redesignated) by striking ''bond'' and inserting ''credit''.

(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'';

(B) in paragraph (4)—

(i) by striking ''marketable'';

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

(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''; and

(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) SERVICES.—The Secretary may identify a financial entity to assist the Secretary in servicing a Federal credit instrument. The services—

''(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) $130,000,000 for fiscal year 2004 and $140,000,000 for each of fiscal years 2005 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 cooperative 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 percentage of such grant;

''(2) ensure that the bank maintains on a continuing basis an investment grade rating on its debt, or has a sufficient level of bond or debt financing instrument 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 financing 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 September 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 infrastructure bank established under this section, including 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.
"602. Determination of eligibility and project selection.
"603. Secured loans.
"604. Lines of credit.
"605. Program administration.
"606. State and local permits.
"607. Regulations.
"608. Funding.
"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 TOLL PILOT PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish and implement an Interstate System reconstruction and rehabilitation toll pilot program under which the Secretary, notwithstanding sections 129 and 301 of title 23, United States Code, may permit a State to collect tolls on a highway, bridge, or tunnel on the Interstate System for the purpose of reconstructing and rehabilitating the facility.

(b) LIMITATION ON NUMBER OF FACILITIES.—The Secretary may permit the collection of tolls under this section on 3 facilities on the Interstate System. Each of such facilities shall be located in a different State.

(c) ELIGIBILITY.—To be eligible to participate in the pilot program, a State shall submit to the Secretary an application that contains, at a minimum, the following:

(1) An identification of the facility on the Interstate System proposed to be a toll facility, including the age, condition, and intensity of use of the facility.

(2) In the case of a facility that affects a metropolitan area, an assurance that the metropolitan planning organization designated under chapter 52 of title 49, United States Code, for the area has been consulted concerning the placement and amount of tolls on the facility.

(3) An analysis demonstrating that financing the reconstruction or rehabilitation of the facility with the collection of tolls under the pilot program is the most efficient and economical way to advance the project.

(4) A facility management plan that includes—

(A) a plan for implementing the imposition of tolls on the facility;

(B) a schedule and finance plan for the reconstruction or rehabilitation of the facility using toll revenues;

(C) a description of the public transportation agency that will be responsible for implementation and administration of the pilot program;

(D) a description of whether consideration will be given to privatizing the maintenance and operational aspects of the facility, while retaining legal and administrative control of the portion of the Interstate route; and

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

(d) SELECTION CRITERIA.—The Secretary may approve the application of a State under subsection (c) only if the Secretary determines that—

(1) the State's analysis under subsection (c)(3) is reasonable;

(2) the facility has a sufficient intensity of use, age, or condition to warrant the collection of tolls;

(3) the State plan for implementing tolls on the facility takes into account the interests of local, regional, and interstate travelers;

(4) the State plan for reconstruction or rehabilitation of the facility using toll revenues is reasonable;

(5) the State will develop, manage, and maintain a system that will automatically collect the tolls;

(6) in developing the State plan for implementing tolls on the facility, the State includes a program to permit low-income drivers to pay a reduced toll amount; and

(7) the State has given preference to the use of a public toll agency with demonstrated capability to build, operate, and maintain a toll expressway system meeting criteria for the Interstate System.

(e) PROHIBITION ON NONCOMPETE AGREEMENTS.—Before the Secretary may permit a State to participate in the pilot program, the State must enter into an agreement with the Secretary that provides that the State will not enter into an agreement with a private person under which the State is prevented from improving or expanding the capacity of public roads adjacent to the toll facility to address conditions resulting from traffic diverted to such roads from the toll facility, including—

(1) excessive congestion;

(2) pavement wear; and

(3) an increased incidence of traffic accidents, injuries, or fatalities.

(f) LIMITATIONS ON USE OF REVENUES; AUDITS.—Before the Secretary may permit a State to participate in the pilot program, the State must enter into an agreement with the Secretary that provides that—

(1) all toll revenues received from operation of the toll facility will be used only for—

(A) debt service;

(B) reasonable return on investment of any private person financing the project; and

(C) any costs necessary for the improvement of and the proper operation and maintenance of the toll facility, including reconstruction, resurfacing, restoration, and rehabilitation of the toll facility; and

(2) regular audits will be conducted to ensure compliance with paragraph (1) and the results of such audits will be transmitted to the Secretary.

(g) LIMITATION ON USE OF INTERSTATE MAINTENANCE FUNDS.—During the term of the pilot program, funds apportioned for Interstate maintenance under section 104(b)(4) of title 23, United States Code, may not be used on a facility for which tolls are being collected under the program.

(h) PROGRAM TERM.—The Secretary may approve an application of a State for permission to collect a toll under this section only if the application is received by the Secretary before the last day of the 10-year period beginning on the date of enactment of this Act.

(i) INTERSTATE SYSTEM DEFINED.—In this section, the term "Interstate System" has the meaning such term has under section 101 of title 23, United States Code.

(j) REPORT.—Not later than September 30, 2011, 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 traffic congestion on, pavement wear of, and incidence of accidents, injuries, and fatalities on public roads adjacent to toll facilities established under this section and section 1604.

(k) REPEAL.—Section 1216(b) of the Transportation Equity Act for the 21st Century (23 U.S.C. 129 note; 112 Stat. 212) is repealed.

SEC. 1604. INTERSTATE SYSTEM CONSTRUCTION TOLL PILOT PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish and implement an Interstate System construction toll pilot program under which the Secretary, notwithstanding sections 129 and 301 of title 23, United States Code, may permit a State or an interstate compact of States to collect tolls on a highway, bridge, or tunnel on the Interstate System for the purpose of constructing Interstate highways.

(b) LIMITATION ON NUMBER OF FACILITIES.—The Secretary may permit the collection of tolls under this section on 3 facilities on the Interstate System.

(c) ELIGIBILITY.—To be eligible to participate in the pilot program, a State shall submit to the Secretary an application that contains, at a minimum, the following:

(1) An identification of the facility on the Interstate System proposed to be a toll facility.

(2) In the case of a facility that affects a metropolitan area, an assurance that the metropolitan planning organization designated under chapter 52 of title 49, United States Code, for the area has been consulted concerning the placement and amount of tolls on the facility.

(3) An analysis demonstrating that financing the construction of the facility with the collection of tolls under the pilot program is the most efficient and economical way to advance the project.

(4) A facility management plan that includes—

(A) a plan for implementing the imposition of tolls on the facility;

(B) a schedule and finance plan for the construction of the facility using toll revenues;

(C) a description of the public transportation agency that will be responsible for implementation and administration of the pilot program;

(D) a description of whether consideration will be given to privatizing the maintenance and operational aspects of the facility, while retaining legal and administrative control of the portion of the Interstate route; and

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

(d) SELECTION CRITERIA.—The Secretary may approve the application of a State under subsection (c) only if the Secretary determines that—

(1) the State's analysis under subsection (c)(3) is reasonable;

(2) the State plan for implementing tolls on the facility takes into account the interests of local, regional, and interstate travelers;

(3) the State plan for construction of the facility using toll revenues is reasonable;

(4) the State will develop, manage, and maintain a system that will automatically collect the tolls;

(5) in developing the State plan for implementing tolls on the facility, the State includes a program to permit low-income drivers to pay a reduced toll amount; and

(6) the State has given preference to the use of a public toll agency with demonstrated capability to build, operate, and maintain a toll expressway system meeting criteria for the Interstate System.

(e) PROHIBITION ON NONCOMPETE AGREEMENTS.—Before the Secretary may permit a

State to participate in the pilot program, the State must enter into an agreement with the Secretary that provides that the State will not enter into an agreement with a private person under which the State is prevented from improving or expanding the capacity of public roads adjacent to the toll facility to address conditions resulting from traffic diverted to such roads from the toll facility, including—

(1) excessive congestion;

(2) pavement wear; and

(3) an increased incidence of traffic accidents, injuries, or fatalities.

(f) LIMITATIONS ON USE OF REVENUES; AUDITS.—Before the Secretary may permit a State to participate in the pilot program, the State must enter into an agreement with the Secretary that provides that—

(1) all toll revenues received from operation of the toll facility will be used only for—

(A) debt service;

(B) reasonable return on investment of any private person financing the project; and

(C) any costs necessary for the improvement of and the proper operation and maintenance of the toll facility, including reconstruction, resurfacing, restoration, and rehabilitation of the toll facility; and

(2) regular audits will be conducted to ensure compliance with paragraph (1) and the results of such audits will be transmitted to the Secretary.

(g) LIMITATION ON USE OF INTERSTATE MAINTENANCE FUNDS.—During the term of the pilot program, funds apportioned for Interstate maintenance under section 104(b)(4) of title 23, United States Code, may not be used on a facility for which tolls are being collected under the program.

(h) PROGRAM TERM.—The Secretary may approve an application of a State for permission to collect a toll under this section only if the application is received by the Secretary before the last day of the 10-year period beginning on the date of enactment of this Act.

(i) INTERSTATE SYSTEM DEFINED.—In this section, the term ''Interstate System'' has the meaning such term has under section 101 of title 23, United States Code.

SEC. 1605. USE OF EXCESS FUNDS.

Section 106 of title 23, United States Code, is amended by adding at the end the following:

''(i) USE OF EXCESS FUNDS.—

''(1) AUDITS.—A State may audit projects funded with amounts apportioned under sections 104 and 144 to determine whether any amounts obligated for a project are excess funds.

''(2) PLANS FOR USE OF EXCESS FUNDS.—If a State determines, after conducting an audit under paragraph (1), that funds obligated for a project are excess funds, the State may develop a plan for obligating the funds for the design and construction of one or more projects that are eligible for funding under the program for which the funds were originally apportioned.

''(3) CERTIFICATION TO THE SECRETARY.—A State that has developed a plan under paragraph (2) shall transmit to the Secretary a certification that the State has conducted an audit under paragraph (1) and developed the plan in accordance with paragraph (2).

''(4) IMPLEMENTATION OF PLANS.—After transmitting a certification to the Secretary with respect to a plan under paragraph (3), the State may carry out the plan.

''(5) APPLICABILITY OF REQUIREMENTS.—Excess funds used to carry out a project under this section shall be subject to the requirements of this title that are applicable to the program for which the funds were originally apportioned.

''(6) EXCESS FUNDS DEFINED.—In this subsection, the term 'excess funds' means funds obligated for a project that remain available for the project after the project has been completed.''.

Subtitle G—High Priority Projects

SEC. 1701. HIGH PRIORITY PROJECTS PROGRAM.

(a) AUTHORIZATION OF HIGH PRIORITY 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) 19.6 percent of such amount shall be available for obligation beginning in fiscal year 2004;

''(2) 18.5 percent of such amount shall be available for obligation beginning in fiscal year 2005;

''(3) 16.3 percent of such amount shall be available for obligation beginning in fiscal year 2006;

''(4) 15.3 percent of such amount shall be available for obligation beginning in fiscal year 2007;

''(5) 15.8 percent of such amount shall be available for obligation beginning in fiscal year 2008; and

''(6) 14.5 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''.

(f) FEDERAL-STATE RELATIONSHIP.—Section 145(b) of such title is amended—

(1) by inserting after ''described in'' the following: ''section 1702 of the Transportation Equity Act: A Legacy for Users,'';

(2) by inserting after ''for such projects by'' the following: ''section 1101(a)(17) of the Transportation Equity Act: A Legacy for Users,''; and

(3) by striking ''117 of title 23, United States Code,'' and inserting ''section 117 of this title,''.

SEC. 1702. PROJECT AUTHORIZATIONS.

Subject to section 117 of title 23, United States Code, the amount listed for each high priority project in the following table shall be available (from amounts made available by section 1101(a)(17) of the Transportation Equity Act: A Legacy for Users) for fiscal years 2004 through 2009 to carry out each such project:

High Priority Projects

No.	State	Project Description	Amount
1.	Alaska	Bogard/Seldon Extension in Matanuska-Susitna Borough	$4,000,000.00
2.	Utah	Widen and improve Geneva Road/ SR-114 connecting Provo Utah and Plesant Grove Utah	$2,100,000.00
3.	Mississippi	Philadelphia Bypass Hwys 15 to 19:Four-lane bypass connecting MS Hwys 15, 16 & 19 south of Philadelphia with major interchanges at each connection point.	$1,500,000.00
4.	Virginia	Town of Pound Riverwalk -construction of pedestrian riverwalk, Town of Pound	$100,000.00
5.	California	Construct parking lot and improved museum pedestrian access from the trolley station, San Diego.	$1,000,000.00
6.	Pennsylvania	Improve State Route 1001 at Section 601 from the Village of Lockport to Queensrun	$1,000,000.00
7.	Kansas	Construct 127th Street bridge over I-35, Olathe	$3,000,000.00
8.	New York	Improvements to Rt. 32/17/6 and County Route 105 in Orange County - NY	$9,000,000.00
9.	Missouri	Resurfacing and shoulder widening on US 136, and replacement of 2 deficient bridges	$3,000,000.00
10.	New Hampshire	Replace Ash Street, Pillsbury Road bridge over I93 in Londonderry	$1,430,000.00
11.	Georgia	Pave portions of CR345, CR44, and CR 45, Hancock County	$370,000.00
12.	Georgia	Install traffic lights and pedestrian walkways on Highway 441 at MLK, Jr. Boulevard, Dublin	$500,000.00
13.	Washington	Construct a multi-jurisdictional non-motorized transportation project parallel to SR99 called the Interurban Trail.	$2,000,000.00
14.	Virginia	Green Cove - improvements to existing Forest Service facility located at the trailhead of the Virginia Creeper Trail.	$100,000.00
15.	Michigan	Westland, Reconstruct and Widen Palmer Road	$2,500,000.00
16.	Mississippi	Upgrade roads in Port Gibson (U.S. Hwy 61), Claiborne County	$600,000.00
17.	New York	Build a structural deck that spans the New Haven Railroad cut to create parking for commuters, Mount Vernon.	$2,000,000.00
18.	California	Improvement of intersection at Aviation Blvd. and Rosecrans Ave. to reduce congestion, Hawthorne.	$2,000,000.00
19.	Illinois	Improvements to Diehl Road between Eola Road and Route 59	$500,000.00
20.	New Jersey	Streetscape Improvements to Clements Bridge Road from Newton Avenue to New Jersey Turnpike, Barrington.	$500,000.00
21.	New York	Design and construct new Interchange 11A on I-87, connector road extending from I-87 to Route 9/67, and interchange between the connector road and Route 9/67.	$3,400,000.00
22.	Massachusetts	Planning and construction of East Boston Haul Road, Boston	$6,000,000.00
23.	Arkansas	Construction of Camden Port Access Road, Camden	$480,000.00
24.	New York	Construct phase 2 of the Grand Concourse improvements from East 161st St. to East 166th St	$10,000,000.00
25.	Ohio	Construct upgrade of SR 16 to 4 lanes from SR 60 to SR 16 in Coshocton County	$3,000,000.00
26.	California	Construct Cypress Avenue over-pass to separate Interstate 10 and Union Pacific Railroad tracks, Fontana.	$3,500,000.00
27.	Arkansas	Improvements to Johnson Road from Hwy 412 to I-540 through Springdale and Johnson	$6,000,000.00
28.	Minnesota	For design of an extension of road from TH10 in the city of Blaine north to the city of Ham Lake	$2,000,000.00
29.	California	8.5 miles of six and eight lane arterial roadways, building an essential east-west route across Santa Clarita Valley.	$5,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
30.	Iowa	Completion of Highway 20 from Fort Dodge, Iowa through Sioux City, Iowa	$3,000,000.00
31.	Alabama	I-65 interchange at CR-222 between SR-69 and US-278	$1,000,000.00
32.	Minnesota	Becker County CR 143 and CR 124 improvements	$960,000.00
33.	South Carolina	BMW/I-85 Interchange - construct a new interchange on I-85 between the Greenville Spartanburg Airport and SC Highway 101 interchanges.	$10,000,000.00
34.	Illinois	Construct bike/pedestrian paths, Orland Hills	$350,000.00
35.	New York	Rehabilitate a historic warehouse on the Erie Canal in the Town of Lyon, NY	$600,000.00
36.	Arkansas	Improvements to the I-540 and SH-102 Interchange in Bentonville	$1,420,000.00
37.	Florida	Airport Entrance Streetscape, Sanford	$500,000.00
38.	Washington	East Marine View Drive Widening, Everett	$9,000,000.00
39.	Ohio	Improvements to the intersection of Fulton Dr. and Wales Ave. in Jackson Township	$2,000,000.00
40.	Oregon	Highway 34/Corvallis Bypass Intersection	$2,100,000.00
41.	New Jersey	Route 82 Union County Streetscape improvements, including signing and lighting upgrades in Elizabeth City and Union Township.	$1,000,000.00
42.	Illinois	Construct connector road between Collinsville Rd to IL 3/North First Street, St. Clair County	$6,400,000.00
43.	Colorado	New bridge across Roaring Fork River near S end of Glenwood Springs, improve roads connecting Midland Ave/SH 82.	$6,500,000.00
44.	Pennsylvania	Design and construct improvements to the I-81/Route 465 interchange and Route 465 from Walnut Bottom Road to PA 641.	$3,870,500.00
45.	Texas	Extend and improve Mission Trails Project, San Antonio	$4,000,000.00
46.	Minnesota	Improve TH241 in St. Michael, MN by increasing lanes from 2 to 4	$4,000,000.00
47.	Ohio	Upgrade safety devices at Sheldon Road Crossing, Berea	$140,000.00
48.	Michigan	Gravel and paving of remaining 3.2 miles in 5.5 mile stretch of Jacobsville Road, Houghton County.	$430,000.00
49.	New York	Implement safety measures at Railroad grade crossings in Rockland County	$1,000,000.00
50.	Illinois	Construct pedestrian underpass at South Shore Drive and 67th Street, Chicago	$1,000,000.00
51.	Ohio	Bicycle Trails construction and design in Bainbridge Township	$1,440,000.00
52.	Ohio	Construct MetroParks Bikeway, Mahoning County	$376,000.00
53.	Georgia	Streetscape [pedestrian safety enhancements, sidewalks, curb replacement, restoration, landscaping, ADA compliance], Bainbridge.	$600,000.00
54.	Nebraska	Construct an 8.7 mile roadway constituting the first phase of a comprehensive Beltway System around the City of Lincoln.	$14,566,300.00
55.	Minnesota	Design engineering and ROW acquisition to reconstruct TH95 bridge, North Branch	$1,000,000.00
56.	Virginia	Improve Colorado Street bridge, Salem	$1,000,000.00
57.	California	Implement streetscape improvements on segments of Laurel Canyon Blvd. and Victory Blvd., North Hollywood.	$1,200,000.00
58.	New Jersey	Bicycle and pedestrian paths for New Jersey Underground Railroad	$1,000,000.00
59.	Arizona	Major widening of SR 95 within Lake Havasu City	$2,000,000.00
60.	Minnesota	Lake Street Access to I-35W, Minneapolis	$10,000,000.00
61.	New York	Implement Improvements for Pedestrian Safety in Kings County	$1,000,000.00
62.	California	Construct a diamond interchange on State Route 60 at Lemon Avenue in the city of Diamond Bar.	$12,600,000.00
63.	Arkansas	Downtown Dickson Street Enhancement - College Avenue from Dickson Street to Archibald Yell and School Avenue to 6th Street in Fayetteville.	$4,000,000.00
64.	Pennsylvania	Flyover ramp and new interchange at proposed Town Center in Cranberry Twp at I-79 and Rte 228.	$500,000.00
65.	Texas	Improvements to RR 1017, Hebbronville	$500,000.00
66.	Arizona	Construction of a bicycle/pedestrian bridge to connect the shores of the Salt River	$3,000,000.00
67.	Pennsylvania	Germantown Avenue Revitalization Project involving landscaping, scenic enhancements, and pedestrian safety improvements along the heavily traveled thoroughfare.	$2,600,000.00
68.	Georgia	Widening SR-104 to increase Columbia Co. access to critical Augusta medical facilities as well as the Medical College of GA.	$4,750,000.00
69.	California	Repair Rosecrans Ave and Alondra Blvd bridges, Bellflower	$50,000.00
70.	California	Study feasibility of Maglev link between San Diego and proposed San Diego Regional International Airport, Imperial County.	$1,000,000.00
71.	Illinois	The addition of turning lanes to US Rt. 14 (Northwest Highway) at the Arthur Avenue Union Pacific grade crossing and at the Prindle Underpass in Arlington Heights, Illinois.	$1,100,000.00
72.	Connecticut	Improve Route 1 between Belden Ave and East Ave in Norwalk, CT	$2,000,000.00
73.	Maryland	South Shore Trail. Construct first phase of greenway from Odenton to Annapolis, Anne Arundel County.	$1,000,000.00
74.	Virginia	Widening Highway-15 in Prince Edward County	$5,000,000.00
75.	New York	Rehab of Hornbeck Rd in Town of Poughkeepsie-NY	$426,550.00
76.	Illinois	Phase II engineering to widen US 45/LaGrange Road through Orland Park, IL	$1,000,000.00
77.	Virginia	Improve Frederick Street, Staunton	$1,300,000.00
78.	Alabama	Riverwalk project with continuous river-edge walkway creating a system of parks and open spaces in historic downtown Montgomery, AL.	$3,000,000.00
79.	Georgia	Install landscaping and upgrade lighting on Fall Line Freeway, Reynolds	$500,000.00
80.	Utah	13th East, Sandy City	$6,300,000.00
81.	Ohio	Construction of rail grade separations at intersections in Lima to improve motorist and pedestrian safety.	$1,250,000.00
82.	New Jersey	Observer Highway Operational and Safety Improvements, Hoboken	$2,500,000.00
83.	New York	Implement ITS system and apparatus to enhance citywide truck route system on LIE Eastbound Service Road at 74th Street to Caldwell Ave, Grand Ave from 69th Street to Flushing Ave, and Eliot Ave from 69th Street to Woodhaven Blvd.	$100,000.00
84.	California	Construction of interchange on Interstate 10 at Palm Drive	$2,000,000.00
85.	Illinois	Improve roads and bridges and undertake enhancements, Chicago	$1,000,000.00
86.	New York	Rehabilitate Tappan Street Bridge in Town of Newark Valley	$1,040,000.00
87.	California	Widen the Marin- Sonoma Narrows section of Highway 101 to include a carpool HOV lane in each direction.	$13,000,000.00
88.	Wisconsin	Replace Wisconsin Street Bridge (State Highway 44), Oshkosh, WI	$10,000,000.00
89.	Florida	Construct I-95/N US 1 Business Park Interchange in Ormond Beach, Florida	$4,000,000.00
90.	New York	Replacement of the structurally deficient Pleasantville Road bridge over the Pocantico River, the Village of Pleasantville.	$1,000,000.00
91.	Arkansas	Widen Lone Sassafrass Road, Drew County	$304,000.00
92.	Texas	Planning, design and engineering for transportation projects in the I-35 corridor between San Antonio and Georgetown.	$4,000,000.00
93.	California	State Route 67 (Mapleview to Dye Rd) Project Studies/Environmental Phase	$6,400,000.00
94.	New York	Construction of and improvements to Route 62 in the Village of Hamburg	$500,000.00
95.	Texas	Relocation of FM 450 to the west of Hallsville	$3,000,000.00
96.	Oregon	Upgrade the Interstate 5 Fern Valley Interchange (exit 24)	$3,000,000.00
97.	California	Provide grade separation at the Firestone / Old River School Road intersection, Downey	$1,000,000.00
98.	Texas	Grade separation at US59-SH99 & replace proposed interim ramps. Complete US59 reconstruction project. Recommended by the US59 MIS.	$5,000,000.00
99.	Maine	Calais/St. Stephen Border Crossing Project	$5,000,000.00
100.	Michigan	US-127 Completion in Gratiot County	$5,000,000.00
101.	Nebraska	Construct two Missouri River bridges and their approach roadways	$3,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
102.	New Jersey	Highway Improvements in Liberty Corridor	$5,000,000.00
103.	New Jersey	Interstate 195 Allentown, NJ Exit at Sharon Station Road	$1,500,000.00
104.	California	Expand carsharing pilot program to serve low- and moderate-income neighborhoods in the City and County of San Francisco.	$2,000,000.00
105.	Ohio	Construct the existing industrial park road from local to state standards near Cadiz	$4,100,000.00
106.	Pennsylvania	Median, guiderail and sidework improvements to intersection of SR 51 and Franklin Ave, Beaver County.	$2,000,000.00
107.	New York	Roadway improvements on Pidgeon Hill Road (NYS Route 25 to Old Country Road) and Old Country Road (NYS Route 25 to I-495), Huntington.	$1,500,000.00
108.	Alabama	Alignment of existing roads along County Road 83 providing hurricane evacuation from coast to 110.	$8,000,000.00
109.	Texas	Construction of SH121 main lanes and interchanges between Preston Road and US75	$9,000,000.00
110.	Texas	SH 114/SH 170 in South Denton County	$2,500,000.00
111.	Oregon	Repair and recoat logging bridge over Highway 99E, Canby	$150,000.00
112.	North Carolina	Relocate US 70 to multi-lane facility around Clayton	$9,000,000.00
113.	Ohio	Construct Morse Road Corridor Improvements Phase I in Columbus, Ohio	$1,000,000.00
114.	California	Improve I-8 offramp to the Desert Farming Institute, Imperial County	$1,000,000.00
115.	Georgia	Upgrade sidewalks, lighting, landscaping from Cherry Street to Hampton Street, Industrial Park to Dooly Street, Montezuma.	$500,000.00
116.	New York	Dolsontown Rd. improvements in Town of Wawayanda	$1,400,000.00
117.	Maryland	Replace Dover Bridge on MD 331Design and Right of Way	$4,080,000.00
118.	Pennsylvania	Reconstruct PA Route 274, at PA Route11/15, Duncannon	$1,000,000.00
119.	Virginia	Construct I-64 and Pocahontas Parkway Connector	$9,000,000.00
120.	Texas	IH-653 and I-30 interchange improvements	$8,000,000.00
121.	North Carolina	Widen Berkley Blvd in Goldsboro, NC by constructing an additional lane, curbs, and gutters	$1,000,000.00
122.	California	Replace SR22 Interchanges and Bridges, Garden Grove	$7,300,000.00
123.	Illinois	Construction of 2 North-South Blvds, and one east-west blvd in the vicinity of Northern Illinois University.	$14,400,000.00
124.	Illinois	Improve University Drive, Macomb	$500,000.00
125.	Tennessee	Develop trails, bike paths and recreational facilities on Brady Mountain, Cumberland County for Cumberland Trail State Park.	$250,000.00
126.	Minnesota	Construct ramps and new bridge over Interstate 35 at CSAH 17, and reconstruct CSAH 17 from west County Line to CSAH 30, Chisago County.	$900,000.00
127.	Massachusetts	I-93 Interchange, Andover/Tewksbury	$600,000.00
128.	Pennsylvania	Two-lane extension of Bristol Road from US 202 to Park Avenue, Chalfont, New Britian	$1,000,000.00
129.	Michigan	Reconstruction of Ritchie Road from village of Lincoln to Hubbard Lake road and of Hubbard Lake road to Mt. Maria Road, Alcona County.	$813,000.00
130.	Mississippi	Madison/Ridgeland I-55 Interchange:I-55 Interchange and connectors at juncture of Madison and Ridgeland corp. limits.	$1,500,000.00
131.	California	Construct Daggett Road and Bridge Project, Port of Stockton, CA	$5,000,000.00
132.	New York	Construct Wading River bicycle and pedestrian project, Riverhead	$1,200,000.00
133.	Oregon	Improve U.S. 97 from Modoc Point to Algoma	$2,000,000.00
134.	New York	Design, Study and Construct Ferry Terminal Facilities at Floyd Bennett Field	$1,000,000.00
135.	Minnesota	US Highway 10 interchange in the city of Ramsey for necessary corridor enhancements	$1,250,000.00
136.	Arkansas	Continued development of Caraway Road Overpass Project, Jonesboro	$7,000,000.00
137.	New York	Conduct study on extending the limited access portion of NYS Rt. 5 to Auburn	$150,000.00
138.	California	Rehabilitate arterials, Compton	$1,500,000.00
139.	Texas	US 82--Widen existing 2-lane facility to 4-lane divided facility from FM 1417 in Sherman to US 69 in Bells.	$5,900,000.00
140.	Maryland	US 220/MD53 North-South Corridor	$1,000,000.00
141.	Connecticut	Improve Route 111 between Purdy Hill Road and Fan Hill Road in Monroe, CT	$1,500,000.00
142.	Michigan	Wixom, Beck Road from I-96 to West Rd. widen to 5 lanes	$250,000.00
143.	Pennsylvania	SR 219-Purchase of right-of-way and the completion of the four-lane expansion of limited access highway from Town of Somerset to Maryland border.	$20,000,000.00
144.	New York	Improvements of concrete curbs, aprons, sidewalks, and asphalt along Sunrise Highway, Rockville Centre.	$1,000,000.00
145.	North Carolina	Construction of Interstate 74 from Maxton Bypass to NC 41 near Lumberton	$5,000,000.00
146.	Michigan	Expansion of US-31 from Nelson Street to Merkey Road	$1,500,000.00
147.	Arizona	Develop a 4-lane divided roadway on US 60 from Florence to Superior, Arizona	$3,000,000.00
148.	New York	Reconstruct Streets and Sidewalks in Middle Village	$1,000,000.00
149.	California	Improvements for the Watt Avenue corridor between Antelope Road and the Capital City Freeway.	$3,000,000.00
150.	Pennsylvania	Design, engineering, ROW acquisition, and construction of a connector road between the Valmont Industrial Park and Pennsylvania State Route 924 at Cranberry Creek.	$500,000.00
151.	Minnesota	Edge of Wilderness Discovery Center, Marcell	$471,000.00
152.	North Carolina	Construction of a multi-lane facility on new location from Beach Drive (SR 1104) to NC 211, Brunswick County.	$4,000,000.00
153.	New York	Bartow Ave Ramp and Reconstruction at the Hutchinson Parkway	$1,600,000.00
154.	Ohio	South Connector in Waverly, Ohio for new access to school campus and new development areas in a repressed Appalachian region.	$4,100,000.00
155.	South Carolina	Construct grade separation at U.S. 521, Lancaster County	$1,745,000.00
156.	Massachusetts	Downtown road revitalization for Pleasant Street, Malden	$4,000,000.00
157.	California	Widen & realign Cherry Avenue from 19th Street to one block south of Pacific Coast Highway, Signal Hill.	$5,630,000.00
158.	New York	Construction of Bikeway Phase III in Putnam County-NY	$459,895.00
159.	Ohio	Miami St. along St. Route 53 safety enhancement project to improve access to railroad crossing	$1,000,000.00
160.	Pennsylvania	Design and construct access to York County intermodal facility, York County	$2,000,000.00
161.	California	Traffic signal upgrade, road reconfiguration, and median strip improvements to Lakewood Blvd between Telegraph Rd and Gardendale St, Downey.	$2,500,000.00
162.	New York	To conduct mitigation measures associated with the Palisades Interstate Parkway for the Village of New Square, Rockland County.	$600,000.00
163.	Alabama	County Road 52 widening from S. Shades Crest Road to U.S. 31 in Helena and Pelham	$5,000,000.00
164.	Louisiana	Improve I-10/LA 95 intersection, Duson	$200,000.00
165.	Michigan	Reconstruct 4,000 feet of Church Road from Meridian to East River Road (excluding canal Bridge) including widening and sidewalk construction to eliminate safety hazards, Grosse Ile.	$450,000.00
166.	Michigan	Construct road improvements to Flushing Road from Ballenger Highway to I-475, City of Flint	$2,500,840.00
167.	South Carolina	Airline Road Bridge in Anderson	$170,000.00
168.	New Jersey	Planning for Liberty Corridor	$500,000.00
169.	Pennsylvania	Enhance existing directional markers and increase wayfinding signage infrastructure, Monroe County.	$750,000.00
170.	California	Construct Coyote Creek Trail from Kelly Park to Berryessa station, San Jose	$5,500,000.00
171.	Michigan	Garden City, Reconstruction Maplewood between Inkster and Merriman	$1,000,000.00
172.	Missouri	Study of BNSF Railroad Reconfiguration Needs to eliminate Highway Crossings in/around Springfield, MO.	$200,000.00
173.	Tennessee	Construct new exit on I-75 and connect to U.S. 11, U.S. 411 and State Route 30	$4,500,000.00
174.	Ohio	Road widening and safety improvements at Main and Bell Streets in the Village of Chagrin Falls	$500,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
175.	Utah	Construct Westside Connector in Provo Utah connecting I-15 University Ave Interchange and Provo Commercial Sector with the Provo Airport.	$2,050,000.00
176.	California	Reconstruct I-880/Route 92 Interchange, Hayward	$2,000,000.00
177.	California	Reconstruct and widen Garfield Ave. bridge over Rio Hondo River Channel and apply seismic improvements, South Gate.	$4,000,000.00
178.	Massachusetts	Somerville bikepath extension and improvements, Somerville	$1,000,000.00
179.	Pennsylvania	Upgrade of southbound access ramp at Exit 3 on Interstate 81	$1,000,000.00
180.	Oklahoma	Construct overpass over 2 rail lines and Highway 66, Claremore	$2,700,000.00
181.	Pennsylvania	Upgrade intersection of SR 30 and SR 981 at Arnold Palmer Regional Airport	$1,000,000.00
182.	Indiana	Realign State Road 312, Hammond	$4,200,000.00
183.	Pennsylvania	Replacement of bridge without pedestrian access in Mount Joy	$250,000.00
184.	Georgia	Highway 78 Corridor Improvement Project: This project consists of safety enhancements for the corridor, infrastructure needs, median upgrades, and lighting.	$7,000,000.00
185.	Virgin Islands	Construct extensions to Routes 703 & 70, St. Croix	$7,000,000.00
186.	Illinois	IL29 from IL 6 to I 180 study and land acquisition	$1,000,000.00
187.	New York	Construct Northern State Parkway and Long Island Expressway access at Marcus Avenue and Lakeville Road and associated Park and Ride.	$6,000,000.00
188.	New York	Highway Construction I-87 Exit 3 Airport Connector	$2,000,000.00
189.	New York	Transportation Enhancements in Orleans and/or Niagara Counties to support development of Erie Canal.	$1,750,000.00
190.	New Jersey	Addresses congestion, safety, drainage, maintenance, signing, access, pedestrian circulation and transit access along Rt. 17 & Rt. 4 in Bergen County.	$4,500,000.00
191.	New Jersey	Safety, traffic and pedestrian improvements to Newark/1st Streets, Hoboken	$300,000.00
192.	California	Upgrade Route 4 East from the vicinity of Loveridge Road to G Street, Contra Costa County	$15,000,000.00
193.	Florida	Interchange with I-10 to connect to a new north-south highway, and a second phase extending to US 90.	$3,000,000.00
194.	North Carolina	Widen and improve US 1 in Richmond County with a bypass of Rockingham, NC	$10,000,000.00
195.	New York	Construct pedestrian waterfront walkway, Owego	$1,000,000.00
196.	Kansas	Rehabilitate Kansas and Oklahoma Rail Line to improve highway safety, decrease highway cnogestion, and reduce future road and bridge repairs.	$5,730,000.00
197.	Georgia	East Point Downtown Streetscape Project	$2,000,000.00
198.	New York	Improvements to Route 96 Bridges over Seneca River	$3,000,000.00
199.	Illinois	Reconstruction of Frank Scott Parkway East, St. Clair County	$3,000,000.00
200.	Texas	Conduct feasibility study for a second bridge to Pleasure Island in Port Arthur	$500,000.00
201.	Texas	Relocation of 10th Street, relocation of Mission Inlet, and extension of runway 13/31, McAllen	$1,000,000.00
202.	New York	Bridge replacement at Turk Hill Rd in Putnam County-NY	$1,800,000.00
203.	Oregon	Street improvements to provide better access to the Wayne L. Morse United States Courthouse	$6,000,000.00
204.	California	Mid Valley Station Road and Inter-Modal Improvement Project	$2,500,000.00
205.	Alabama	To provide four lanes on US-80, Perry County, Marengo County, and Sumter County	$14,000,000.00
206.	Tennessee	Construction of visitors center on Cherohala Skyway, a scenic byway, in Monroe County	$100,000.00
207.	New York	Improve CR39 from NY27 to NY27A, Suffolk County	$3,000,000.00
208.	Illinois	Pre-construction activities IL 336 from Macomb to Peoria	$1,000,000.00
209.	New York	Install Improvements for Pedestrian Safety in the vicinity of PS 81	$250,000.00
210.	Minnesota	Cedar Lake Regional Trail Extension, Minneapolis	$3,000,000.00
211.	Tennessee	Modification of existing interchange on I-81 at SR-341/SR-66 located in Jefferson County	$500,000.00
212.	Louisiana	Upgrade 28 West from Alexandria, Louisiana to Ft. Polk	$1,500,000.00
213.	Massachusetts	State Street reconstruction from Main Street to Saint Michael's Cemetery, Springfield	$6,000,000.00
214.	Michigan	Construct road improvements to North Henry St. from Vermont Ave. to Wilder Road, Bay City	$1,600,000.00
215.	Illinois	Improve intersection of McCarthy Road, Derby Road, and Archer Avenue in Lemont, IL	$350,000.00
216.	Oregon	Agness Road, Curry County	$1,000,000.00
217.	Illinois	Upgrade roads in the vicinity of Robert Taylor Homes, Chicago	$592,000.00
218.	Florida	Widening of US Highway 17 from Zolfo Springs south to the DeSoto County line	$2,000,000.00
219.	Utah	Atkinville Interchange, St. George	$4,000,000.00
220.	Tennessee	Reconstruct State Route 109 from I-40 in Wilson County to Portland in Sumner County	$1,000,000.00
221.	Missouri	I-470 and Strother Road Interchange	$1,000,000.00
222.	New York	Improve Traffic Flow on Lefferts Boulevard by Rehabilitating Facilities Surrounding LIRR/Kew Gardens Eastbound Station.	$500,000.00
223.	Maine	Maintenance training facilities and vehicle acquisition for Kidspeace, Ellsworth	$500,000.00
224.	Illinois	Improve Great River Road, Warsaw	$500,000.00
225.	Texas	Improvements to East 7th Street in Austin from I-35 to US 183	$2,000,000.00
226.	Illinois	Upgrade I-294 and I-90 and implement ITS projects	$3,000,000.00
227.	California	Reconstruct interchange at I-10 and Riverside Avenue to improve traffic, Rialto	$2,800,000.00
228.	New Jersey	Rahway River Corridor Greenway Bicycle and Pedestrian Path, South Orange	$400,000.00
229.	California	Construct multi-use trails at Galster Park that link to other local Los Angeles County trails, West Covina.	$1,100,000.00
230.	Arkansas	Improvements on County Roads 18, 32, 33, and 16, Bradley County	$500,000.00
231.	Indiana	Roadway improvements in Downtown Indianapolis	$18,775,000.00
232.	Ohio	Geauga Co. acquisition of historic covered bridge	$60,000.00
233.	Oregon	U.S. 199/Laurel Road intersection	$2,000,000.00
234.	New York	Rt. 32 Corridor access management & improvement in Orange County - NY	$500,000.00
235.	Missouri	Construction of interstate flyover at Hughes Road and Liberty Drive to 76th Street. Part of Liberty Parkway Project.	$8,000,000.00
236.	Maryland	Widen I-695 from I-83 to MD147. Includes maintenance and interchange work	$9,780,000.00
237.	Texas	Elevate Choate Road over Union Pacific right-of-way and SH 146. system of improvements to support the proposed Bayport Terminal Complex.	$6,600,000.00
238.	California	I-580 Castro Valley Interchange Improvements	$1,200,000.00
239.	Illinois	City of Washington, Mueller Road Rehabilitation	$280,000.00
240.	New York	Upgrade Route 17 to Interstate Standards from the Route 14 Interchange through Horseheads, to NY SR 13 Interchange.	$2,000,000.00
241.	Tennessee	Extension of bicycle and pedestrian trail, Smyrna	$4,000,000.00
242.	Iowa	Reconstruction and expansion of the East 1st Street interchange on I 35, Ankeny	$5,000,000.00
243.	Ohio	Construct transportation museum (Crawford Museum of Transportation and Industry at Aviation High School), Cleveland.	$250,000.00
244.	Wisconsin	Reconstruct Cameron Bypass on State Highway 8	$3,000,000.00
245.	Ohio	Wetlands Land Preservation & Enhancements in the Town of Aurora	$750,000.00
246.	New Jersey	Bridge replacement on Section 6V of Route 1 from Ryders Lane to Milltown Road, North Brunswick.	$3,000,000.00
247.	Arkansas	For acquisition and construction of an alternate transportation (pedestrian/ bicycle) trail from East Little Rock to Pinnacle Mountain State Park.	$800,000.00
248.	New York	Construct new access road linking North & South sides of Rt. 17 in Town of Wallkill-NY	$2,250,000.00
249.	Texas	SH 349 construction south of Lamesa from Intersection of SH 137	$4,000,000.00
250.	California	Construct 4,700 ft. of medians to improve safety/congestion on Imperial Highway from Valley View to Telegraph Road, La Mirada.	$700,000.00
251.	Pennsylvania	Design and construct additional turn lanes, signal upgrades, and related improvements at Routes 34 and 174 intersection in Cumberland County.	$580,000.00
252.	Maine	Construction and snowmobile safety accommodations for Route 116 Bridge. Medway	$4,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
253.	Pennsylvania	Bedford Springs Project, Bedford, PA: Relocation of Old Route 220 and Sweet Root Road. Complete preliminary and final engineering, purchase of right-of-way, and begin construction.	$3,150,000.00
254.	Michigan	Geddes Road at Superior Road Roundabout, Washtenaw County	$750,000.00
255.	Minnesota	Construct Paul Bunyan Trail from Mississippi River Bridge Trail to Crow Wing State Park	$600,000.00
256.	California	Improvements (including arterial street rehabilitation) to enhance traffic and pedestrian safety in Sylmar, Lake View Terrace, and Mission, Los Angeles.	$1,250,000.00
257.	Kentucky	Widen and reconstruct Mason's Gap Rd. (KY 698), Lincoln County	$500,000.00
258.	Pennsylvania	Reconstruction of SR 2001 Sec. 401 from the intersection of SR 2001 and U.S. 209 Bushkill Township north. Pike County.	$2,000,000.00
259.	Texas	Construct a 4-lane urban roadway, along with reconstructing a bridge over UP RR on Ritchie Road, McLennan County.	$4,000,000.00
260.	North Carolina	Construct grade separated crossing at Sugar Creek Road of NC Railroad-Norfolk Southern Railroad.	$4,000,000.00
261.	Illinois	Complete Stage III of reconstruction of the Naperville Road-Warrenville Road/I-88 interchange	$2,150,000.00
262.	Wisconsin	Widen State Highway 10 from City of Marshfield to City of Stevens Point	$20,000,000.00
263.	Texas	Widening of 16-mile two-lane gap on SH 24 to four lanes from SH 19 in Cooper	$3,000,000.00
264.	Pennsylvania	Design and construct interchange and related improvements at I-83, Exit 18, or other projects selected by York County, Pennsylvania MPO.	$6,000,000.00
265.	California	Implement Manor Drive overpass improvement, Pacifica	$800,000.00
266.	Maryland	Indian Head Highway Upgrades--Design for upgrades to MD 210 to replace intersections with grade separated interchanges from MD 228 to I-495.	$5,000,000.00
267.	Texas	Improvements to FM 676, Alton	$500,000.00
268.	California	Construct pedestrian streetscape improvements on Ocean Blvd and Anaheim Street in Long Beach, including lighting landscaping and irrigation, and seating, drinking fountains, bicycle racks and trash receptacles.	$1,500,000.00
269.	Wisconsin	Replace 17th Street Lift Bridge, Two Rivers, WI	$6,000,000.00
270.	California	Conduct Study and Construct I 205/ Chrisman Road Interchange Project, Tracy, CA	$1,000,000.00
271.	Alabama	New freeway connector from Dothan, AL to the FL border	$5,000,000.00
272.	Pennsylvania	Design and construct widening of PA Route 94 from York/Adams County line to Elm Street, Hanover.	$3,000,000.00
273.	California	First Street Bridge realignment, Los Angeles	$1,250,000.00
274.	Ohio	Construct a proposed relocation of US 22 and SR 93 from the current IR 70, US 40 west of Zanesville.	$10,000,000.00
275.	South Carolina	Construct Bishopville Bypass, Lee County	$4,000,000.00
276.	Virginia	Widening I-95 between Fairfax County Pkwy and Rt. 123	$5,150,000.00
277.	Oregon	Study the feasibility of widening US 26 from its interchange with Oregon Highway 217 in Beaverton to the Cornelius Pass exit.	$750,000.00
278.	Louisiana	Leeville Bridge	$2,250,000.00
279.	New York	Implement Central NY grade crossing and grade separation project	$2,000,000.00
280.	Georgia	Widen Godby road to HWY 314 to widen an east-west corridor to connect three counties, Clayton County.	$2,500,000.00
281.	Florida	SR710 Expansion and Improvements in Palm Beach County, FL	$2,000,000.00
282.	Iowa	Complete final segment of MLK Parkway West Project, and complete four segments of MLK Parkway East Project, Des Moines.	$9,000,000.00
283.	Arkansas	Resurface Jack Creek Road, Logan County	$200,000.00
284.	California	Upgrade San Fernando Road corridor to include traffic calming measures, Los Angeles	$7,500,000.00
285.	Georgia	Sidewalk revitalization project in downtown Eastman	$593,175.00
286.	North Carolina	Conversion of the American Tobacco Trail for use as bike/pedestrian trail, Durham/Chatham counties.	$2,000,000.00
287.	Texas	Lamesa Bypass - US 87 N to near US180	$6,500,000.00
288.	Michigan	Bridge connecting to East Marshall Bypass Road in East Marshall, crossing the Kalamazoo River and Norfolk South Railroad.	$300,000.00
289.	Texas	Widen Washington Blvd. from Langham Rd. to FM 364	$2,592,000.00
290.	Illinois	Improve roads and bridges, Illinois	$10,000,000.00
291.	New York	Multi-modal project in Downtown Flushing, Queens	$1,000,000.00
292.	New Jersey	Rt. 139 Bridge Rehabilitation, Hoboken	$2,000,000.00
293.	Louisiana	Belle Chasse Tunnel	$500,000.00
294.	Pennsylvania	Design, engineering, ROW acquisition and reconstruction of Main Street in the vicinity of Parsonage Street, City of Pittston.	$250,000.00
295.	Wisconsin	Pioneer Road Rail Grade Separation, Fond du Lac, WI	$4,000,000.00
296.	Michigan	Holmes Road Reconstruction - From Prospect Road to Michigan Avenue, Charter Township of Ypsilanti.	$2,000,000.00
297.	Georgia	Improvement and expansion of Camp Creek Road at Enon road, Fulton County	$1,000,000.00
298.	New York	Seeks to provide direct access from I-81 to Fort Drum gates; 1st phase of larger Northern Tier Expressway (linking I-81 to I-87).	$6,000,000.00
299.	Tennessee	Bicycle and pedestrian trail, Eagleville	$100,000.00
300.	California	Widen Boulder Avenue Bridge in Highland	$1,000,000.00
301.	Tennessee	Reconstruct and Widen US-64 from a two-lane to a four-lane facility	$5,225,000.00
302.	Wisconsin	Widen US 51/State Highway 29	$8,000,000.00
303.	Minnesota	Replace and Realign the Sauk Rapids Bridge and approaches in St. Cloud and Sauk Rapids	$3,000,000.00
304.	Ohio	Widen Pearl Road, Strongsville	$1,600,000.00
305.	Nevada	I-80 Interchange at Nevada Pacific Parkway, Fernley, Nevada. Will benefit commuting employees of NAS Fallon.	$1,000,000.00
306.	Ohio	Replace and improve Mill Street Bridge, Akron	$2,000,000.00
307.	Pennsylvania	Complete a half diamond interchange at PA-309 and Norristown Rd. by the Montgomery County Planning Commission.	$4,000,000.00
308.	Texas	South McColl Extension between Oragewood and Military Highway, Hidalgo County	$2,500,000.00
309.	New York	Improve downtown streets, Saugerties	$1,000,000.00
310.	Mississippi	Upgrade roads in Arcola, Greenville, and Hollandale (U.S. Highway 61 and 18), Washington County.	$1,800,000.00
311.	Pennsylvania	Design and construct the relocation of U.S. 11 northbound between Ridge Hill and Hempt Roads and around New Kingstown.	$5,680,000.00
312.	New Mexico	Construct NM 128 from NM 31 to Texas State line	$6,000,000.00
313.	California	Construct pedestrian, bicycle and ADA accessible boardwalks at the Pismo Beach Promenade, San Luis Obispo County.	$300,000.00
314.	Tennessee	Eliminate blockage of 2 lanes on Gay Street in Knoxville to accommodate loading dock	$2,000,000.00
315.	Tennessee	Construct trail and bike path at S. Chickamauga Creek	$1,600,000.00
316.	California	Resurface and construct truck lane at CA Hwy. 94 and Interstate 8 interchange, Boulevard	$3,000,000.00
317.	Michigan	Canton, Pave Cherry Hill west of Denton Rd	$2,500,000.00
318.	Minnesota	Birch Cove Rest Area, Hoyt Lakes	$200,000.00
319.	Illinois	Construct parking facility and undertake circulation enhancements at 96th and East Shore Drive, Oak Lawn.	$200,000.00
320.	Pennsylvania	Finish missing ramps and widening at intersection of I-279 and I-79 in the Pittsburgh Airport Corridor.	$3,000,000.00
321.	Georgia	Improvements to intersection of SR 196 and US 84 in Liberty County	$2,000,000.00
322.	Illinois	Reconstruct Milwaukee Avenue, Chicago	$1,500,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
323.	New York	Construction of an Intermodal transportation facility just off of the Bronx River Parkway's exit 6.	$2,500,000.00
324.	Michigan	Ultra thin demonstration project resurfacing of Mitchell Road from the City of Petoskey limits east to Division, Emmet County.	$60,000.00
325.	Florida	Widen U.S. 17 to 4 lanes in Putnam County, Florida	$12,000,000.00
326.	New York	Enhance road and transportation facilities in the vicinity of the Brooklyn Children's Museum	$50,000.00
327.	Alaska	Point MacKenzie in Matamuska-Susitna Borough plan and design road access	$1,000,000.00
328.	Nevada	Construct North Las Vegas Craig Road Overpass at the Union Pacific Railroad Crossing	$5,500,000.00
329.	Pennsylvania	Design and construct intersection and related upgrades on PA Routes 24 and 124 in York County	$1,000,000.00
330.	Pennsylvania	Rail Bridge Removal and intersection improvements, Cameron and Paxton Streets, Harrisburg	$1,400,000.00
331.	Oregon	Construct sidewalks and improve storm drainage and gutters for the city of Medford, Oregon's, Safe Walk Plan.	$1,000,000.00
332.	New York	I-81 Corridor Improvements from Hancock Intl. Airport to and including the reconstruction of the Interchange at I-690.	$3,000,000.00
333.	Wisconsin	Reroute State Highway 11 through Burlington, Wisconsin	$911,000.00
334.	California	Construct sound barriers at the I-5/S.R. 54 Interchange, National City	$150,000.00
335.	Illinois	Reconstruction and widening of the Illinois Route 60 bridge over Interstate 94 in Lake Forest, Illinois.	$8,010,000.00
336.	New York	Construction of and improvements to Lovejoy Avenue in Buffalo	$1,000,000.00
337.	Missouri	Construction of replacement for Interstate 44 & US 65 Interchange, Springfield, MO	$16,300,000.00
338.	New York	Funds an intermodal transportation facility on Clarkson Avenue in Brooklyn	$1,000,000.00
339.	Michigan	Novi, Reconstruct Grand River between Novi Rd. and Haggerty	$1,000,000.00
340.	California	Construct bypass along California Hwy 101 around the town of Willits	$8,000,000.00
341.	New York	Rehabilitate bike and pedestrian path in Utica Marsh	$124,000.00
342.	Tennessee	Improve circuitry on vehicle protection device installed at railroad crossing in Knoxville, TN	$57,000.00
343.	New York	Develop terminal facilities for water taxi projects, New York City	$4,600,000.00
344.	Utah	Northern Corridor, St. George	$6,000,000.00
345.	Alaska	Planning and design of a bridge joining the Island of Gravina to the community of Ketchikan	$3,000,000.00
346.	Massachusetts	Construct 3.5 mile Grand Trunk Trail, Sturbridge/Southbridge	$750,000.00
347.	Illinois	Provide a four-lane connection between Rt. 13 and Rt. 45 near Harrisburg	$500,000.00
348.	Indiana	Construct US 31 Freeway Project for St. Joseph and Marshall Counties	$25,000,000.00
349.	Virginia	Reconstruct Route 20 at/adjacent to Montpelier for entryway project	$1,000,000.00
350.	Michigan	repave Caseville Road from state highway M-142 to state highway M-25	$500,000.00
351.	Maine	Plan and construct North-South Aroostook highways, to improve access to St. John Valley, including Presque Isle Bypass and other improvements.	$4,000,000.00
352.	Illinois	Village of South Jacksonville, West Vandalia Road upgrades	$800,000.00
353.	Alabama	US 278, 4-laning 10.5 miles between Sulligent and Crews, AL	$1,000,000.00
354.	New York	Construct bicycle/pedestrian trail on old Mahopac RR right of way in Westchester County- NY	$1,000,000.00
355.	Pennsylvania	Design, engineering, ROW acquisition, and construction of intersection improvements and safety enhancements, Borough of Throop in Lackawanna County.	$250,000.00
356.	Georgia	Decatur Bikeway	$200,000.00
357.	Virginia	Repair of Commonwealth Blvd Bridge in Martinsville	$500,000.00
358.	New Mexico	I-25 Tramway Interchange: I-25 and Tramway Interchange	$2,000,000.00
359.	Wyoming	Casper West Belt Loop:Construct new connector route between Highway 220 and US 20-26	$2,000,000.00
360.	Maryland	Hughesville Bypass--relocation of MD 5 from end of divided highway south of Hughesville to end of the divided highway north of Hughesville.	$10,000,000.00
361.	Pennsylvania	Construct the widening of PA 94 from the Adams/York County line north to Appler Road in Adams County.	$1,500,000.00
362.	Arkansas	Upgrade Nevada County Roads 7, 4, 17, and 6	$400,000.00
363.	Oregon	Preliminary engineering and construction of a railroad crossing at the intersection of Havlik Drive and Highway 30, Scappoose.	$200,000.00
364.	Tennessee	Widen SR-36 to five lanes in Washington County	$1,000,000.00
365.	Ohio	SR 20/Mentor Rd. road widening and safety improvements in the Town of Painesville	$350,000.00
366.	Missouri	Improve intersection of the I-44 and Missouri Route 100 interchange and the Shaw Nature Reserve Access near Gray Summit, Missouri.	$500,000.00
367.	Georgia	Resurface and widen Jac-Art Road as part of Bleckley County Development Authority project	$200,000.00
368.	New Jersey	Widens the intersection, replaces bridge structures and improves other road segments leading to the intersection NJ Route 57/ CR Route 519 in Warren County.	$2,700,000.00
369.	Illinois	Widen U.S. Route 67 from Macomb to Illinois 101	$3,000,000.00
370.	Minnesota	To expand Stearns County Road 4 from 4 to six lanes and realign Stearns County Road 134	$2,000,000.00
371.	Tennessee	Extension of SR-449 in Sevier County, now under construction	$500,000.00
372.	South Carolina	Construction to improve Assembly Street between Pendleton Street and the Williams-Brice stadium to eliminate roadway-rail.	$1,500,000.00
373.	Alabama	20 mile limited access corridor from US highway 80 to US highway 231 and I-85	$3,000,000.00
374.	California	Roadway surface improvements, street lighting, and storm drain improvements to South Center Street from Baughman Road to State Route 78/86, Westmoreland.	$800,000.00
375.	Georgia	South Lumpkin Road Trail [pedestrian, bicycle, jogging, safety upgrades], Columbus	$1,000,000.00
376.	Wisconsin	Reconstruct State Highway 16 (Columbus to Hwy. 26), Dodge County, WI	$4,000,000.00
377.	Georgia	Buford Highway pedestrian safety improvement	$2,500,000.00
378.	New York	Construct visitor center, access road and parking at Sam's Point Preserve, Ellenville	$750,000.00
379.	Texas	Completion of the 3rd and 4th phases on the Marsha Sharp Freeway, US 82-62. Construction between Chicago and Salem Avenues.	$16,000,000.00
380.	Massachusetts	Westford Street-Wood Street-Rourke Bridge Corridor improvements, Lowell	$750,000.00
381.	Texas	Interchange of I-10 and SH99 (the Grand Parkway), a multi-lane highway that will form a third loop around Houston.	$5,000,000.00
382.	New Jersey	Safety improvements and widening Route 206 and CR 513 Main Street (Route 24)	$1,000,000.00
383.	New York	Comprehensive traffic congestion mitigation study of Hauppauge Industrial Park and surrounding area, Suffolk County.	$750,000.00
384.	Georgia	SR 133 upgrade, Dougherty/Colquitt Co	$1,000,000.00
385.	New York	Construction, re-design and improvements to Fargo Street in Buffalo	$3,000,000.00
386.	Washington	Spokane Advanced Traffic Management System Expansion: Expand existing Intelligent Transportation System (ITS) in City of Spokane.	$500,000.00
387.	Michigan	M-13 Washington Avenue Streetscape Project - Phase II of High Priority Project 192 in PL 105-550, Saginaw.	$1,500,000.00
388.	Guam	Reconstruct Hagåtña River Bridges, Municipality of Hagåtña	$6,000,000.00
389.	New York	Hopewell Junction Bypass Road in Town of East Fishkill- NY	$1,000,000.00
390.	New York	Implement Improvements for Pedestrian Safety in Bronx County	$1,000,000.00
391.	Illinois	Upgrade streets and implement traffic and pedestrian safety signalization improvements, Oak Lawn.	$7,740,000.00
392.	California	Widening on Bear Valley Pkwy, City of Escondido, Citrus Ave to Valley Pkwy and to northern city limit, local arterial.	$2,000,000.00
393.	California	Reconstruction and repair of pedestrian walkways in and around the campus of California State University Northridge to improve traffic and safety.	$784,000.00
394.	New York	Study of goods movement through I-278 in New York City and Northern New Jersey to be conducted by Region II University Transportation Research Center.	$1,500,000.00
395.	Missouri	Mississippi Riverfront Bicycle/Pedestrian trail connecting with Columbia Bottom conservation area.	$300,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
396.	New Jersey	Route 22 Sustainable Corridor Plan	$2,000,000.00
397.	Minnesota	Reconstruct Unorganized Township Road 488 from CSAH 138, Koochiching County	$1,025,000.00
398.	New York	Widening and resurfacing of a one-mile stretch of the bicycle path from Boston Post Rd. to Playland Park, Rye.	$275,000.00
399.	Arkansas	Construction of roadway for SE Intermodal, Drew/Bradley Counties	$2,080,000.00
400.	Virginia	Widen Rt. 33 at High Street, Harrisonburg	$500,000.00
401.	Indiana	New road construction of Dixon Road from Alto Road to Greentree Lane and Dixon Road from Markland Avenue to Judson Road in Kokomo, Indiana.	$2,000,000.00
402.	Georgia	Design, right of way acquisition and construction of Fulton County Industrial Blvd	$2,000,000.00
403.	Louisiana	Essen Lane at I-12; Perkins Road; Central Thruway; O'Neal Lane; LA 408 study; and Burbank Drive; and Essen Park Extension in East Baton Rouge Parish.	$30,000,000.00
404.	Alabama	Patton Island Bridge Corridor connecting Colbert and Lauderdale Counties	$10,000,000.00
405.	Pennsylvania	Improve Route 89 one mile north of Titusville	$300,000.00
406.	South Carolina	Construction of Safety Improvements and Beautification along I-385	$2,000,000.00
407.	Illinois	Engineering and right-of-way acquisition to widen 95th Street between Plainfield-Naperville Road and Boughton Road.	$500,000.00
408.	Minnesota	Environmental impact statement for improvement along the entire US 10 corridor	$1,300,000.00
409.	Idaho	Widen US-95 from 2 to 4 lanes from Worley to Mica Creek	$6,000,000.00
410.	Kentucky	Rehabilitate US 127 from US 127 South (Hustonville Rd.) to the Mercer County line, Danville	$1,000,000.00
411.	California	Improvements to increase beach access, prevent storm drain failure and accommodate increasing pedestrian traffic on The Stand, Manhattan Beach.	$2,000,000.00
412.	Pennsylvania	Construct a new parking facility for the Cruise Terminal Transportation Center within the Philadelphia Naval Business Center.	$5,000,000.00
413.	Washington	To replace BNSF trestle, Sammamish River bridge and reconstruct SR202/127th Pl NE and SR202/180th Ave NE intersections.	$2,000,000.00
414.	New York	Roadway improvements in Village of Schuylerville, including Routes 4/32 & 29. Includes infrastructure, mobility, safety and streetscape improvements.	$4,350,000.00
415.	New York	Reconstruction of Route 59 from Sickletown Road to Route 303, Rockland County	$1,000,000.00
416.	Kansas	Construction of a 1.5 mile new roadway truck route in Downs, KS	$500,000.00
417.	Hawaii	Upgrade Farrington Highway	$2,800,000.00
418.	California	Upgrade Jepson Parkway at the North and South Access Gates of Travis Air Force Base and widen Vanden Road segment, Solano County.	$2,000,000.00
419.	California	Will add landscaping enhancements along the freeway for aesthetic purposes in Ventura County	$2,500,000.00
420.	South Carolina	Palmetto Trails Project - a statewide bicycle and pedestrian trails project connecting historic sites, important natural landscapes and many communities.	$2,000,000.00
421.	Oklahoma	Widen US 60 between Bartlesville and Pawhuska, Osage County	$2,000,000.00
422.	Pennsylvania	Design, engineering, ROW acquisition, and construction of intersection improvements and safety enhancements, Borough of Moosic in Lackawanna County.	$250,000.00
423.	California	Construction of a .2 miles section of Poinsettia Lane in the City of Carlsbad, local arterial	$2,000,000.00
424.	Michigan	Reconstruct Lake road in Ironwood from Margaret Street to Airport Road, Gogebic County	$805,000.00
425.	Georgia	Widening of GA SR 400 from 4 lanes to 6 lanes between Haynes Bridge Road and McFarland Rd	$10,000,000.00
426.	Illinois	Construct road from Rt.13 to Carterville Herrin Road, Herrin	$800,000.00
427.	Tennessee	Construct and Widen State Route 33 in Monroe County	$5,000,000.00
428.	Pennsylvania	Replace traffic signals, optimize signal timing devices, and install traffic calming devices and new signage through construction in Mechanicsburg.	$1,200,000.00
429.	Indiana	1.5 mile rd ext., Allen Cnty, IN. The project is the 1.5 mile road extension from Lake Ave. to State Road 930.	$11,000,000.00
430.	New Jersey	Construct Parking Facility at Union City Intermodal Facility	$2,000,000.00
431.	New York	Construction of and improvements to Union Road in West Seneca	$1,000,000.00
432.	Alabama	Birmingham Northern Beltline	$20,000,000.00
433.	Florida	Removal and replacement of Columbus Street bridge, Hillsborough County	$750,000.00
434.	North Carolina	Rerouting of Holly Springs Church Road (NCSR 1815) beginning near the intersection with Airport Road (NCSR 1876) to Janice Drive (NCSR 1894) near Mount Airy in Surry County.	$1,000,000.00
435.	California	Implement and maintain an incident management system for I-880 and I-80, Alameda and Contra Costa Counties.	$500,000.00
436.	California	Replace South Access to Golden Gate Bridge, San Francisco	$6,000,000.00
437.	California	Construct an auxiliary lane on Highway 17 between Camden and Hamilton Avenues, Campbell	$12,900,000.00
438.	California	Cabot-Camino Capistrano Bridge. Construction of a bridge that will connect highways Camino Capistrano and Cabot Road.	$838,690.00
439.	California	Realign State Route 79 from Gilman Springs Road to Domenigoni Parkway in San Jacinto	$2,000,000.00
440.	Illinois	Construct bikepath and pedestrian walkway along Western Avenue; construct access road for West Ridge Nature Preserve, Chicago.	$3,000,000.00
441.	California	Pasadena Multi-modal intelligent transportation system: traffic management center upgrade, transit management system, parking guidance system, the City of Pasadena.	$2,500,000.00
442.	New York	Rehab Rt 35/202 from Bear Mtn Parkway to Taconic Parkway in New York State DOT	$1,575,000.00
443.	Hawaii	Construct Waimea Bypass	$1,000,000.00
444.	Kansas	Construct I-35/Lone Elm Road interchange and widen I-35 from 151st Street to 159th Street, City of Olathe.	$1,000,000.00
445.	Texas	Complete State Highway 146, Baytown	$500,000.00
446.	New Jersey	Rehabilitation of West Broadway Bridge, Paterson	$3,500,000.00
447.	Illinois	Improve safety of horizontal curve on 725th St. in Grandview Twp	$80,000.00
448.	Georgia	New interchange on I-95 at Horsestamp Rd	$5,000,000.00
449.	Michigan	Implement driveway control along the 3 lane segment of US-31 North and South of Honor, Michigan.	$2,500,000.00
450.	Michigan	Resurface 3.51 miles of Hamilton and Wessel Roads, Alpena County	$640,000.00
451.	Mississippi	Pirate Cove Interchange/Access Rd:I-20 Interchange and access roads linking I-20 to US Hwy 80	$500,000.00
452.	California	Implement streetscape project on Central Avenue from 103rd Street to Watts / 103rd Street Station, Watts.	$3,500,000.00
453.	New York	Improvements on Lower Rd. in Town of Minisink-NY	$175,000.00
454.	Ohio	Construct SR 104 into a 4 lane facility with a turning lane in Ross County	$6,000,000.00
455.	Pennsylvania	Design, engineering, ROW acquisition, and construction of intersection improvements and safety enhancements, Borough of Old Forge in Lackawanna County.	$250,000.00
456.	New York	Reconstruct NYS Rt. 12 (Rt 20 to Waterville North Village Line)	$4,927,000.00
457.	Michigan	Reconstruction of Intersection at Woodside Avenue and Borton Avenue,Essexville	$960,000.00
458.	Pennsylvania	US Route 13 corridor reconstruction, redevelopment, and beautification in Bucks County	$5,000,000.00
459.	Maryland	Jones Falls Greenway (hiker/biker trail). Funding for Baltimore City to construct Phase 2 of this urban trail.	$4,000,000.00
460.	California	Construct grade separation at State College Blvd., Fullerton/Anaheim	$2,000,000.00
461.	New York	Reconstruction of Herald and Greeley Squares, New York City	$500,000.00
462.	Florida	Alternate US 19, Tyrone Blvd. at 72nd St., St. Petersburg	$6,000,000.00
463.	California	Reconstruct overcrossing and interchange at Interstate 10 & Tippecanoe Ave in Loma Linda	$4,000,000.00
464.	Florida	State Road 9B / I-295 Extension and Connection (Duval County)	$3,500,000.00
465.	Illinois	Construction of a new intersection of a public road at U S Route 50 in Olney	$550,000.00
466.	Missouri	Intelligent Transportation System pilot deployment to enhance efficiency and security of cargo in Kansas City region.	$500,000.00
467.	Connecticut	Widen Route 34, Derby	$3,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
468.	Texas	Arlington, IH-30 at FM 157 (Collins) and Center Street interchange improvements	$2,000,000.00
469.	Tennessee	Widen State Route 62 in Knox County, TN	$6,500,000.00
470.	Massachusetts	Rehabilitation of Whittier Bridge which carries Route I-95 over the Merrimack between Amesbury and Newburyport.	$2,000,000.00
471.	California	Port of Hueneme Intermodal Access Improvement Project, including grade separation at Rice Avenue/State Route 34; road widening at Hueneme Road.	$4,700,000.00
472.	Arkansas	Improve County Road 75, Polk County	$200,000.00
473.	Florida	Construction and four-laning of State Road 80, Hendry County	$3,500,000.00
474.	Ohio	Improve roads and bridges, City of Youngstown	$3,000,000.00
475.	Wisconsin	Reconstruct East Washington Avenue, Madison	$7,050,000.00
476.	California	Widening of State Route 76 from Melrose Drive to I-15	$5,000,000.00
477.	Nebraska	Planning and design of sections of the Heartland Expressway located in and around the cities of Scottsbluff and Gering, Nebraska.	$300,000.00
478.	Illinois	ITS deployment, Cook County	$160,000.00
479.	South Carolina	Design, acquire land, and undertake improvements to the South Corridor project from York County to City of Charlotte.	$2,255,000.00
480.	Texas	Making transportation corridor improvements along I-69 from Palo Alto to the U.S-Mexico border at Brownsville Navigation District.	$1,500,000.00
481.	North Carolina	Upgrade portions of US 220 (future I-73/74) to interstate standards in Montgomery County, NC	$2,500,000.00
482.	Kentucky	Construct the main street connector between Lisa Lane and Main Street, Stanton	$500,000.00
483.	Pennsylvania	Construct access ramp from SR 247/SR 1012 into Valley View Business Park, Lackawanna County.	$2,000,000.00
484.	Florida	Construct I-95/Matanzas Woods Parkway Interchange in Flagler County, Florida	$4,000,000.00
485.	Michigan	CR 515 from US2 & US41 in Rapid River to County Road 446 at Days River Road - bituminous overlay and joint repair, Delta County.	$320,000.00
486.	California	Construct truck lane from Britannia Blvd to the Otay Mesa Port of Entry, San Diego County	$4,000,000.00
487.	New York	Rehabilitate bridges in Tompkins County-Ithaca Secondary Line	$2,500,000.00
488.	California	Improve Glendale Freeway Terminus to provide pedestrian access, construct sound barriers, and implement landscaping, Los Angeles.	$2,500,000.00
489.	Pennsylvania	Three at grade rail crossings along Amtrak Keystone Corridor need to be closed for safety reasons.	$500,000.00
490.	New Mexico	Planning, design and construction of bikeways, walkways and underpass at the City of Santa Fe's downtown railyard redevelopment project.	$2,000,000.00
491.	Indiana	Construct grade separated interchange at Hively Avenue in the City of Elkhart	$2,000,000.00
492.	New York	Erie Canalway National Heritage Corridor Transportation Enhancement Project	$500,000.00
493.	Texas	Hwy 80/123 overpass at Hwy 181, Karnes County	$300,000.00
494.	New York	Improve uptown streets, Kingston	$594,500.00
495.	Ohio	Reconstruct US Route 6, Rocky River	$2,000,000.00
496.	Illinois	Complete 80,000 lb. truck route between C.H. 2 (Burma Rd.) and Il Rte 130 in Cumberland County.	$3,000,000.00
497.	New York	Realignment & rehab of Kirk Lane Drive in Town of Carmel-NY	$100,000.00
498.	Florida	New systems interchange ramps at SR 417 and Boggy Creek Road in Orange County, Florida	$5,000,000.00
499.	Illinois	Widen U.S. Route 34 from U.S. 67 to Carmen Road	$4,000,000.00
500.	Washington	41st Street Bridge Widening, Everett	$3,500,000.00
501.	New York	Improvements to Intermodal transportation facility at Fort Totten, New York	$1,000,000.00
502.	Tennessee	Construct pedestrian bridge in Alcoa	$1,000,000.00
503.	Texas	Additional right-of-way along US 71 north of Texarkana along the Arkansas-Texas state line	$1,000,000.00
504.	Florida	Shops of Sherwood Access Road, Jacksonville	$1,500,000.00
505.	Arkansas	Widen Jefferson Parkway, Jefferson County	$500,000.00
506.	Alaska	Make necessary improvements to Indian River Road in City and Borough of Sitka	$2,000,000.00
507.	California	Construction of new freeway lanes, including HOV lanes at US HWY 50 and Empire Ranch Road, Folsom, CA.	$4,000,000.00
508.	Arkansas	Hwy 65 improvements including construction of passing lanes, bridge improvements, intersection improvements and other roadway improvements, Van Buren County.	$1,200,000.00
509.	Missouri	Relocate this portion of I-44 between Route D and Sugar Tree Road in West Phelps County	$2,000,000.00
510.	Iowa	Phase III of the Main Street project, Amana	$1,000,000.00
511.	Florida	Improvements of segments of US Highway 27 from SR 540 to SR 544 and from I-4 to US 192, in Polk County, FL.	$8,000,000.00
512.	Tennessee	Upgrade circuit at gates/lights for Bristol grade crossing (USDOT#731120J) to intelligent systems that eliminate current variability.	$100,000.00
513.	New York	Improvements and restoration at old US Rt 9 & Van Cortlandt Manor in Village of Croton on Hudson.	$2,700,000.00
514.	Minnesota	New Interchange at I-35 and CSAH 2 in the city of Forest Lake	$3,000,000.00
515.	West Virginia	Construct Coalfields Expressway	$7,200,000.00
516.	New Jersey	Route 46 & Main Street, Lodi - Roadway and Drainage Improvements	$2,000,000.00
517.	Nevada	Construct a series of 4 system-to-system interchanges on the Clark County Beltway	$16,500,000.00
518.	Missouri	Design, Right of Way and Construction of Highway 13- Branson West By-Pass, Stone County, MO.	$5,200,000.00
519.	Tennessee	Reconfiguration and Removal of I-40 and I-55 ramps to reduce heavy traffic volumes on Riverside Drive.	$1,000,000.00
520.	Pennsylvania	PA Route 309 roadway construction and signalization improvements in Tamaqua Borough	$2,000,000.00
521.	California	Improve Ave 12-Fwy 99 interchange; create five lanes and install traffic signals. Construct Road 29 entrance east of the interchange.	$1,500,000.00
522.	California	Improve 16 roads, bridge and one bike path in Mariposa County	$2,000,000.00
523.	Pennsylvania	Swamp Road corridor safety and roadway improvements	$3,500,000.00
524.	Alaska	Crooked Creek Road to the mine site at Donlin Creek	$15,000,000.00
525.	California	Widen Wilmington Ave from 223rd street including ramp modifications, Carson	$2,000,000.00
526.	Florida	Route 610 Widening, Greensville County	$500,000.00
527.	New York	Install Improvements for Pedestrian Safety in the vicinity of St. Roberts Bellarmine	$250,000.00
528.	Hawaii	H-1 Counterflow Zipper Lane	$4,000,000.00
529.	Texas	SH 205--Widen 2 lane to 6 lane urban divided highway north of SH 66 to SH 276	$2,000,000.00
530.	California	Improvements at First Street and Erringer Road. The project will widen off ramps and surface streets.	$2,000,000.00
531.	Florida	Construct St. Augustine to Palatka Rail Trail in Northeast Florida	$2,900,000.00
532.	Ohio	Construct connector trail connecting Xenia to Jamestown to Washington Court House	$1,000,000.00
533.	California	Construct new interchange at I-15 and State Route 18(Falchion Road) and provide new highway access to U.S. 395.	$2,000,000.00
534.	Illinois	Construct Streetscape project on Morse Avenue from Clark Avenue to Sheridan Road, Chicago	$2,000,000.00
535.	Pennsylvania	Design, engineering, ROW acquisition, and construction of street improvements and safety enhancements, Borough of Plymouth in Luzerne County.	$250,000.00
536.	Ohio	Road widening and safety improvements to Pettibone Rd. in the City of Solon	$3,000,000.00
537.	New York	Improvement of road and bridges between 2 state highways leading to Stewart International Airport in New Windsor-NY.	$2,000,000.00
538.	New York	Re-construction, re-design and improvements to Ohio Street from Fuhrmann Boulevard to Michigan Avenue in Buffalo.	$8,000,000.00
539.	New York	Implements traffic calming measures using streetscape improvements from Court to Smith Street	$800,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
540.	Illinois	Extension of Willow Creek Trail, engineering of an 8-mile trail from Rock Cut State Park to the Long Prairie Trail in Caledonia, Grand Illinois Trail System.	$100,000.00
541.	California	Construct highway connecting State Route 78/86 and State Route 111, Brawley	$10,000,000.00
542.	New York	Construct Auburn New ''Connector Road'' - New highway between Rt. 5 and Rt 34	$2,000,000.00
543.	Kentucky	Reconstruct Turkeyfoot Road from Autumn to Richardson	$2,000,000.00
544.	Georgia	Stone Mountain-Lithonia bikeway and sidewalks	$1,200,000.00
545.	Washington	Roosevelt Extension/SR 538 at Urban Avenue to Cameron Way, Mount Vernon	$4,000,000.00
546.	Ohio	Construct Farm Road Project, Gallia County	$550,000.00
547.	California	Construction of improvements to the Western Placerville Interchanges on SR 50 between the Missouri Flat Road Over-crossing and the Placerville Drive under-crossing in and near the City of Placerville in El Dorado County.	$3,000,000.00
548.	New York	Implement Improvements for Pedestrian Safety in Richmond County	$1,000,000.00
549.	Georgia	Construction of the U.S. 411 Connector between U.S. 41 and I-75 in Floyd and Bartow Counties	$14,000,000.00
550.	Illinois	Construct streetscape project at the intersection of Foster and Kedzie, Chicago	$2,220,000.00
551.	Pennsylvania	Construct Campbelltown Connector, Lebanon County	$2,000,000.00
552.	Illinois	Complete construction of route from Industrial Park Drive to Bakery Boulevard, DuQuoin	$625,000.00
553.	Iowa	Extend Muscatine Mississippi River Levee Trail in Iowa	$500,000.00
554.	California	Project design, environmental assessment, and roadway construction of Lonestar Road from Alta Road to Enrico Fermi Drive, San Diego County.	$500,000.00
555.	Minnesota	Roadway improvements, City of Federal Dam	$1,000,000.00
556.	American Samoa	Village road improvements for Launiusaelua and Ituau counties in the Central District	$3,000,000.00
557.	California	Elk Horn Boulevard Widening to SR 99, Sacramento, CA	$1,000,000.00
558.	Missouri	Construction of US 71 to Expressway status, McDonald County, MO	$15,000,000.00
559.	Pennsylvania	Construction of University Boulevard interchange on PA 60 Business near Pittsburgh International Airport.	$1,000,000.00
560.	New York	Rehabilitation of North and South Ridge Street and Wappanocca Ave. in the Village of Rye Brook and City of Rye.	$2,160,000.00
561.	Ohio	Construction of a connector road between Orchard Land and Factory Rd in Beavercreek, OH	$500,000.00
562.	West Virginia	Construct I-74/74 Corridor, Mercer Co	$11,200,000.00
563.	Illinois	Eldamain Road: Construction of the Eldamain Road Bridge over the Fox River	$5,000,000.00
564.	Kentucky	Reconstruct I-275/KY 212/KY 20 interchange	$2,000,000.00
565.	South Carolina	Transportation infrastructure improvements in Orangeburg County	$10,000,000.00
566.	Georgia	Phase III Streetscape [pedestrian safety enhancements, sidewalks, curb replacement, restoration, landscaping, ADA compliance], Columbus.	$1,500,000.00
567.	Alaska	Planning, design, and EIS of Bradfield Canal Road	$2,300,000.00
568.	Rhode Island	Restore and expand maritime heritage site, Bristol	$1,000,000.00
569.	New York	Restores Eastern Parkway by adding a bicycle crossing lane and traffic lights	$3,000,000.00
570.	Michigan	Study of direct highway access between the I-96/36th Street interchange and the passenger terminal of the Grand Rapids airport.	$900,000.00
571.	Washington	Construction of .6 mile span to connect trail and I-5	$5,500,000.00
572.	North Carolina	Construct the US 74 Bypass around Shelby to add additional traffic-carrying capacity and enhance safety.	$5,000,000.00
573.	Texas	Improvements to I-35E/I-635 Interchange	$1,000,000.00
574.	Illinois	City of Oreana ''Original Town'' road upgrades	$884,000.00
575.	Mississippi	Popps Ferry Road bridge, Biloxi	$4,000,000.00
576.	New York	Improvement of Hatfield Lane in Village of Goshen-NY	$400,000.00
577.	Florida	Construct SR20/CR 309C/SR 100 Connnector in Palatka, Florida	$4,000,000.00
578.	New York	This project involves a full reconstruction of all the streets in Long Island City surrounding 11th Street.	$2,400,000.00
579.	Washington	Cultural/Interpretive Center (Hanford Reach National Monument) facility and highway offramps near I-182 and SR240, Richland.	$1,570,000.00
580.	Utah	Reconstruction of State Route 158 at Pine View Dam, Weber County, Utah	$5,000,000.00
581.	American Samoa	Shoreline protection and drainage mitigation for Nuuli village roads	$1,000,000.00
582.	Minnesota	Construct Pfeifer Road, remove 10 foot raised crossing, Twin Lakes Township	$251,717.00
583.	North Carolina	Design and construct regional shared use pedestrian and bicycle pathway along Little Sugar Creek.	$3,000,000.00
584.	Maine	Penobscot Riverfront Development for bicycle trails, amenities, and traffic circulation improvements, Bangor.	$2,000,000.00
585.	Virginia	Reconstruct 3 deteriorating highway bridges and rebuild 2 interchanges on Arlington Boulevard and Washington Boulevard.	$2,000,000.00
586.	Tennessee	Constuct transportation and heritage museum in Townsend	$1,000,000.00
587.	New Jersey	Elizabeth Pedestrian Bicycle Project for the NorthAvenue/Route 1 transportation corridor	$546,000.00
588.	New York	Construct an access road and make drainage improvements and aesthetic enhancements to area between Ocean Parkway and Oak Beach Park.	$2,700,000.00
589.	Virginia	Blue Ridge Music Center - install lighting/steps, upgrade existing trail system and equip interpretative center with visitor information.	$2,500,000.00
590.	Pennsylvania	Design, engineering, ROW acquisition, and construction of the widening of Pennsylvania Route 443 Corridor Widening, Carbon County.	$1,000,000.00
591.	Wisconsin	Construct U.S. Highway 41 North of Lake Butte des Morts Bridge, WI	$16,400,000.00
592.	Missouri	Extension and rehabilitation of Riverside Road (MO Route AC)	$10,000,000.00
593.	Texas	Engineering, design and construction of freight connector roads along F.M. 511 at Brownsville Navigation District.	$1,000,000.00
594.	Nevada	Widening of US-95 from Craig Road to the Clark County Beltway	$5,000,000.00
595.	New Jersey	Improve the US Interstate 78 Interchange at Exit 15 in Franklin Township, Union Township and Town of Clinton.	$1,000,000.00
596.	Montana	Build Four Lane Western Bypass on US 93 around Kalispell	$22,000,000.00
597.	North Carolina	Widen Derita Road from Poplar Tent Road in Concord, NC to the Cabarrus-Mecklenburg County line.	$2,000,000.00
598.	Ohio	Replace Fulton Road Bridge, Cleveland	$1,700,000.00
599.	Texas	Pedestrian path and sidewalk improvements along US 83, Rio Grande City	$500,000.00
600.	Texas	Widen Hempstead Highway from 12th Street to Washington Avenue from four lanes to six lanes	$2,000,000.00
601.	California	Pine Avenue extension from route 71 to Pomona Rincon Road in the city of Chino	$8,500,000.00
602.	Texas	Providing preliminary engineering for and constructing a loop in and around Texarkana, along the US 71-I-49 corridor.	$3,000,000.00
603.	Michigan	West Michigan Regional Trail Network connector to link two trail systems together and to Grand Rapids.	$2,950,000.00
604.	New York	Plan and construct greenway along Red Hook, Brooklyn waterfront, and conduct transportation study to improve pedestrian safety and air quality.	$1,440,000.00
605.	North Carolina	Installation of ITS devices along I-85 from North of SR 1002 to North of SR 2120 near Spencer	$2,200,000.00
606.	Wisconsin	Construct U.S. Highway 151, Fond du Lac Bypass, WI	$3,000,000.00
607.	Nevada	Meadowood Interchange: will mitigate traffic congestion on Interstate and arterials in Reno's primary retail center. State Priority.	$2,000,000.00
608.	Illinois	Improve roads, Village of Forest Park	$750,000.00
609.	California	Reconstruct 152/156 Interception Project, Santa Clara County, CA	$1,000,000.00
610.	Rhode Island	Restoration of Canal at John Chafee Blackstone River Valley Heritage Corridor	$500,000.00
611.	Illinois	Widen and resurface South Wall St, Carbondale	$700,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
612.	New York	Intermodal transportation improvements, Coney Island	$3,600,000.00
613.	Texas	Construct landscaping and other pedestrian amenities in segments of the Old Spanish Trail and Griggs Road rights-of-way.	$2,000,000.00
614.	Pennsylvania	Construct Route 219 Bypass in the City of Bradford	$2,000,000.00
615.	Minnesota	Reconstruct Sucker Bay Road, Cass County	$2,500,000.00
616.	Illinois	Baseline Rd. Improvement (Montgomery): Reconstruction and realignment of Baseline Road	$2,080,000.00
617.	New Jersey	Replace steep grade and dangerous two lane bridge on Schooley's Mountain Road	$1,000,000.00
618.	South Carolina	Fire Station Road Bridge in Anderson County	$230,000.00
619.	Georgia	Uptown Jogging, Bicycle, Trolley Trail [pedestrian, bicycle, jogging, safety upgrades, trolley lane, skating trail], Columbus.	$1,425,000.00
620.	Ohio	Construct turn lane, install traffic light, and reorient traffic on SR 146 near Bussemer Lane in Muskingum County.	$600,000.00
621.	New York	Funds an intermodal transportation facility on Brooklyn Avenue	$1,400,000.00
622.	Missouri	Highway 350 upgrade through Raytown	$1,000,000.00
623.	Kansas	Construction of a two-lane on a four-lane right of way bypass with controlled access on US-400 at Dodge City.	$12,800,000.00
624.	Illinois	Extends MacArthur Blvd. from Wabash to Iron Bridge Road in Springfield	$1,500,000.00
625.	Minnesota	Upgrade CSAH 21 to a 4 Lane divided roadway with left turn lanes at public streets in Scott County.	$1,000,000.00
626.	Virginia	Chestnut Mountain Road - feasibility study, design and construction start for road improvement on National Forest lands.	$1,000,000.00
627.	Michigan	Walled Lake, Decker Rd. between Maple and S. Commerce	$125,000.00
628.	Tennessee	Widen State Route 30 from Athens to Etowah	$5,758,000.00
629.	California	Construction of interchange at State Hwy 86 at Ave 66 in Coachella, CA	$4,500,000.00
630.	Illinois	Improve roads and enhance area in the vicinity of South Archer Avenue and Midway Airport, Chicago.	$5,500,000.00
631.	New Mexico	Reconstruction of I-40 west of Gallup to maintain safety and travelability of I-40	$1,500,000.00
632.	California	Construct off ramp at Interstate 8/Imperial Avenue Interchange, El Centro	$3,000,000.00
633.	Michigan	Dynamite Hill Road demonstration whitetoping on rural major collector leading to industrial park, Baraga County.	$200,000.00
634.	Texas	Reconstruction of US 277 and curb and gutter from the San Felipe Bridge to the approach on Sycamore Creek Bridge in Del Rio.	$6,800,000.00
635.	Texas	Completion of US 77 relief route around City of Robstown	$4,000,000.00
636.	Maryland	Construction of interchange at MD4 and Suitland Parkway and widening of MD 4	$2,100,000.00
637.	Washington	Improve Cemetary Road and rebuild/widen bridge over U.S. Bureau of Reclamation irrigation canal, Othello.	$190,000.00
638.	Oregon	Regional Trails Program for the first phase of three phases of trails in the comprehensive regional system.	$4,500,000.00
639.	New York	Rehab of Village of Kiryas Joel sidewalks, signalization and roadways	$1,250,000.00
640.	Illinois	Resurface Trumbull Avenue and Homan Avenue, Evergreen Park	$350,000.00
641.	Indiana	Replace Samuelson Road underpass, Portage	$3,200,000.00
642.	New Jersey	Bridge replacement and realignment on Amwell Road Bridge over the Neshanic River in Hillsborough, New Jersey.	$500,000.00
643.	New Jersey	Improvement to St. Georges Avenue from Wood Avenue, Roselle	$350,000.00
644.	Ohio	Construct roadway improvement project along State Routes 37 and 78 through Fairfield, Perry, Morgan, Noble, Monroe Counties.	$250,000.00
645.	Michigan	repave Old State Highway M-51 from Village of Applegate to Village of Carsonville	$500,000.00
646.	Georgia	Streetscape project to improve accessibility and safety for pedestrians, Mount Vernon	$606,000.00
647.	South Carolina	US & Bowman Road Interchange, Mount Pleasant	$7,000,000.00
648.	Ohio	Upgrade grade crossing safety devices in Elyria and North Ridgeville	$952,000.00
649.	Guam	Construct Route 3A Extension, Municipality of Yigo	$3,000,000.00
650.	California	I-80 Gilman Street interchange improvements, Berkeley	$1,500,000.00
651.	Texas	Reconstruct Ella/Wheatley from Little York to West Gulf Bank	$1,250,000.00
652.	Alaska	Planning and Design Knik Arm Bridge	$3,000,000.00
653.	Texas	Connect Pharr International Bridge to US 83	$10,000,000.00
654.	Michigan	Pittsfield Greenways Bridge - Nonmotorized bridge enhancement onto existing Bemis Road Bridge over US-23 to connect Pittsfield Greenways, Pittsfield Charter Township.	$275,000.00
655.	Connecticut	Reconstruct I-95 bridge over the Quinnipiac River	$1,500,000.00
656.	Illinois	Widening existing 2 lanes to 5 lanes; install closed drainage system; add additional right of way and new traffic signals.	$3,360,000.00
657.	Illinois	Widen U.S. Route 51 from Pana to Vandalia	$3,000,000.00
658.	Wyoming	Widen State Hwy 59:Widen 5 miles of existing 2-lane road to a 4-lane road, w/ a center turn lane	$1,000,000.00
659.	Missouri	Complete environmental impact study for North Oak Redevelopment	$500,000.00
660.	Michigan	Hartman-Hammond-Three Mile Road widening and bridge project	$3,000,000.00
661.	Massachusetts	Reconstruction of Goddard Memorial Drive from State Route 9 to Airport Drive, Worcester	$2,000,000.00
662.	New Jersey	Rehabilitation of Route 35 between Point Pleasant and Mantoloking NJ	$1,250,000.00
663.	California	Harbor Blvd. Intelligent Transportation System (ITS). Widen intersections and add lanes, Garden Grove/Anaheim.	$1,200,000.00
664.	New York	Improvements for pedestrian and vehicular access to Baychester Avenue and Bartow Avenue	$600,000.00
665.	Minnesota	Corridor preservation and right of way acquisition from I-494 to the city of Annandale in Wright County, MN.	$5,000,000.00
666.	New York	Rehabilitate Route 13 over Tioughnioga River-bridge access to City of Cortland	$1,020,000.00
667.	Pennsylvania	Restoration of I-176 from milepost 4 to milepost 7 and restoration of interchanges in Cumru and Robeson Townships, Berks County.	$4,531,000.00
668.	Arkansas	Improvement on County Road 14, Grapevine	$500,000.00
669.	Illinois	Construct grade separation on Grand Avenue, Franklin Park	$500,000.00
670.	Pennsylvania	Provide four through lanes on PA 100 by constructing two through lanes to the east of Ludwig's Corner.	$6,000,000.00
671.	Arizona	Design Concept Study of Rio Salado Parkway West to connect Loop 202 extension in Phoenix to Loop 303, Buckeye.	$2,800,000.00
672.	Illinois	Expand US Rte 20 to four lanes from Freeport to Galena, IL	$3,000,000.00
673.	California	Replace Davis Street Highway I-880 overpass, San Leandro	$1,000,000.00
674.	Texas	Add shoulders to FM 156 from Ponder, Texas to Krum, Texas	$4,000,000.00
675.	New Jersey	Preliminary engineering for connection of Route 23 and I-80	$1,500,000.00
676.	Minnesota	Construct bridge for Paul Bunyan Trail over Excelsior Road, Baxter	$1,200,000.00
677.	South Carolina	Bobby Jones Expressway (I-520) -To construct a circumferential route around Augusta, GA, and N. Augusta, SC, that is part of a larger system to relieve traffic congestion.	$2,000,000.00
678.	Virginia	Route 369 - construction of Route 369 from Southwest Virginia Community College campus to Route 19.	$983,000.00
679.	Florida	Belleair Causeway Bridge, Pinellas County	$19,000,000.00
680.	New Jersey	Roadway improvements in vicinity of Exit 12, NJ Turnpike, Carteret	$1,000,000.00
681.	California	Widening of two lane SR79 highway to four lanes	$2,000,000.00
682.	Georgia	Streetscape project to replace sidewalks in downtown Forsyth	$300,000.00
683.	Iowa	Complete the bicycle and pedestrian trail system for the Des Moines area through the development of a signature Riverwalk project.	$5,000,000.00
684.	California	Improvements (including arterial street rehabilitation) to enhance traffic and pedestrian safety in Reseda, Canoga Park, and Winnetka, Los Angeles.	$3,250,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
685.	Maine	Plan and construct highway access between Route 161 in Daigle to US Route 1, Madawaska	$1,000,000.00
686.	Wyoming	Bike Path from Jackson to Jenny Lake (25 mi)	$2,000,000.00
687.	Pennsylvania	Construct the realignment of Cool Creek Road in York County, Pennsylvania, or other eligible projects selected by York County, Pennsylvania MPO.	$1,000,000.00
688.	Pennsylvania	Design, engineering, ROW acquisition, and construction of intersection improvements and safety enhancements, Borough of Dunmore in Lackawanna County.	$650,000.00
689.	California	Upgrade roads, traffic signals and turn lanes in order to ease traffic congestion for the Willow/ Ashlan & Shaw intersections.	$1,500,000.00
690.	New York	Design and construct pedestrian and bicycle path (Buttermilk Falls Trail), Ithaca	$544,000.00
691.	Pennsylvania	Redesign and upgrade of I-70 and I-79 South interchange to current federal safety standards	$1,000,000.00
692.	Mississippi	Martin Bluff Road improvements, Gautier	$3,000,000.00
693.	California	Improvements to interchange between SR 23 and SR 101. Could include widening of SR 23 from 2 lanes to 3.	$4,856,000.00
694.	Washington	Extension of Waaga Way W to Old Frontier Rd to complete a portion of the SR3, 303 interchange	$500,000.00
695.	Pennsylvania	The French Creek Parkway and Connector Roads	$5,000,000.00
696.	California	Coastal Corridor Investments Phase II -A - multi-modal improvements on Rosecrans Avenue between Sepulveda Blvd and I-405, El Segundo.	$3,000,000.00
697.	New York	Plan and construct greenway/bicycle path/esplanades and ferry landing along New York Bay in Sunset Park, Brooklyn.	$10,000,000.00
698.	Mississippi	Upgrade roads in Gunnison, Mound Bayou, Beulah, Benoit, and Shaw, Bolivar County	$2,400,000.00
699.	Alabama	Study and Design phase of major north-south West Alabama highway from Muscle Shoals to Mobile.	$1,000,000.00
700.	Ohio	Call Road Paving, and construction of access improvements in Perry Village	$67,000.00
701.	California	Reconstruct and widen Del Amo Blvd to four lanes between Normandie Ave and New Hampshire Ave, Los Angeles County.	$3,000,000.00
702.	Texas	Drainage study and engineering for US 83, Starr County	$1,000,000.00
703.	Iowa	Construct bypass (US 61) around City of Fort Madison, Iowa	$5,000,000.00
704.	New Jersey	Replace Rockaway Road Bridge over NJ Transit and Rockaway River	$1,000,000.00
705.	Florida	Replacing the outdated signals along US 19 in Pasco County and linking them together for one computerized system.	$7,000,000.00
706.	Maine	Improvements to Route 108 to enhance access to business park, Rumford	$1,500,000.00
707.	Arkansas	Development of grade separation on Highway 165, Stuttgart	$1,000,000.00
708.	Illinois	Resurface Shawnee College Road, Pulaski County	$1,264,000.00
709.	Pennsylvania	Design, engineering, ROW acquisition and construction of surface improvements to the area adjacent to Exit 168 of Interstate 81 at the Wachovia Arena, Wilkes-Barre Township.	$500,000.00
710.	New York	Construct Millennium Parkway in the towns of Dunkirk and Sheridan	$11,500,000.00
711.	Connecticut	Construct Pomfret Pedestrian Bridge	$120,000.00
712.	Illinois	Resurface Clifton Park Avenue and South Louis Avenue, Evergreen Park	$350,000.00
713.	New York	Buttermilk Falls bridge replacement in Town of Warwick-NY	$250,000.00
714.	Iowa	Construction and access between Sioux City, the primary routes leading to the city (Interstate-29, U.S. Highway 20, U.S. Highway 75, U.S. Highway 77, and Iowa Highway 12.).	$1,000,000.00
715.	New Jersey	Construct United States Avenue bridge, Lindenwold	$1,000,000.00
716.	Ohio	Land acquisition for enhancements and pedestrian paths in Silver Lake Township	$450,000.00
717.	Minnesota	Construct 3 segments of Cuyuna Lakes Trails, Crow Wing County	$1,200,000.00
718.	Missouri	Construction of diamond interchange at US 71 and Business 71. Final project in US 71 upgrade	$3,000,000.00
719.	Utah	Reconstruction of Box Elder County Road 523 (Forest Street), Box Elder County, Utah	$3,000,000.00
720.	Virginia	Improve Main Street in Covington	$500,000.00
721.	California	Realign and make improvements to California Hwy 199 between mile marker 22.16 and mile marker 23.65.	$1,000,000.00
722.	Ohio	Construct bike/pedestrian path, Fairview Park	$200,000.00
723.	Florida	Construct Eastern Connector in East Central Florida	$1,000,000.00
724.	Michigan	Pittsfield Greenways - 2.5 miles of pathways to existing Ann Arbor pathways, Pittsfield Charter Township.	$299,000.00
725.	Tennessee	Interchange improvements to increase traffic safety on US25E between I-81 and Cherokee Lake and bridge improvements to local roads.	$500,000.00
726.	Pennsylvania	This project involves widening the intersection of PA 100 and Park Road to accommodate left turn lanes on all approaches and installation of a new traffic signal.	$1,322,000.00
727.	Florida	Pedestrian/bike path improvements and safety projects in Windermere, Florida	$500,000.00
728.	Florida	Construct high rise replacement bridge and approaches adjacent to existing moveable bridge over the Intercoastal Waterway, Brevard Co, FL.	$6,000,000.00
729.	Ohio	St. Route 8 Safety Improvement and road expansion Project in Macedonia City	$4,000,000.00
730.	New Jersey	Route 17 Congestion Improvements and Widening, from Route 46 - Williams Avenue, Hasbrouck Heights to Routes 4 & 17 Interchange, Paramus.	$12,000,000.00
731.	Iowa	University Boulevard widening between 73rd St and NW 86th St, Clive	$1,000,000.00
732.	Minnesota	Kandiyohi and Meeker Counties Hwy 7 between TH 71 and TH 22	$2,440,000.00
733.	Texas	Improvements to Military Road, Penitas	$400,000.00
734.	Ohio	Bicycle trail and pedestrian trail construction in Willoughby Township	$600,000.00
735.	Missouri	Conduct Study of US 65 & US 60 Interchange Replacement, Springfield, MO	$2,000,000.00
736.	Connecticut	Reconstruct I-95/I-91/Rte. 34 Interchange and construct pedestrian walkway	$2,000,000.00
737.	Florida	Florida Keys Overseas Heritage Trail bridge rehabilitation	$2,000,000.00
738.	Illinois	Undertake access improvements to Museum Campus, Chicago	$2,000,000.00
739.	New York	Implement Intelligent Transportation System Sensor Technology to Improve Security at Bridges and Tunnels in Metropolitan New York City.	$1,000,000.00
740.	Louisiana	Upgrade LA 28 to four lanes from LA 121 to LA 465	$2,000,000.00
741.	Illinois	Reconstruct Lakeshore Drive overpass over Wilson Avenue, Chicago	$1,500,000.00
742.	Missouri	Access improvements at US 7 and Interstate 70 and safety and mobility upgrades. Part of Hwy 7 corridor development plan.	$3,000,000.00
743.	Wisconsin	Reconstruct Marquette Interchange	$10,000,000.00
744.	Minnesota	CSAH 21 roadway improvements, City of Ely	$1,000,000.00
745.	California	Improvement of Culver Boulevard between Elenda and Sepulveda; Sepulveda Blvd between Green Valley Circle and Jefferson Boulevard, Culver City.	$2,300,000.00
746.	New York	Improvements on the Cross Island Bridge Overpass/212 Street and vicinity, Queens, New York	$3,120,000.00
747.	Tennessee	Improve State Route 62 in Morgan County near US-27 in Wartburg to Petit Lane from existing two lane highway to four lanes.	$2,000,000.00
748.	California	Develop and implement traffic calming measures for traffic exiting the I-710 into Long Beach	$1,000,000.00
749.	Ohio	Safety improvements to 2 intersections at Meese Rd. and Easton St. in Nimishillen Township	$1,500,000.00
750.	Hawaii	Widen Queen Kaahumanu Highway	$4,850,000.00
751.	Massachusetts	Feasibility and environmental impact study into proposed relocation of New Bedford - Fairhaven (Route 6) Bridge.	$3,000,000.00
752.	Pennsylvania	This project involves realigning the intersection of King of Prussia Road and Upper Gulph Road and provide turning lanes and signalization.	$1,649,000.00
753.	New York	Rehab and realign Union Valley Rd, beginning at Sandy St. in Town of Carmel-NY	$500,000.00
754.	Utah	Highway 191, Moab	$400,000.00
755.	Idaho	New roadway, overpass and connecting intersection to provide access across I-84 in Meridian, Ada County.	$4,000,000.00
756.	Michigan	Greenville, Michigan - Fred Meijer Heartland Trail Completion	$2,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
757.	Pennsylvania	PA Route 183 widening and ramp enhancement, Bern Township	$1,600,000.00
758.	Minnesota	North-South Corridor with Railroad Overpass, City of Staples	$1,500,000.00
759.	California	Modifies 9 traffic signals between Willow Road and Middlefield Road and Hamilton Avenue, Menlo Park.	$300,000.00
760.	Arkansas	New Interchange on I-540 near the existing Perry Road overpass in Rogers	$7,000,000.00
761.	Illinois	Upgrade roads, Village of Berkeley	$800,000.00
762.	California	Develop bicycle paths and public park space adjacent to the New River, Calexico	$5,000,000.00
763.	Michigan	Northville, Taft Rd. from 8 mile north to city limits	$500,000.00
764.	Rhode Island	Route 403 Construction, stage 2 - complete freeway in East Greenwich and North Kingstown, and Rt. 4 to Davisville Road.	$6,000,000.00
765.	Arkansas	Improvements to SH 102 in Bentonville from U.S. 71B to west city limits	$1,500,000.00
766.	Pennsylvania	Widening of US Route 22 and SR 26 in Huntingdon .Upgrades to the interchange at US 22 and State Route 26.	$3,200,000.00
767.	Texas	Feasibility study to examine the southern route of the La Entrada al Pacifico Trade Corridor	$2,000,000.00
768.	Delaware	Operational and capacity improvements to critical locations along I-95 in New Castle County	$2,500,000.00
769.	Florida	Expanding the capacity of a segment of US 19 from Whitney Road to Drew Street in Pinellas County.	$6,000,000.00
770.	Michigan	Upgrade Tilson Road between M-28 South to intersection of M-28 at Rudyard, Chippewa County	$1,000,000.00
771.	New York	Rehabilitate Bridge Street Bridge in Town of Newark Valley	$1,040,000.00
772.	Tennessee	Construct State Route 1/US-70 to a four lane divided highway on new alignment from Centertown to McMinnville, Warren County.	$11,500,000.00
773.	Pennsylvania	Widen Route 22 to eight lanes from the intersection of Route 22 and I-78 in the west to Route 33 in the east.	$8,000,000.00
774.	Kentucky	Reconstruct I-471/KY 8 interchange	$2,000,000.00
775.	Illinois	Construct road to provide access to Belleville's Citizen Park, Belleville	$2,000,000.00
776.	New York	Rehabilitate Riis Park Boardwalk	$300,000.00
777.	California	Construct right turn lanes, bus turn out lanes, right of way, traffic signals	$2,400,000.00
778.	Indiana	Study approximately two miles of railroad to eliminate in-town crossing, thus enhancing safety and reducing congestion in Delaware County, IN.	$150,000.00
779.	New York	Improve Montauk Highway from CR46 to Barnes Road, Suffolk County	$8,000,000.00
780.	New York	Improve Ashburton Ave from the Saw Mill River Parkway to the waterfront, Yonkers	$500,000.00
781.	Arizona	Widening of I-10 from 40th Street to Baseline Rd. in Phoenix	$4,500,000.00
782.	Georgia	Build a bridge across Big Indian Creek, Perry County	$1,500,000.00
783.	Georgia	Streetscape project to upgrade sidewalks, lighting, and streets, Jeffersonville	$500,000.00
784.	Florida	PALM BAY PARK WAY from Malabar Road to Ellis Road located west of Palm Bay	$4,000,000.00
785.	Pennsylvania	New interchange off of Rte. 60 into proposed industrial park in Neshannock Township, PA	$1,000,000.00
786.	Louisiana	LA 10/Zachary Taylor Parkway, and LA 1148 in Iberville Parish, and LA1/I-10 Connector Study	$4,000,000.00
787.	Illinois	Improve roads and bridges, Cicero	$4,000,000.00
788.	Georgia	Streetscape [pedestrian safety enhancements, sidewalks, curb replacement, restoration, landscaping, ADA compliance, restoration], Quitman.	$75,000.00
789.	Georgia	Purchase of 4,000 acres for widening US 441 for mitigation purposes	$2,000,000.00
790.	Minnesota	Stillwater-Oak Park Heights Right of Way acquisition for approaches to St. Croix River Crossing	$5,000,000.00
791.	Tennessee	Upgrade circuit at gates/lights for Bristol grade crossing (Hazelwood Street) to intelligent systems that eliminate current variability.	$100,000.00
792.	Arkansas	For rail grade separations identified by the MPO for the Little Rock/North Little Rock metropolitan area, (which may include: Edison Avenue; McCain/Fairfax; Hwy 100; J.P. Wright Loop; Hwy 89 Extension; Geyer Springs Road; Confederate Blvd.).	$12,000,000.00
793.	New York	Construction of and improvements to Main Street in the Town of Aurora	$500,000.00
794.	Alabama	US 280 - Urban Interchanges from US 31 (Red Mountain Expressway) to Shelby CR 47	$10,000,000.00
795.	California	Rehabilitate the pavement of Vincent Avenue between Interstate I-10 and the north city limit, West Covina.	$450,000.00
796.	New York	Realignment of Union Valley Rd. in Town of Carmel-NY	$300,000.00
797.	Texas	Grade separation of SH 146 over future Port Terminal Railway (PTRA) lead track & Red Bluff Rd. supports proposed Bayport Terminal Complex.	$11,400,000.00
798.	Tennessee	Continuation of Shelby Avenue-Demonbreun Street project, Nashville	$6,500,000.00
799.	Arizona	Construction of a four lane tunnel to link Butherus Dr. to Raintree Dr. in Scotsdale	$1,500,000.00
800.	Michigan	Michigan Intermodal Transportation Management Center to administer surface, highway, transit, and bridge tunnel intelligent hardware.	$350,000.00
801.	Pennsylvania	PA896 between Strasburg Borough and US30 needs to be widened to reduce congestion and to improve safety.	$1,000,000.00
802.	New York	Rehabilitate a historic freight warehouse in the Erie Canal's Inner Harbor of Syracuse, NY and develop it into a transportation museum.	$400,000.00
803.	Ohio	Construct connector road between I-680 and I-80, Hubbard	$2,000,000.00
804.	Nevada	Design and Construct I-15 Interchange, Mesquite Nevada	$500,000.00
805.	North Carolina	Expand freeway management system on I-540 through video camera and fiber optic communications installation, Wake County.	$1,700,000.00
806.	Michigan	Design, ROW acquisition, and construction for road widening/passing lane on US-127 South between M-50 and Michigan 223 and on Michigan 223 toUS-23.	$2,200,000.00
807.	Illinois	Intelligent Transportation System (ITS) demonstration project. Emphasis will be on improved incident management strategies and collecting/providing real-time travel information on Lake Cook Road from US 12 and US 41.	$540,000.00
808.	California	Widen Harbor Blvd to 8 lanes in Anaheim Resort Area	$1,000,000.00
809.	Indiana	Reconstruction from intersection of County Road 500E and US52 to the intersection of County Road 500E and County Road 1200N.	$914,000.00
810.	California	Upgrade and extend Commerce Avenue, City of Concord	$1,750,000.00
811.	Nebraska	Completion of the Columbus, Nebraska, North Arterial road	$5,000,000.00
812.	Florida	West Avenue Connector Bridge, Miami Beach	$3,000,000.00
813.	Connecticut	Improve roads and bridges, Connecticut	$1,500,000.00
814.	Massachusetts	Reconstruct and enhance Melnea Cass Boulevard, Boston	$2,000,000.00
815.	California	Preliminary engineering and EIS/EIR process for 33-mile long Orange Line mag-lev connecting Los Angeles with Orange County.	$300,000.00
816.	New York	Construction of and improvements to Union Road and Walden Avenue in Cheektowaga	$1,000,000.00
817.	Indiana	126th St. Project is a 3.9 mile roadway between two high schools in Fisher. St. will expand to 4 lanes with curb.	$2,000,000.00
818.	New York	Bicycle/Pedestrian trail linking East & West portions of town in Town of Warwick-NY	$500,000.00
819.	Texas	Construct highway improvements on E. Tidwell, Ley Rd, and E. Little York Rd	$4,000,000.00
820.	California	Widen and reconstruct Arch-Sperry Road to improve connection between Interstate 5 and State Route 99, San Joaquin County.	$5,000,000.00
821.	California	Construct San Leandro-Oakland biking and hiking path	$750,000.00
822.	Mississippi	Memorial Boulevard improvements, Picayune	$1,380,000.00
823.	Wisconsin	Widen State Highway 29 from I-94 to City of Chippewa Falls	$4,000,000.00
824.	Virginia	Further widen I-66 westbound from Rosslyn Tunnel to Dulles Access Road	$5,000,000.00
825.	Pennsylvania	Oakland Portal-Bates Street/I-376 exchange reconfiguration and resignalization and replacement of low clearance bridge carrying the Eliza Furnace Trail.	$1,000,000.00
826.	Texas	Engineering, Design, Environmental Studies, and right-of-way acquisition for a direct connector interchange from between I-45 and State Highway 146.	$4,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
827.	Illinois	Construct Leon Pass overpass, Hodgkins	$1,000,000.00
828.	North Carolina	Lenoir County highway improvements on Crescent Road to NC 58	$1,600,000.00
829.	California	Auburn Boulevard Reliever Route Under-grounding construction along I-80, Sacramento, CA	$2,000,000.00
830.	New York	Improve pedestrian and bicyclist safety along Queens Boulevard in Sunnyside and Woodside, Queens.	$500,000.00
831.	California	Build interchange connecting State Route 99 to newly aligned State Hwy 132, Modesto	$18,500,000.00
832.	Michigan	Van Buren, Belleville Rd. widen to 5 lanes between Tyler and Ecourse	$1,000,000.00
833.	Virginia	Repair of Starling Av Bridge in Martinsville	$500,000.00
834.	California	Widen State Route 99 to six lanes between Kingsburg and Selma, Fresno County	$14,000,000.00
835.	Pennsylvania	Redesigning the intersection of US 322/High Street and Rosedale Ave, constructing a new East Campus Drive.	$1,000,000.00
836.	Florida	Improvements to U.S. 1 between SW 4th street to the south and George Bush Blvd. To the north, Delray Beach, Florida.	$2,000,000.00
837.	New York	Install Improvements for Pedestrian Safety in the vicinity of PS 200	$250,000.00
838.	Massachusetts	Extensions and additions to the existing North Worcester County Bike Path System, including the Hardwick bike path.	$6,000,000.00
839.	New York	Construction of and improvements to South Park Avenue and Lake Avenue in the Village of Blasdell.	$500,000.00
840.	Illinois	Reconstruct Irving Park Road bridge of the North Branch of the Chicago River, Chicago	$4,030,000.00
841.	Washington	Tacoma Lincoln Avenue - Elevate Lincoln Ave. by constructing a viaduct over existing railroad lines.	$1,000,000.00
842.	Ohio	Road paving, pedestrian traffic and safety improvements throughout the Village of Bentleyville	$833,000.00
843.	Michigan	Reconstruct Bissonette Road from Lorenz Road to M65 with 12' lanes and 2'paved shoulders and gravel shoulders, Iosco County.	$623,500.00
844.	Illinois	Improve roads and bridges, Village of River Forest	$1,000,000.00
845.	Virginia	Rocky Knob Appalachian Heritage Center - feasibility study, design, site acquisition for trail system and visitors center on Blue Ridge Parkway.	$1,500,000.00
846.	Connecticut	Improve Plainfield Cemetery Road and Drainage	$300,000.00
847.	Ohio	Rehabilitation/replacement of rail grade separations along the West Central Ohio Port Authority route in Champaign and Clark Counties.	$360,000.00
848.	Ohio	St.Route 8 Interchange and Ramp Construction in Summit Co	$4,000,000.00
849.	Mississippi	Upgrade roads in Indianola (U.S. Hwy 82 and 49), Ruleville (U.S. Hwy 82 and 6), Moorehead (U.S. Hwy 82 and 3), Doddsville (U.S. Hwy 49), Sunflower (U.S. Hwy 49) and Drew (U.S. Hwy 49), Sunflower County.	$2,300,000.00
850.	California	Renovation and repair of Rosemead Blvd-Hwy19 such as new sidewalks, traffic loops, pavement, street lights.	$100,000.00
851.	Illinois	Connects about a two-mile two lane segment through Collinsville with IDOT's current project of widening IL-159.	$1,000,000.00
852.	New York	Improvements to the Far Rockaway Business District, Queens	$2,400,000.00
853.	New Jersey	Construct new ramps between I-295 and Route 42	$5,000,000.00
854.	South Carolina	Simmons Ford/Fork School Road Bridge in Anderson County	$235,000.00
855.	Arkansas	Improvement of Higdon Ferry Road, Hot Springs	$4,000,000.00
856.	California	Eucalyptus/ Peyton Drive intersection improvements in the city of Chino Hills	$7,036,110.00
857.	Mississippi	Upgrade roads in Mayersville (U.S. Hwy 14 and 1), Issaquena County	$200,000.00
858.	New York	Rehabilitation of Guy Lombardo Avenue in Freeport, New York	$1,700,000.00
859.	Indiana	Extend and improve the Cardinal Greenway in the City of Richmond, Indiana	$2,000,000.00
860.	Virginia	Reconstruction of Robertson Bridge in Danville	$5,970,000.00
861.	Connecticut	Conduct multimodal study of Route 8 corridor	$1,000,000.00
862.	Ohio	Construct an access road into the industrial park near SR 209 and CR 345 in Guernsey County	$800,000.00
863.	California	Widen South Main Street/Soda Bay Road between CR 400A /miler marker 0.0-mile marker 0.7 and CR502/mile marker 0.0 and mile marker 0.9.	$4,000,000.00
864.	Ohio	Construct grade separation at Stearns Road, Cuyahoga County	$3,750,000.00
865.	Illinois	Construct DuPage River Bike and Pedestrian Trail linking Grand Illinois, Midewin, and I&M Canal Trails.	$100,000.00
866.	Texas	Construct parallel bridge for SH 35 over Copano Bay	$2,000,000.00
867.	Pennsylvania	For the City of Philadelphia to begin construction of a low-impact, 2-lane roadway serving the North Delaware Riverfront corridor.	$10,000,000.00
868.	Arkansas	Improvement of Ryburn road, Parker Loop, Hill Harper Road, Rogers Road, and Shady Grove Road, Cleveland County.	$500,000.00
869.	Alaska	Keystone Drive Road Improvements	$1,000,000.00
870.	New York	Improve Long and Short Beach Road, Southampton	$2,100,000.00
871.	California	Widen Avenue P to six lanes to alleviate traffic congestion in Palm Dale, CA	$4,000,000.00
872.	Colorado	East 104th and US85 Intersection: Study, design and construction of needed improvements to intersection.	$2,000,000.00
873.	Alaska	Construct access road connection from Seward Highway to rail and airport facilities in Seward	$3,000,000.00
874.	Texas	Widen FM 380 West from 2 to 4 lanes from the Denton, Texas city limits to western Denton County line.	$5,000,000.00
875.	Ohio	Construct Safety and Accessibility Improvement project on U.S. Route 40, Bridgeport	$100,000.00
876.	Michigan	repave of Frenchline Road from state highway M-53 to Juhl Road	$500,000.00
877.	Pennsylvania	Design, engineering, ROW acquisition, and construction of street improvements and safety enhancements, Borough of Duryea in Luzerne County.	$250,000.00
878.	Alabama	Create a US-431 bypass around Eufaula, AL	$1,000,000.00
879.	North Carolina	New route from US 17 in Brunswick County to Independence Boulevard in Wilmington, including new bridge over Cape Fear River.	$1,000,000.00
880.	Washington	Congestion relief on I-405 with added lanes from SR520-SR522 including 2 lanes each way from NE 85th-NE 124th.	$1,000,000.00
881.	Illinois	Resurface Internationale Parkway between Lemont Road and Joliet Road in Woodridge, IL	$100,000.00
882.	Texas	Pedestrian walkway improvements for the Main Street Corridor Revitalization Project, Houston	$16,000,000.00
883.	Wisconsin	onstruct State Highway 110 (County Highway G to Winchester), Winnebago County, WI	$5,000,000.00
884.	Minnesota	Construct 4th Street overpass grade separation crossing a BNSF Rail Road, City of Carlton	$199,794.00
885.	American Samoa	Village road improvements for Tau, Ofu, and Olosega-Sili counties in Manua District	$1,400,000.00
886.	New York	Remediate road runoff in vicinity of Peconic Estuary watershed	$1,000,000.00
887.	Texas	I35 Replacement Bridge, Dallas	$10,400,000.00
888.	Ohio	Red Bank Road Widening I-71 to Fair Lane in Hamilton County	$4,100,000.00
889.	Georgia	Upgrade sidewalks and lighting, Wrightsville	$500,000.00
890.	Louisiana	Construct Kansas-Garrett Connector and I-20 Interchange Improvements, Ouachita Parish	$5,000,000.00
891.	Connecticut	Construct Enfield Maple Street Bridge Replacement	$1,910,000.00
892.	Texas	Anzalduas Bridge Connection from the proposed bridge GSA facilities, north 2.4 miles to connect to Bryan Road, Mission.	$500,000.00
893.	Ohio	Paving, access and service road construction at Gate Lodge site in the City of Akron	$180,000.00
894.	Oregon	I-5/Beltline Interchange	$15,000,000.00
895.	Texas	Construction of the Northeast Parkway from Loop 375 to the Texas-New Mexico state line on FM3255, El Paso.	$4,500,000.00
896.	Illinois	Improve streets, Merrionette Park	$500,000.00
897.	Illinois	For widening from two to four lanes, the Brookmont Boulevard Viaduct in the city of Kankakee	$750,000.00
898.	Georgia	Create a greenway trail along the Oconee River connecting parks, preserving historic sites, and promoting economic development.	$2,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
899.	Nevada	Widening of I-15 from US-95 to Speedway Blvd	$6,000,000.00
900.	Pennsylvania	Conducting environmental review and acquire right of way for preferred alternative to improve Rt. 41.	$4,000,000.00
901.	Georgia	Construct Peter St. and Olympic Drive access perimeter around city of Athens	$2,000,000.00
902.	New York	Rehab Fishkill Road, culvert replacement at Foundry Brook in Putnam County-NY	$1,200,000.00
903.	Virginia	Construct Route 29 Bypass in Amherst and Lynchburg	$2,000,000.00
904.	Minnesota	Construction of Mesabi Station, City of Virginia	$1,300,000.00
905.	Pennsylvania	Construction of the Jeannette Truck Route to upgrade access from SR 30 to the City of Jeannette and the Jeannette Industrial Park.	$1,000,000.00
906.	Kentucky	Replace bridge over Stoner Creek (C-37), 2 miles east of Junction US 27	$800,000.00
907.	Texas	Construct Arkansas Avenue railroad grade separation project, Laredo	$4,500,000.00
908.	Minnesota	CSAH 61 improvements, City of Coleraine, Itasca County	$490,000.00
909.	New Jersey	Rte. 52 Causeway Replacement & Somers Point Circle Elimination. Replace 4 bridges with fixed span elevated structure, replace circle with intersection.	$9,000,000.00
910.	North Carolina	Study feasibility of widening NC226, initiate preliminary planning and design and make operational upgrades to improve safety.	$2,000,000.00
911.	District of Columbia	11th St. BridgesRehabilitation of structures as well as new ramps to provide for traffic at Navy Yard, Southeast Federal Ctr., and Gateway Government Ctr.	$32,000,000.00
912.	Delaware	Replacement of Indian River Inlet Bridge along SR-1	$5,000,000.00
913.	Tennessee	Improve circuitry on vehicle protection device installed at railroad crossing in Niota, TN	$57,000.00
914.	Virginia	Wolf Creek Trail - development of trail along Wolf Creek, Washington County	$75,000.00
915.	Virginia	Improve Rt. 221 in Forest, VA	$1,000,000.00
916.	Tennessee	Widen SR-66 in Sevier County, north of Sevierville to a six-lane facility	$2,000,000.00
917.	Illinois	Patch, drain, resurface, reshoulder, and reconstruct county highways 8 and 29 at their I-55 interchanges.	$1,000,000.00
918.	Mississippi	State Route 44 rerouting, Columbia	$3,500,000.00
919.	New York	Pedestrian walkway and bikeway improvements along the NYC Greenway System in Coney Island.	$3,200,000.00
920.	Massachusetts	Construct Blackstone River Bikeway between Providence, RI and Worcester, MA	$3,500,000.00
921.	Washington	SR 2/ Main Street/Old Owen Road Intersection, Monroe	$540,000.00
922.	Iowa	Construct SW connector from the interchange of relocated IA 5 to IA 28 in West Des Moines	$2,000,000.00
923.	Florida	Construction of US 1 Interchange at CR 210 in St. Johns County, Florida	$6,300,000.00
924.	Massachusetts	Reconstruction of the North Washington Street Bridge, Boston	$8,000,000.00
925.	Oregon	South Bank Trail, Eugene	$1,920,000.00
926.	Minnesota	Construct roadway improvements to CSAH 76, Little Falls	$600,000.00
927.	Illinois	Widen IL Route 47 thru Huntley, IL	$3,900,000.00
928.	Rhode Island	Replace Sakonnet Bridge	$9,500,000.00
929.	New Jersey	Study and preliminary engineering designs for a boulevard on State Route 440 and .S. Highway Route 1 & 9, Jersey City.	$1,000,000.00
930.	Ohio	Highway safety construction/improvements in Geauga Co on Merrit Rd	$300,000.00
931.	Louisiana	Develop master transportation plan for the New Orleans Regional Medical Center	$300,000.00
932.	Pennsylvania	Erie Corridor Upgrades: Peach St. - I-90 to Waterford; Rte. 89 - Rte. 6 to Rte. 8; Rte. 6N - I-79 to Angling Rd.; Rte. 6 - Rte. 89N to Corry; Rte. 6 at: Ranges Corner Hill, E. of Union City, Routes. 89, 8 and 19.	$1,000,000.00
933.	Tennessee	Create a multi-faceted greenway in downtown Columbia on the Duck River	$8,000,000.00
934.	Michigan	M-6 Paul Henry Freeway trail design and construction	$2,660,000.00
935.	Mississippi	Pearl-Richland Intermodal Connector:Intermodal connector linking I-20 to US Hwy 49 and servicing Kansas City Southern Railroad Intermodal facility.	$1,000,000.00
936.	Washington	Bremerton Pedestrian/Bremerton Transportation Center Access Improvement project	$20,000,000.00
937.	California	Construct Silicon Valley Transportation Incident Management Center, San Jose	$6,000,000.00
938.	New York	Rehab Rt 9 in City of Peekskill	$1,775,000.00
939.	New York	Construction of and improvements to Niagara Street in Buffalo	$1,000,000.00
940.	Alabama	Construct interchange on I-59 at 49th Street (city of Fort Payne)	$3,000,000.00
941.	West Virginia	Constructing four lane improvements on US Route 35 in Mason County, West Virginia	$44,250,000.00
942.	Pennsylvania	Replacement of the Blair Creek Bridge (SR 1010) over the Little Lehigh Creek, just west of the Maple Grove Bridge, in Longswamp Township, Berks County.	$1,600,000.00
943.	California	Improve I-8 offramp at Octotillo to the Imperial Valley College Desert Museum/Regional Traveler Visitor Center, Imperial County.	$1,000,000.00
944.	California	Widen State Route 99 between Tulare and Kingsburg, California	$3,800,000.00
945.	California	Add carpool lane and truck lane on Interstate 5 in Santa Clarita Valley, CA	$1,500,000.00
946.	Minnesota	Construct full diamond interchange for TH 53 at 6th Ave, City of Virginia	$2,100,000.00
947.	Florida	Improvements to Interstate 75 between Daniels Parkway in Lee County, FL, and Golden Gate Parkway in Collier County.	$34,000,000.00
948.	Virgin Islands	Reconstruct Scott Free Road, St. Thomas	$7,000,000.00
949.	Connecticut	Construct Groton Bicycle and Pedestrian Trails and Facilities	$380,000.00
950.	Pennsylvania	Logan Sq. transportation enhancements involving pedestrian, safety, and landscaping improvements to area bisected by Benjamin Franklin Parkway and Logan Circle.	$1,250,000.00
951.	New Hampshire	Reconstruction and upgrade of the intersection of NH 130 and Broad Street in Hollis, NH	$464,000.00
952.	Alabama	Additional lanes on US-84 from Andalusia to Enterprise	$1,000,000.00
953.	New York	Implement Improvements for Pedestrian Safety in New York County	$1,000,000.00
954.	Ohio	Road Construction parallel to railway crossing to eliminate use of unsafe grade crossing	$300,000.00
955.	Minnesota	Construction of primary and secondary access roadways to the Duluth Air National Guard Base, City of Duluth.	$4,000,000.00
956.	New Jersey	Project will separate the intersection of 13th Street and the Lehigh Rail Line through bridge or tunnel in Borough of Manville, NJ.	$500,000.00
957.	Ohio	Expand Cuyahoga Tow Path, Brooklyn Heights and Newburg Heights	$3,250,000.00
958.	Florida	Improvements to State Road 710, Congress Avenue to Dixie Highway, Palm Beach County	$3,000,000.00
959.	Nebraska	Construct an Interchange at Pflug Road and I-80, Sarpy County	$1,000,000.00
960.	Georgia	I - 75 widening from 4-8 lanes, Tift/Lowndes/Turner Co	$1,000,000.00
961.	California	Monterey Bay Sanctuary Scenic Trail -- connect missing segments of a bike and pedestrian trail around the Monterey Bay National Marine Sanctuary.	$5,000,000.00
962.	Illinois	Construct pedestrian walkways and streetscaping projects, Western Springs	$4,210,000.00
963.	Illinois	Undertake streetscaping project on Harlem Avenue initiating from 71st Street to I-80, Cook County.	$5,000,000.00
964.	Pennsylvania	SR 3003 Bridge, replace bridge with possible roadway realignment in Mehoopany, Wyoming County.	$2,000,000.00
965.	Arkansas	Construction of I-49, Arkansas portion of Bella Vista Bypass to Pineville, Missouri on current Hwy 71.	$10,000,000.00
966.	Ohio	Improvements to Lauby Rd., an exit off Interstate 77 in the City of Green	$1,500,000.00
967.	Georgia	SE DeKalb Arterial Analysis	$1,000,000.00
968.	Oregon	Study landslides on U.S. Hwy. 20 between Cascadia and Santiam Pass to develop long-term repair strategy.	$1,000,000.00
969.	Illinois	Construct connector road from McCormick Blvd. to I-94, Lincolnwood	$1,000,000.00
970.	New Jersey	Pedestrian facilities and street lighting on Route 551 from Route 130 to Chestnut Street, Brooklawn.	$400,000.00
971.	New Hampshire	Relocation of the intersection of Maple Avenue and Charleston Road (Route 12 and 11) in Claremont, NH.	$500,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
972.	Illinois	Conduct study of Oak Park Environmental Cap	$1,000,000.00
973.	New York	Construct and improve access roads to Northland Commerce Park in Buffalo	$1,500,000.00
974.	Florida	I-75 Interchange Improvements in Pembroke Pines, Broward County, Florida	$9,000,000.00
975.	Texas	Hike and bike trail will tie into the Gellhorn Dr. project providing an improved multi-modal transportation facility.	$1,000,000.00
976.	Tennessee	Widen SR-75 to five lanes in Washington and Sullivan Counties	$2,500,000.00
977.	Arkansas	Repair Clear Creek Bridge and approaches, Lafayette County	$280,000.00
978.	Wisconsin	Reconstruct US Highway 41 in Oconto County, WI	$2,000,000.00
979.	Tennessee	Improve circuitry on vehicle protection device installed at railroad crossing in Sweetwater, TN	$96,000.00
980.	Oklahoma	Construction of Norman Grade Separation	$2,000,000.00
981.	Washington	U.S.-12, Burbank to Walla Walla: Construct U.S. Highway 12 from Wallula to Walla Walla, Washington.	$3,000,000.00
982.	Illinois	Improve roads, Village of Bellwood	$1,328,000.00
983.	Ohio	Bridge replacement over the Tuscarawas River in Bethlehem Township	$1,300,000.00
984.	New York	Improve North Fork Trail, Southold	$200,000.00
985.	Arizona	Construct railroad grade separations (on 6th St. and 22nd St). and reconstruct Speedway Blvd. Underpass, Tucson.	$7,000,000.00
986.	California	Atlantic Blvd Bridge widening, Vernon	$1,000,000.00
987.	Indiana	Upgrade of US 31 from I-465 to SR 38 in Hamilton County, a distance of 12.5 miles	$1,000,000.00
988.	Connecticut	Construct Valley Service Road Project, North Haven	$1,000,000.00
989.	Pennsylvania	SR 3005 Bridge, replace the existing one span steel truss bridge with concrete box beam bridge. In Sterling Township, Wayne County.	$1,000,000.00
990.	Puerto Rico	To provide for the extension of PR-53 between Yabucoa and underserved Maunabo. Project will enhance safety and efficiency while protecting the environment.	$5,000,000.00
991.	South Carolina	Murphy Road West Bridge in Anderson County	$150,000.00
992.	California	Improve farm to market roads in Tulare County	$6,000,000.00
993.	Illinois	Phase II engineering study for high level bridge linking Caton Farm Road with Bruce Road	$2,000,000.00
994.	Maine	Safety Enhancements on Routes 11, 6, and 16 for Piscataquis County Industrial Development	$400,000.00
995.	Mississippi	Old Augusta Road project, Perry County	$3,500,000.00
996.	Missouri	Lane widening and shoulder construction as part of larger 92-10 corridor development	$4,000,000.00
997.	Georgia	Construct a new Interchange at I-75 and CR 65 and perform renovations on CR 65	$7,757,976.00
998.	Texas	US 59 just south of Nacogdoches, from Loop 224 south to Spradley Street	$3,000,000.00
999.	New York	Reconstruct Page Green Road (Starr Road to Congdon Lane)	$2,900,000.00
1000.	Massachusetts	Reconstruct and enhance Massachusetts Avenue, Boston	$5,000,000.00
1001.	Oregon	Construct turn lane on Hwy. 101, Gold Beach	$200,000.00
1002.	Florida	Timucuan Bike Trail in Duval County	$1,500,000.00
1003.	Texas	Extension of SH190, the President George Bush Tollway, in Rowlett to IH-30 in Garland	$5,000,000.00
1004.	Colorado	Bromley Lane and US 85 interchange feasibility study and construction of needed improvements	$2,000,000.00
1005.	Texas	SH 158 from US87, N of Sterling City to 9.5 miles west	$1,500,000.00
1006.	Alabama	Continuous river edge walkway creating a system of parks and open spaces in historic downtown Montgomery.	$1,000,000.00
1007.	Wyoming	U.S. 85 Passing Lanes:Add passing lanes on the hills from Lusk to Mule Creek Junction	$2,000,000.00
1008.	Texas	Ennis, US 287 Bypass from US 287 South to IH-45, take from two lanes to four	$7,000,000.00
1009.	Mississippi	Airport Parkway Connector:Multi-lane limited access highway linking downtown Jackson to Jackson International Airport - western segment of project connecting I-55 to MS Hwy 468.	$2,000,000.00
1010.	Tennessee	Widen State Route 101 in Cumberland County from two lane highway to five lanes between State Routes 282 (Dunbar Road) and 392, Crossville.	$8,000,000.00
1011.	Illinois	Feasibility study to examine transportation access improvements related to South Suburban Airport, Will County.	$100,000.00
1012.	Florida	Expansion of SR 35 in Marion County. The Project extends from SR 40 south to SR 464	$3,000,000.00
1013.	New Jersey	Expand Interchange at Exit 16 on Interstate 280, Harrison	$10,000,000.00
1014.	Iowa	Reconstruct U.S. 30 ''Liberty Square Redevelopment'' in City of Clinton	$10,000,000.00
1015.	Pennsylvania	Enhance and further build out existing ITIP ITS system, the Philadelphia region	$4,100,000.00
1016.	California	Conduct Study and Construct Vasco Road Safety Improvements Project, Contra Costa County, CA.	$1,000,000.00
1017.	Illinois	Improve Cottage Grove/South Chicago Avenue/71st Street intersection, Chicago	$700,000.00
1018.	Florida	Improvements to Interstate 75 between Daniels Parkway in Lee County, FL, and Golden Gate Parkway in Collier County, FL.	$14,000,000.00
1019.	Pennsylvania	Freeport Bridge Rehabilitation for structural improvements, Armstrong County	$1,500,000.00
1020.	Indiana	Improve Rt. 100 South, Porter County	$1,000,000.00
1021.	Illinois	Study, design, and construct a designated truck route through the City of Monticello	$1,000,000.00
1022.	Florida	Upgrade US 301 to 4 lanes between CR475 & Jarrell Ave in Sumter County	$3,000,000.00
1023.	Illinois	Construct certain segments of Southern DuPage County Regional Trail	$100,000.00
1024.	Texas	Reconstruct the I-30 Bridge over the Trinity River in Dallas, Texas	$1,000,000.00
1025.	Ohio	New highway connector linking U.S. Route 36 and I-71 in Delaware County	$14,000,000.00
1026.	New York	Conduct corridor study on NYS 5 in the village of Herkimer	$80,000.00
1027.	Texas	Reconstruct and elevate FM3005, Harborside Dr., and Stewart Rd., Galveston	$500,000.00
1028.	Florida	Construction of a new bridge at Indian Street, Martin County	$1,000,000.00
1029.	Ohio	Construct pedestrian bridge over I77; tunnel underneath railroad; bridge over Tuscarawas River along Ohio and Erie Canal in Tuscarawas County.	$2,000,000.00
1030.	Maine	Kennebec River Rail Trail	$400,000.00
1031.	Colorado	Widen and upgrade US 36 from City of Boulder to I-25	$5,000,000.00
1032.	Illinois	Engineering studies and construction of Romeoville and/or Plainfield interchange(s) approved by FHWA.	$1,500,000.00
1033.	Texas	US 380 from Throckmorton/Young County line, 7.409 miles west	$1,000,000.00
1034.	Illinois	Construction and engineering US Rte 30 to four lanes between Fulton and Rockfalls, IL	$1,000,000.00
1035.	California	I-5 CIP adds general purpose lanes, HOV lanes & corridor arterial improvements from SR 91 to I-710.	$5,650,000.00
1036.	Florida	I-95 Interchange at Becker Road in St. Lucie County, Florida	$2,000,000.00
1037.	New York	Implement Diamond Grinding Measures to Reduce Noise on I-95, I-278, Mosholu Parkway, I- 495, Grand Central Parkway, and Richmond Parkway.	$700,000.00
1038.	Missouri	Construct new Missouri Route 19 Bridge at Hermann, Missouri	$1,000,000.00
1039.	Oregon	Reroute U.S. 97 at Redmond, OR and improve the intersection of U.S. 97 and Oregon 126	$5,000,000.00
1040.	Texas	Improvements to North I Road, north of FM 3461 to SH 495, Hidalgo County	$1,900,000.00
1041.	Tennessee	Proposed State Route 385 from US -72 to I-40 in Shelby and Fayette Counties. It is part of an outer loop, around the city of Memphis.	$3,150,000.00
1042.	Florida	Replacement of a two lane bridge with a four lane bridge including bicycle and pedestrian lanes in Bay County.	$5,000,000.00
1043.	Pennsylvania	Intersection improvements at PA Route 209 and Water Company Road, construction of a bridge and access enhancements to Nature and Arts Center, Upper Paxton Township.	$500,000.00
1044.	Ohio	Upgrade Riversouth street networks between Route 40 and I-70/71 in Columbus, Ohio	$8,000,000.00
1045.	Maryland	Design and right of way of an interchange connecting MD 5, MD 373, and Brandywine Road, and the widening of MD 5 between Moore's Road and US 301, Charles County.	$10,000,000.00
1046.	Virginia	Town of St. Paul - restoration of historic Hillman House to serve as trail system information center on and construction of stations.	$300,000.00
1047.	Arkansas	Overlay Lester Road, County Road 25, Ouachita County	$500,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
1048.	Indiana	Extend Interstate 69 from Indianapolis to Evansville	$10,000,000.00
1049.	Louisiana	Construct bridge across Ouachita River from Monroe, LA to West Monroe, LA	$1,500,000.00
1050.	Florida	Depot Avenue Road Enhancements, Gainesville	$6,000,000.00
1051.	New York	The Town of North Hempstead's improvements along Prospect Avenue corridor in the hamlet of New Cassel.	$1,000,000.00
1052.	California	Reconstruct the interchange of I-5 and Richards Boulevard and other improvements	$10,000,000.00
1053.	New York	Rt 17 M Corridor access management and safety improvements in Orange County - NY	$500,000.00
1054.	Oregon	Construct highway and pedestrian access to Macadam and construct street improvements as part of South Waterfront development.	$9,000,000.00
1055.	Mississippi	Widening of MS Hwy 15: Reconstruction, relocation, and widening segment of MS Hwy 15 from Louisville to Philadelphia.	$1,250,000.00
1056.	Illinois	Next phase of the US Route 51 four-lane expressway extension from Moweaqua to Pana	$1,800,000.00
1057.	California	Reconstruct 7 miles of Whittier Blvd. from Valley Home to Rivera Road (State Route 72), Whittier.	$1,100,000.00
1058.	Louisiana	New Iberia rail grade separation	$250,000.00
1059.	Mississippi	Feasibility Study for MS Hwy 27:Feasibility study for widening MS Hwy 27 south from Monticello to Louisiana line.	$500,000.00
1060.	Georgia	7.3 mile recreation and multi-use trail in Hall County, Georgia	$5,200,000.00
1061.	District of Columbia	South Capitol Street/Fredrick Douglass BridgeRehabilitation of structures and environmental studies.	$20,000,000.00
1062.	South Carolina	Construction of SC 9 in Spartanburg County	$9,000,000.00
1063.	Florida	Upgrade of I-75 between SR52 and SR 50 in Pasco & Hernando County	$1,000,000.00
1064.	North Carolina	Widening of US 29 Business (Freeway Drive) from South Scales Street to NC 14, Rockingham County.	$10,000,000.00
1065.	California	Realign Route 4 within the City of Oakley to construct a northerly bypass west of Vintage Parkway to Main Street at the intersection of Second Street.	$2,000,000.00
1066.	Ohio	Upgrade U.S. Route 30 between State Route 235 and Upper Sandusky in Hancock and Wyandot Counties.	$10,090,000.00
1067.	Michigan	Highland, Pave Clyde Rd. from Strathcona to Hickory Ridge	$125,000.00
1068.	New York	Improvements to Lexington Ave. in Village of Mt. Kisco in Westchester County	$500,000.00
1069.	New Mexico	Complete design, environmental and cultural resource studies and initial construction of NM4 around, or improvements through, Walatowa.	$1,500,000.00
1070.	California	Widen California Hwy 101 and reconstruct off ramps between Steele Lane and the town of Windsor.	$9,000,000.00
1071.	Virginia	North Fork of Pound Lake Trail and Visitors Center - construction of trails network and visitors center on Forest Service land.	$750,000.00
1072.	Maryland	Rt. 29 lane widening from Rt. 32 intersection to Johns Hopkins Rd. to reduce congestion and increase safety, Howard County.	$11,000,000.00
1073.	Alaska	Construct linking road from airport to port in Akutan	$3,000,000.00
1074.	Pennsylvania	California University of Pennsylvania Urban Maglev Demonstration Project	$2,000,000.00
1075.	Virginia	Engineering and Right-of-Way for Interstate-73 in Henry County	$2,000,000.00
1076.	Indiana	Widening of 1.2 miles of 4 lane street, with sidewalks in Carmel, IN	$1,000,000.00
1077.	Arkansas	Improve Johnny Tate Bridge, Scott County	$280,000.00
1078.	Minnesota	Phase III of Devil Track Road Project, Cook County	$1,200,000.00
1079.	New York	Pedestrian access improvements to Main Street in the central business district of Hempstead	$2,000,000.00
1080.	Minnesota	Construct Paul Bunyan Trail Walker to Bemidji Segment	$1,400,000.00
1081.	California	Construct exit from SR 78 to San Diego State University-Brawley Campus, Brawley	$500,000.00
1082.	Mississippi	Upgrade roads in Fayette (U.S. Hwy 61 and 33), Jefferson County	$600,000.00
1083.	Michigan	grade separation over the Canadian National Railroad at Wilder Road	$1,000,000.00
1084.	Alaska	Citywide pavement rehabilitation in City of North Pole	$1,000,000.00
1085.	Pennsylvania	Construction of 15 mile segment of Mon-Fayette Expressway from Rt 119, Fayette County to Rt 88, Washington County.	$5,000,000.00
1086.	North Dakota	Replacement of Bismarck Mandan Memorial Bridge. This bridge spans the Missouri River and connects two of North Dakota's largest cities.	$24,000,000.00
1087.	Oklahoma	Construct and widen six lanes on Interstate 44 from the Arkansas River extending east approximately 3.7 miles to Yale Avenue in Tulsa.	$12,000,000.00
1088.	Michigan	Croix Street reconstruction - remove and install new surface, curb, gutter, sidewalk from US 41 to Mass Street, Negaunee.	$1,125,000.00
1089.	Virginia	Construct I-73 in Roanoke County	$2,000,000.00
1090.	Texas	Complete upgrade of US 290 East of Williamson Creek to West of RM 1826	$6,000,000.00
1091.	New York	Deer Avoidance System	$250,000.00
1092.	Mississippi	Longleaf Trace Rail-Trail:Expansion and improvement of Longleaf Trace rails-to-trail, running from Prentiss to Hattiesburg.	$250,000.00
1093.	Pennsylvania	Rt-422-Complete preliminary engineering and four lane expansion from Ebensburg to Kitanning	$3,000,000.00
1094.	Georgia	1-mile pedestrian pathway along Spring Road, Cobb County	$2,000,000.00
1095.	Georgia	US 27 reconstruction and rehabilitation, Colquitt to CR279/Damascus-Hilton Road	$1,000,000.00
1096.	Mississippi	Upgrade roads in Kilmichael, Montgomery County	$400,000.00
1097.	New York	Rehabilitation of road and drainage systems on Sequams Lane Center and Sequams Lane West in the Town of Islip.	$700,000.00
1098.	New York	Improvements to Old Glanham Rd in Town of Fishkill	$125,000.00
1099.	California	Alhambra Valley Boulevard Enhancement Project, the City of Alhambra	$2,000,000.00
1100.	California	Widening of Mount Vernon Avenue bridge to four lanes, Colton	$1,250,000.00
1101.	Ohio	Continue enhancement of successful riverfront project to provide valuable pedestrian and bikeway linkages, connecting surrounding neighborhoods and downtown.	$3,480,000.00
1102.	Massachusetts	Geometric improvements, safety enhancements, and signal upgrades at Rt. 28 & Rt. 106, intersection West Bridgewater.	$1,500,000.00
1103.	Tennessee	Improve circuitry on vehicle protection device installed at railroad crossing in Knoxville, TN	$158,000.00
1104.	Indiana	New road construction of Oak Road Extension in Plymouth, Indiana	$1,000,000.00
1105.	California	Implement intelligent management & logistics measures to improve freight movement, Gateway Cities.	$3,000,000.00
1106.	Indiana	Modernize traffic signals throughout the city, reduce congestion, enhance economy, ease air pollution in Muncie, IN.	$600,000.00
1107.	Mississippi	Upgrade roads at Coahoma Community College, and roads in Coahoma and Jonestown, Coahoma County.	$1,600,000.00
1108.	Alabama	Pedestrian Improvements for the cities of Moody, Leeds, Homewood, Columbiana, Northport, Gardendale, Morris, Centerpoint and Pell City.	$1,200,000.00
1109.	Arizona	Resurface Navajo Mountain Road, Navajo Nation	$1,000,000.00
1110.	Texas	Road grade separation at Fairmont Parkway over Southern Pacific Road	$5,000,000.00
1111.	New York	Construct smart growth improvements in the Nepperhan Valley, Yonkers	$500,000.00
1112.	California	Reconstruct segments of Hollister Avenue between San Antonio Road and State Route 154, Santa Barbara County.	$2,500,000.00
1113.	Indiana	Interchange of Interstate 64, Harrison County	$600,000.00
1114.	Missouri	Expand MO Rt. 94 (St. Charles Cnty, MO) to accommodate increased traffic flow from completed Page Ave Bridge.	$3,000,000.00
1115.	Florida	Miami River Greenway Roadway Improvements Project	$2,000,000.00
1116.	Michigan	M-72 Widening in Grand Traverse County	$2,500,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
1117.	Ohio	Construct bike/pedestrian path, Independence	$1,100,000.00
1118.	Texas	I35 East/I-635 Interchange	$2,500,000.00
1119.	Florida	Park Blvd. (SR 694), Pinellas Park	$5,000,000.00
1120.	Colorado	Improve US 40 over Berthoud Pass, Clear Creek and Grand Counties	$1,000,000.00
1121.	Illinois	Improve streets, Westchester	$150,000.00
1122.	Nevada	Construct City of Henderson, Nevada Interchanges, I-515	$21,000,000.00
1123.	Arizona	Construct the Rio Salado Parkway from 7th Street to the planned loop 202 freeway, Phoenix	$8,000,000.00
1124.	Washington	24-hour two-way transit and HOV facility on I-90 between I-5 in downtown Seattle and I-405 in Bellevue.	$10,000,000.00
1125.	New York	Restore vehicular traffic to Main Street in downtown Buffalo	$5,000,000.00
1126.	West Virginia	Construct Shawnee Parkway	$1,100,000.00
1127.	Pennsylvania	Upgrades to Business Route 220 (SR 4009) at the entrance of the Bedford Business Park to Beldon County Ridge intersection.	$2,100,000.00
1128.	New York	Construction of and improvements to Michigan Avenue, Buffalo	$1,000,000.00
1129.	Illinois	Reconstructs and realigns 2.3 miles of Evergreen Avenue located west of the City of Effingham, IL.	$1,875,000.00
1130.	New York	Improvements to Brewster Hill Rd., Starr Ridge Rd., Independence Way, Sherwood Hill, and Shore Dr. in Town of Southeast.	$240,000.00
1131.	Puerto Rico	Project will provide for a central segment of PR-10 between Utuado and Adjuntas. This will help complete a much needed north/south artery.	$5,000,000.00
1132.	Illinois	Development of an interchange at Brisbin Rd and Interstate 80	$6,000,000.00
1133.	Arkansas	Construction of Gilham Lake Access Road, Howard County	$1,144,000.00
1134.	Florida	Intermodal connector between the Tallahassee Regional Airport and I-10	$9,000,000.00
1135.	Florida	New systems interchange ramps at SR 417 and Boggy Creek Road in Orange County, Florida	$1,000,000.00
1136.	Arkansas	Development of interchange at state highway 89 and Interstate 40	$3,000,000.00
1137.	Pennsylvania	Design, engineering, ROW acquisition and construction of a connector road between PA 115 and Interstate 81, Luzerne County.	$500,000.00
1138.	California	mitigate current and future congestion and operational problems occurring daily along Harbor Boulevard between I-405 southbound onramp and Sunflower Avenue.	$3,000,000.00
1139.	Tennessee	Improve circuitry on vehicle protection device installed at railroad crossing in Loudon, TN	$57,000.00
1140.	Oklahoma	Enhancements for Highway 19 from Ada to Stratford	$3,000,000.00
1141.	Minnesota	Economic Development Corridor planning between Aurora and Ely	$3,000,000.00
1142.	Texas	Houston Region Highway Mitigation Demonstration project to measure impact of forestation and landscaping along Houston freeways.	$6,000,000.00
1143.	New Jersey	New Jersey Turnpike/Route 440 Interchange Improvement, Bayonne	$5,000,000.00
1144.	Iowa	Construction of roadway south of Cedar Lane to Highways 92 and southwest to Interstate 29 at the East Beltway - Council Bluffs, IA (Pottawattamie County).	$1,000,000.00
1145.	New York	Improve Traffic Flow on Noel Road between Church and Crossbay Boulevard Including Work Necessary to Demolish and Reconstruct the Firehouse Facility.	$1,000,000.00
1146.	New York	Conduct ITS study for Intermodal Chassis	$1,500,000.00
1147.	New York	Improve bicycle and pedestrian safety on Main Street, Holbrook	$100,000.00
1148.	Nevada	Construct US-95 Interchange with Horse Road, Las Vegas, Nevada	$6,000,000.00
1149.	Texas	Waxahachie, build out and improvements to a portion of IH-35, from US 77 North of Waxahachie to US 77 South of Waxahachie.	$5,000,000.00
1150.	Ohio	Wilson Mills Road intersection construction and enhancement project in the town of Highland Heights.	$940,000.00
1151.	North Carolina	Relocate US 70 as a four lane divided facility to increase capacity and safety	$2,000,000.00
1152.	New York	Rehab of Bedell Road in Town of Poughkeepsie-NY	$481,555.00
1153.	Oregon	Construct bike/pedestrian path, Powers	$440,000.00
1154.	New York	Transportation facility for Harlem Hospital Complex	$11,000,000.00
1155.	Georgia	Upgrade sidewalks, replace street lights, and landscaping, Metter	$500,000.00
1156.	Indiana	Construct interchange at I-65 and 109th Avenue, Crown Point	$6,000,000.00
1157.	Michigan	Realignment of 3200 feet of County Road 492 from US-41 north to County Road HD	$500,000.00
1158.	Illinois	Relocate US Route 41, Chicago	$6,500,000.00
1159.	Georgia	Replace sidewalks, upgrade lighting, and install landscaping, Soperton	$865,200.00
1160.	Washington	SR 2/Kelsey Street Intersection Improvements, Monroe	$135,000.00
1161.	Ohio	St. Route 8 Service Road Construction in Summit County	$1,303,000.00
1162.	New Jersey	Hoboken Waterfront Bicycle and Pedestrian Facilities	$2,000,000.00
1163.	Virginia	Occoquan, VA Mill Street improvement project	$200,000.00
1164.	Ohio	Reconstruct and widen State Route 82, North Royalton	$1,000,000.00
1165.	New York	Reconstruct the Niagara Street culvert/bridge which crosses over Two Mile Creek, City of Tonawanda.	$600,000.00
1166.	Wisconsin	Rehabilitate State Highway 51 from County S to State Highway 8	$4,000,000.00
1167.	New Jersey	Safety and flow improvements for I-287/I-80/Route 202 Interchange	$2,000,000.00
1168.	North Carolina	Installation of Intelligent Transp. Systems devices along US 52 over Norfolk Southern RR, Winston Salem.	$700,000.00
1169.	District of Columbia	Metro Branch Trail Construction	$2,000,000.00
1170.	Tennessee	Expansion of Rutherford County signage system (visitor's center and transportation information hub).	$400,000.00
1171.	Texas	Construct I-69 as an interstate facility from Texas/Louisiana to Mexico border	$150,000.00
1172.	Oregon	Sunrise Corridor for planning, engineering, and multimodal development work in Clackamas County and the Damascus Area Concept and Implementation Plan.	$3,000,000.00
1173.	Illinois	Upgrade roads in the vicinity of ABLA Homes, Chicago	$1,000,000.00
1174.	Florida	To complete improvements to Eller Drive including right-of-way acquisition and construction of return loop connector beginning on I-595 west of U.S. 1 and connecting U.S. 1 south.	$2,000,000.00
1175.	Pennsylvania	US30 corridor improvements from PA896 to PA897. Connects PA41	$3,000,000.00
1176.	Pennsylvania	For the development of 9.6 miles of public bicycle and pedestrian trail along the Delaware River by the PA Environmental Council.	$9,288,525.00
1177.	Massachusetts	Somerville roadway improvements, Somerville	$2,000,000.00
1178.	Texas	North Cameron County East-West Railroad Relocation Project	$500,000.00
1179.	California	Construct truck lane on Baughman Road from State Route 78/86 to Forrester Road, Westmoreland.	$550,000.00
1180.	Connecticut	Construct UCONN Storrs Campus - Hillside Road Connection	$4,500,000.00
1181.	California	Upgrade and reconstruct the I-80/I-680/SR 12 Interchange, Solano County	$8,000,000.00
1182.	Texas	Widen Mile 6 West to four lanes from US 83 to SH 107, Hidalgo County	$2,000,000.00
1183.	Missouri	12th street Viaduct bistate connector, Kansas City	$1,000,000.00
1184.	New York	Study and Implement Improvements to Avenue U from Mill Avenue to East 38th Street and Flatbush Avenue from Avenue T to Avenue V.	$500,000.00
1185.	New York	Construct Fire Island ferry terminal facility, Patchogue	$2,000,000.00
1186.	New York	Rehab of Sharon Dr. in Town of Poughkeepsie-NY	$328,000.00
1187.	Florida	Streetscape improvements on Blue Heron Boulevard from US 1 to SR A1A, City of Riviera Beach	$2,000,000.00
1188.	California	Construction of 7 grade separations in cities of Santa Fe Springs, Pico Rivera, and La Mirada along BNSF Railway.	$2,150,000.00
1189.	Iowa	Build IA-32 ''Southwest Arterial'' in Dubuque County	$20,000,000.00
1190.	Washington	U.S.-395, North Spokane Corridor: Construct two-lane highway from US 2 interchange to Francis Avenue.	$4,380,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
1191.	California	Reconstruction of Sheldon Road and SR 99 Interchange, Elk Grove, CA	$7,000,000.00
1192.	Ohio	I-90/SR 615 bicycle and pedestrian trails expansion in the City of Mentor	$5,000,000.00
1193.	Minnesota	Main Street streetscape reconstruction, 2nd Street from Ash Ave. to State Hwy 2, and Grant Utley Ave from 2nd Street to 6th Street N. across State Hwy 2, Cass Lake.	$1,700,000.00
1194.	Tennessee	Connector Road Extending I-75 across to Highway 58	$12,400,000.00
1195.	California	Transportation enhancements on Slauson Ave and Atlantic Blvd, Maywood	$2,500,000.00
1196.	Indiana	Improve Calumet Avenue between Vale Park Road and Bullseye Lake Road, Valparaiso	$1,200,000.00
1197.	Maine	Construct bicycle and pedestrian bridge over Stillwater River, Orono	$1,000,000.00
1198.	Pennsylvania	Route 313 turning lanes, truck climbing lanes, Doylestown, Plumstead, Hilltown Township	$1,000,000.00
1199.	West Virginia	Construct I-74/74 Corridor, Mingo Co	$12,000,000.00
1200.	New York	Construction of median, re-design and improvements to Main Street in Buffalo	$1,000,000.00
1201.	Michigan	Widen and reconstruct a 2 lane road into a 4 lane divided road with landscaped median	$3,000,000.00
1202.	Connecticut	Undertake improvements associated with Coltsville Area Redevelopment, Hartford	$2,000,000.00
1203.	Illinois	Construct parking facility and pedestrian walkways at 94th and South Oak Park Avenue, Oak Lawn.	$150,000.00
1204.	Alabama	I-65 widening to six lanes in Shelby County from AL 119 to AL 25	$10,000,000.00
1205.	Virginia	Wheelchair-accessible connector trail in Charlottesville	$30,000.00
1206.	California	Widen State Route 46 to four lanes between Airport Road and the Shandon Rest Stop in San Luis Obispo County.	$33,461,000.00
1207.	Colorado	I-70 and SH58 interchange: Completion of interchange including reconstruction of existing ramps, building of missing ramps and ROW acquisition.	$14,000,000.00
1208.	Texas	Tower 55 CMAQ Congestion and Preliminary Engineering Study	$500,000.00
1209.	Texas	Hike and Bike lanes on Sunset Dr., along Clear Creek and trails along Sunset & Briarmeadow to two city parks.	$600,000.00
1210.	Connecticut	Construct Montville-Preston Mohegan Bridge Expansion	$2,000,000.00
1211.	Illinois	Conduct study and design of Chicago North Lakefront path expansion project	$1,000,000.00
1212.	California	Montclair Ramona Avenue grade separation along Alameda Corridor East	$2,000,000.00
1213.	Arkansas	Development of infrastructure to Van Buren's intermodal facilities	$1,500,000.00
1214.	Ohio	Lake County MetroParks for completion of Phase III bicycle path project	$348,000.00
1215.	Oregon	Widen I-5 between Vancouver,WA, and Portland, OR	$5,000,000.00
1216.	Iowa	Add two lanes to the existing Highway 63 from Iowa Highway 3 north 18.1 miles to just south of Highway 18.	$8,700,000.00
1217.	California	widening the Fairview Road bridge over I, widening the onramp to accommodate three lanes, and provide one right-turn lane, one optional through or right-turn lane and three through lanes.	$1,900,000.00
1218.	New Jersey	Pedestrian facilities and street lighting on Haddon Avenue from Albertson Avenue to Glenwood Avenue, Haddon Township.	$433,000.00
1219.	Pennsylvania	Relocation and upgrade of Beaver Hallow Rd, leading to the Beaver Medical Center	$1,500,000.00
1220.	California	Reconstruct 1.5 miles of Paramount Blvd. from Carson Street to Candlewood St., Lakewood	$1,250,000.00
1221.	New York	Redesign and Reconstruction of the Putnam Rail trail, the Bronx	$700,000.00
1222.	Oregon	Construct turn lane on Gateway Boulevard, Cottage Grove	$90,000.00
1223.	New York	Construction of median, design and improvements to Main Street, Buffalo	$1,000,000.00
1224.	California	Diesel Emissions Reduction Program for Gateway Cities Council of Governments	$3,250,000.00
1225.	Kentucky	Reconstruct Harrodsburg-Lexington Road from KY 29 north of Wilmore to 4800's of Brannon Road.	$1,000,000.00
1226.	Michigan	Resurfacing of Frazho Road, Roseville	$1,280,000.00
1227.	Pennsylvania	Construct a four lane limited access facility connecting SR 119 north of Mount Pleasant to the Pennsylvania Turnpike.	$2,000,000.00
1228.	New Mexico	I-40/Coors Interchange: Reconstruction of this major interchange in Albuquerque	$10,000,000.00
1229.	New York	Mill Road: NY Rte 261 to North Avenue in the Town of Greece	$2,000,000.00
1230.	Pennsylvania	Design, engineering, ROW acquisition and construction of street improvements and safety enhancements, City of Pittston.	$1,750,000.00
1231.	Texas	Add 2 lanes from Victoria Co line to 1.9 miles W. of Gin Road in Pt Lavaca	$1,500,000.00
1232.	Connecticut	Establish intermodal service at Bridgeport, CT port	$1,500,000.00
1233.	New York	Construction of pedestrian walkways, Village of Northport	$100,000.00
1234.	Massachusetts	Northern Avenue Bridge rehabilitation, Boston	$3,000,000.00
1235.	California	Grade separation on Lenwood Road in Barstow, CA	$1,500,000.00
1236.	New Jersey	Pedestrian facilities, street lighting and streetscaping improvements in downtown Laurel Springs	$596,324.00
1237.	California	Realign California State Route 299 between the Trinity County line and mile marker 7.4, Shasta County.	$8,000,000.00
1238.	Nebraska	Funding for rail grade separation projects located in the Third Congressional District of Nebraska as identified by the Nebraska State Department of Roads.	$4,500,000.00
1239.	New York	Rehabilitation of Oak Beach Road in the Town of Babylon	$515,000.00
1240.	Texas	Construct four-lane urban arterial segment of FM60 from SH6 to FM158 in Brazos County, Texas	$4,000,000.00
1241.	New York	Improvements to Pudding St. at Taconic State Parkway	$1,700,000.00
1242.	Nevada	Design and Construct Cactus Avenue and I-15 Interchange, Clark County Nevada	$10,000,000.00
1243.	Pennsylvania	Restoration of Route 222, including concrete patching and overlay, in Maxatawny and Richmond Townships, Berks County.	$2,500,000.00
1244.	Kentucky	Widen Route 11 from US 460 to the Mt. Sterling Bypass (KY 686)	$700,000.00
1245.	Washington	Lewis and Clark Discovery Trailhead and Scenic Overlook - expand size and improve safety	$146,000.00
1246.	New York	Construct highway and ramp improvements at Erie Canal Harbor in downtown Buffalo	$10,000,000.00
1247.	Indiana	Star Hill Road project between SR 60 and Starlight	$4,000,000.00
1248.	Texas	Construct direct connectors on US 59, 59B, US77	$4,500,000.00
1249.	Maryland	US1 Corridor enhancements. Partial funding for comprehensive improvements to road corridor between Elkridge and Laurel.	$1,000,000.00
1250.	California	I-238 Widening between I-580 and I-880, Ashland/Cherryland/San Leandro/San Lorenzo	$1,900,000.00
1251.	Florida	Springfield Roadway Improvements, Jacksonville	$5,000,000.00
1252.	New Jersey	East Coast Greenway bicycle and pedestrian path from New Brunswick to Hudson River	$1,000,000.00
1253.	New York	Reconstruct Nassau Avenue, improve sidewalks and include pedestrian amenities in Greenpoint, Brooklyn.	$2,400,000.00
1254.	Missouri	Improve safety conditions along high traffic area in St. Francois County	$2,000,000.00
1255.	Washington	Valley Ave/70th - Widen both 70th Avenue and Valley Avenue, Pierce County	$1,000,000.00
1256.	Florida	Atlantic Corridor Greenway Roadway Improvements	$1,500,000.00
1257.	Georgia	Elimination of highway-rail grade crossings in Augusta, GA by relocating the Norfolk Southern rail line.	$3,000,000.00
1258.	Florida	For the implementation of Advanced Traffic Management System, Boca Raton, Florida	$2,000,000.00
1259.	New York	Route 78 (Transit Road), I-90 to Main Street, Towns of Amherst, Cheektowaga and Clarence	$3,000,000.00
1260.	Georgia	Relocate Whitehall Road in Hall County, Georgia	$1,042,024.00
1261.	California	Construct A 2.8 mile bikeway, working in conjunction with the city of La Habra, along Lambert Road from Mills Ave. to Valley Home Ave.	$2,500,000.00
1262.	Pennsylvania	Finish the installation of sound walls along Route 309 by the Montgomery County Planning Commission.	$5,000,000.00
1263.	California	Improve Ben Maddox Bridge crossing State Route 198, Visalia	$2,000,000.00
1264.	Florida	Traffic Reconfiguration of SR934 and US Route 1, Miami	$2,000,000.00
1265.	Wisconsin	Reconstruct interchange at State Highway 21 and I-94	$2,500,000.00
1266.	New York	Construct pedestrian walkway from 233rd Street to the Bronx River Greenway and commuter rail station. Bronx.	$1,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
1267.	New York	Conduct studies, if necessary, and construct the High Line Trail Project, New York City	$5,000,000.00
1268.	New York	Develop Erie Canal Heritage Project in Port Byron	$2,000,000.00
1269.	New York	Construct safety improvements for Rt. 12 intersection at Pamela Drive/River Rd./ Town of Chenango.	$1,050,000.00
1270.	California	Construct truck lane on Keystone Road from State Route 111 to Austin Road, Imperial County	$2,500,000.00
1271.	New York	Congestion reduction, traffic flow improvement and intermodal transfer study at Roosevelt Avenue/74th Street, Queens.	$640,000.00
1272.	Ohio	Widening from 2 lanes to 4 lanes between Main St. and SR 43 in North Canton and Plain Township.	$3,000,000.00
1273.	Rhode Island	Construct 8 lane 1.5 mile segment of I-95 and I-195	$2,000,000.00
1274.	North Carolina	Monroe Bypass -- Project proposes to construct a multilane freeway on new location from the I-485 to the Monroe bypass.	$2,500,000.00
1275.	New York	Improve Traffic Flow Improvement at Atlantic Yard/ NETS Arena Development	$3,000,000.00
1276.	Pennsylvania	SR 1022 Ulster River Bridge, replace 14-span bridge spanning Susquehanna	$2,000,000.00
1277.	New York	Funds an intermodal transportation facility on Clarkson Avenue	$1,000,000.00
1278.	Illinois	Construct grade separation on 25th Avenue, Melrose Park	$750,000.00
1279.	Massachusetts	Canalside Rail Trail. Construction of the Canalside Rail Trail, Deerfield & Montague	$1,900,000.00
1280.	Oregon	Planning, design, right-of-way acquisition, and construction of a bypass around the cities of Newberg and Dundee, Yamhill County.	$6,343,000.00
1281.	South Carolina	Berlin G. Meyers Parkway Extension, Summerville	$8,000,000.00
1282.	New York	Construct improvements in Sight Distance at Road Grade and Trail Crossings in Oneida and Herkimer County.	$550,000.00
1283.	New Jersey	Construction of Rowan Boulevard from US Route 322 to Main Street, Glassboro	$600,000.00
1284.	New Jersey	The rebuilding of three deteriorated orphan bridges in Trenton, NJ that cross over the Northeast Corridor Line. The East State Street Bridge, the Chestnut Avenue Bridge, and the Monmouth Street Bridge.	$1,500,000.00
1285.	Texas	Develop Intelligent Transport System for the City of San Antonio	$3,200,000.00
1286.	Louisiana	Upgrade highway-rail crossings at Madison Street, City of Gretna	$200,000.00
1287.	Virginia	Improve Rt. 42 in Bridgewater	$500,000.00
1288.	Arizona	Upgrade and re-open Main Street, Yuma	$1,200,000.00
1289.	Tennessee	Replacing one-lane underpass with five-lane underpass and associated roadway realignments of Knob Creek, Mountainview, and Claude Simmons Roads.	$500,000.00
1290.	Michigan	widen, from 2 to 5 lanes, Romeo Plank Road from M-59 to 23 Mile Road	$10,000,000.00
1291.	Ohio	St. Route 44 - Overpass, interchange construction, and road expansion in the city of Painesville	$4,250,000.00
1292.	Maryland	Alt 40 Middletown Bypass	$1,000,000.00
1293.	Alabama	East Bypass would provide direct access from I-20 to Fort McClellan, Alabama	$10,000,000.00
1294.	Ohio	Provide an interchange at Bixby Rd and Route 33, including construction of necessary service roads and removal of signal at Route 33 and Ebright Road.	$4,250,000.00
1295.	Michigan	Eliminate major roadway that passes between Cleary and charter school building and route a roadway with parking lots.	$500,000.00
1296.	Florida	Construct SR 312 Extension/Bypass in St. Johns County, Florida	$13,000,000.00
1297.	California	Design and implement Intelligent Transportation Systems on Long Beach Boulevard, Compton Boulevard, Wilmington Avenue, Walnut Avenue including communication interface with the Los Angeles County ITS System.	$3,000,000.00
1298.	Tennessee	Construct shoulder and turn lane on S.R. 35 in Seymour, TN	$1,500,000.00
1299.	Pennsylvania	Provide trail connects at the Hot Metal Bridge to reduce the need for trail users to use city streets.	$500,000.00
1300.	Georgia	Bridge improvements on Cochran Road at Deep Creek, Fulton Co	$560,000.00
1301.	Alabama	Additional lanes would be added to US-331 from Luverne to Montgomery	$2,000,000.00
1302.	California	Phase II of the Alameda Corridor East Project, constructing grade separation projects from E. Los Angeles to Pomona.	$300,000.00
1303.	New Mexico	Develop Paseo del Volcan corridor located in Sandoval County to connect I-40 and I-25	$2,000,000.00
1304.	Pennsylvania	Design, engineering, ROW acquisition and construction of Phase II of the South Valley Parkway from Roberts Street in Newport Township to Mocanaqua, Luzerne County.	$7,000,000.00
1305.	Maryland	Dualization of MD 404 in Caroline	$17,600,000.00
1306.	California	Widen State Route 98, including storm drain improvements, from Kloke Road to State Route 111, Calexico.	$3,000,000.00
1307.	California	Provide landscape enhancement of an existing open culvert on Atherton Street, Long Beach	$600,000.00
1308.	Michigan	Baldwin St. extension to I-196 and new entrance and exit ramps on I-196	$3,000,000.00
1309.	North Carolina	Pavement and bridge rehabilitation on I-85 from the Granville County line to US 158	$2,000,000.00
1310.	Florida	West Virginia Corridor Expansion Project between I-95 to US Highway 1 in St. Lucie County	$4,000,000.00
1311.	Ohio	Transportation infrastructure improvements in Toledo	$10,000,000.00
1312.	New York	Pedestrian/Bike Path along Hudson River in City of Beacon - NY	$350,000.00
1313.	Texas	Rehabilitate Yale Street between IH10 to IH610	$1,000,000.00
1314.	North Carolina	Installation of ITS devices along the Winston-Salem Northern Beltway (I-40 near Clemmons to US 52/Future I-74) in Forsyth County.	$4,000,000.00
1315.	Washington	Cross Base Highway - a new highway from I-5 to SR 7 located between Fort Lewis and McChord AFB.	$1,500,000.00
1316.	Pennsylvania	Create a direct connection between State Road Route 29 and State Route 113	$3,000,000.00
1317.	Tennessee	Improvements to bridge along SR-21 in Lake County, from Log Mile 7.0 to Obion County Line	$14,000,000.00
1318.	Missouri	I-55/Weber Road Improvements, St. Louis City and St. Louis County	$5,000,000.00
1319.	Colorado	Construct arterial on W side of Montrose to ease traffic congestion on SH 550 between Grand Avenue, N-S of city.	$7,500,000.00
1320.	Washington	SR28 / SR285 George Sellar Bridge Approach Improvements, Wenatchee/East Wenatchee	$5,000,000.00
1321.	Massachusetts	Highspeed catamaran ferry. Increase accessibility to inner-city public transit and two federal parks Quincy.	$2,000,000.00
1322.	Ohio	Ashtabula Harbor infrastructure improvements as part of the Revitalization Project on SR 531 in Ashtabula County.	$1,000,000.00
1323.	North Carolina	Right of way acquisition and construction for segment of the 1-540 Loop from I-40 to NC 55	$11,000,000.00
1324.	New York	Replace bridge carrying Rt.55 over Fishkill Creek and provide turn lanes in Town of Beekman-NY.	$2,500,000.00
1325.	Michigan	Design, right of way acquisition and improvements for the I-196/Chicago Drive (Baldwin Street) Interchange modification.	$19,800,000.00
1326.	Georgia	Upgrade sidewalks, parking, street lighting, and landscaping, Claxton	$500,000.00
1327.	California	Alameda Corridor East Gateway to America Trade Corridor Project, Highway-railgrade seperation along 35-mile corridor from Alameda Corridor (Hobart Junction) to Los Angeles/San Bernardino County line.	$15,500,000.00
1328.	New York	Roadway and Pedestrian Improvements for Times and Duffy Squares, New York City	$4,200,000.00
1329.	Arizona	Construct the Querino Bridge in Apache County, Arizona, on the Navajo Nation	$500,000.00
1330.	California	FHWA Diesel Emissions Reduction program for the Gateway Cities. Los Angeles County	$1,250,000.00
1331.	New York	Construct four lane expressway meeting Interstate standards from Pennsylvania to Presho	$2,000,000.00
1332.	Florida	SW 24th Ave.-SW 62nd Blvd., from Archer Rd west to SW 20th Avenue, Gainesville	$3,000,000.00
1333.	Pennsylvania	Replace Lycoming Valley Railroad Bridge near Montoursville Borough	$2,000,000.00
1334.	Texas	Extend US90 six main lanes from Hunting Bayou to Wallisville	$5,000,000.00
1335.	Ohio	SR 91 Road Safety project and overpass construction in the City of Twinsburg	$1,950,000.00
1336.	Colorado	Reconstruct US 36/McCaslin interchange	$1,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
1337.	Ohio	Rehabilitation/replacement of rail grade separations along the West Central Ohio Port Authority route in Champaign and Clark Counties.	$250,000.00
1338.	South Carolina	Carolina Bays Parkway (Phase II), Horry County	$5,000,000.00
1339.	Michigan	Development and construction of new interchange at Marquette Avenue/US-31	$5,000,000.00
1340.	New York	Install Improvements for Pedestrian Safety in the vicinity of PS 114	$250,000.00
1341.	Tennessee	Construct interchange on Interstate 40, Wilson County	$1,000,000.00
1342.	Ohio	Construct new interchange at Gracemont St. and I-77 Interchange in Bethlehem Township	$3,000,000.00
1343.	New York	Design and construction of 20th Avenue from Whitestone Expressway Service Road to 130th Street in Queens, New York.	$700,000.00
1344.	Georgia	Streetscape [pedestrian safety enhancements, sidewalks, curb replacement, restoration, landscaping, ADA compliance, restoration], Dawson.	$500,000.00
1345.	Indiana	Construct grade separated interchange at Main Street with Canadian National Railroad in Mishawaka, Indiana.	$1,500,000.00
1346.	California	Hollister SR25 widening -- 4 lane freeway between San Felipe Road to the US 101 separation, Gilroy.	$3,660,000.00
1347.	Missouri	I-29/I-35 reconstruction of Kansas City Downtown/Paseo Bridge	$2,000,000.00
1348.	California	Develop bicycle paths and pedestrian access to Third Avenue, Chula Vista	$300,000.00
1349.	Georgia	Upgrade Old Petersburg/Old Evans Rd	$6,000,000.00
1350.	Washington	New County Road, Whidbey Island	$900,000.00
1351.	New York	Highway/Railway crossing improvements in the Town of Clarkstown and villages of Haverstraw and West Haverstraw.	$1,600,000.00
1352.	California	Improvements for Folsom Boulevard between Rod Beaudry Drive and Sunrise Boulevard	$8,000,000.00
1353.	California	Improvements (including arterial street rehabilitation) to enhance traffic and pedestrian safety in the Van Nuys community, Los Angeles.	$750,000.00
1354.	Texas	Construct highway - railroad grade separation at Calton Road in Laredo Texas	$2,200,000.00
1355.	Michigan	Reconstruct highway under a railroad bridge, Wyoming Ave. from Eagle Pass to Michigan Avenue, Wayne County.	$1,000,000.00
1356.	Michigan	Resurfacing of Masonic Boulevard, Fraser	$1,160,000.00
1357.	New York	Access and Safety improvements to Route 208 in Orange County -NY	$1,500,000.00
1358.	Pennsylvania	The project will provide for the reconstruction of US 30 from PA 10 to Business US 30 including the travel lanes, shoulders and egress and exist ramps.	$5,000,000.00
1359.	Texas	Integrate & deploy rural ITS components of the Texas Hurricane Evacuation Information System.	$4,000,000.00
1360.	New York	Streetscape improvements to Sunrise Highway between Guy Lombardo Avenue and Henry Street, Freeport.	$500,000.00
1361.	California	Interchange expansion at Interstate 10 and Indian Canyon Drive, City of Palm Springs	$1,000,000.00
1362.	Michigan	Reconstruction and surfacing of Valley Road from M-33 west to Mapes Road, Oscoda County	$960,000.00
1363.	Connecticut	Construct bike/pedestrian path, Shelton	$1,000,000.00
1364.	New York	Rehabilitation of Frank Street in the Village of Lindenhurst	$775,000.00
1365.	Illinois	Sullivan Rd. Approaches (Aurora): Construction of highway approaches to Sullivan Rd. Bridge	$1,600,000.00
1366.	Virginia	Widen US 15/29 in Culpeper	$2,000,000.00
1367.	Virginia	Jamestown 2007 -- to provide transportation infrastructure for visitors to Jamestown Island	$500,000.00
1368.	California	Construct 4-lane connector between I-40 and Arizona Route 95 in Needles	$1,000,000.00
1369.	Oregon	Construct passing lanes on U.S. 199, Josephine County	$900,000.00
1370.	Louisiana	Upgrade I-49	$1,700,000.00
1371.	Minnesota	Construct a pedestrian/bicycle/ATV/snowmobile bridge across TH169, Onamia	$1,097,600.00
1372.	Colorado	Wadsworth Blvd. & Bowles Ave. Intersection Improvements: Ramp, and interchange improvements, lane improvements on Wadsworth from Coal Mine Ave. to W. Cross Dr.	$2,000,000.00
1373.	Illinois	Improve access roads related to Racehorse Business Park, Alorton	$200,000.00
1374.	Texas	For completion of I-35 bypass project - northern 48 miles of SH 130, from Georgetown, TX to US 183.	$7,000,000.00
1375.	Minnesota	Polk, Pennington, Marshall County 10-ton Corridor in Northwestern Minnesota	$5,600,000.00
1376.	New York	Construct Route 15/18 Interchange Phases I, II, and III	$3,000,000.00
1377.	Mississippi	Star Landing Road - new east-west connector from I-55 in Desoto County	$2,000,000.00
1378.	Georgia	Replace sidewalks, meet ADA guidelines, and install a crosswalk, McRae	$800,000.00
1379.	Georgia	Construct sidewalks between Marion Middle School, City Park, and Community Center, Buena Vista.	$500,000.00
1380.	Ohio	Pedestrian Walkway Safety Improvements and Road Paving in Lakeline Village	$289,000.00
1381.	Florida	Reconstruction of Hanford Boulevard, North Miami Beach	$2,750,000.00
1382.	Illinois	Undertake improvements within West End Business District, LaGrange	$3,200,000.00
1383.	Arkansas	Repair Bowen Bridge on Hwy 301, Pike County	$24,000.00
1384.	New Jersey	Road-widening, new shoulder construction, drainage improvements and intersection upgrades in Burlington County.	$6,850,000.00
1385.	Florida	Upgrading of SR 50 in Orange County, Florida	$2,000,000.00
1386.	South Carolina	Construction of East Washington Connector	$1,000,000.00
1387.	Texas	Dyess AFB Access Project	$8,500,000.00
1388.	California	Upgrade Olympic Blvd between Vermont Ave. and Western Ave. to improve pedestrian safety and reduce congestion, Los Angeles.	$2,000,000.00
1389.	Virginia	New, regional access improvement at I-64 and City Line Road, Virginia Beach and Chesapeake	$2,500,000.00
1390.	Georgia	Construct Chase St Elementary to Botanical Gardens bike/pedestrian trail	$500,000.00
1391.	Illinois	This project consists of resurfacing and restriping of Euclid Avenue between Walnut Avenue and Douglas Avenue in Arlington Heights, Illinois. It also includes curb and gutter repair as well as pavement base repair.	$350,000.00
1392.	Connecticut	Construct Putnam ADA-compliant Curb Cut	$50,000.00
1393.	Georgia	Northlake Streetscape in DeKalb	$1,000,000.00
1394.	California	I-880 Federal highway safety improvements, High Street to I-980, Oakland	$2,500,000.00
1395.	Louisiana	Reconstruct I-49/US 190 interchange, Opelousas	$500,000.00
1396.	Michigan	the Port Huron, MI Highway-Rail Grade Crossing Separation Project	$1,000,000.00
1397.	Colorado	Reconstruct US 36/US 287 interchange	$2,000,000.00
1398.	Georgia	2.5 mile East Hiram Parkway Project: to complete by-pass around the City of Hiram	$5,000,000.00
1399.	Washington	Widening SR527 from 2 lanes to 5 from Bothell to Mill Creek	$1,500,000.00
1400.	New York	Rehabilitation of North and South Delaware Avenue in the Village of Lindenhurst	$875,000.00
1401.	Texas	Improve SH 199 at intersection of White Settlement Rd., Ft. Worth	$8,000,000.00
1402.	Missouri	Upgrade U.S. Highway 36 to four lanes between Macon and Hannibal, Missouri	$3,000,000.00
1403.	Arkansas	Improve Colin Ray Blvd, De Queen	$500,000.00
1404.	Illinois	Extend Remington Blvd from Veterans Parkway to Weber Road in Bolingbrook, IL	$500,000.00
1405.	New Hampshire	Design and construction of the project to repaint the bridge on Main Street in Enfield, NH	$140,000.00
1406.	Mississippi	East Metro Corridor:Four-lane corridor linking I-20 at Brandon to US Hwy 25 at Flowood - part of I-20/US Hwy 25/ Jackson International Airport network.	$1,500,000.00
1407.	South Carolina	Cox Road Bridge in Anderson County	$405,000.00
1408.	Michigan	repave Sebewaing Road from state highway M-25 to Caseville Road	$500,000.00
1409.	Virginia	Interchange Improvements along I-264 in Virginia Beach	$9,500,000.00
1410.	Indiana	Construction of Parkway around the west side of Shelbyville from SR9 on the South to SR9 on the North.	$914,000.00
1411.	California	Constructs a Highway and Railroad grade separation at North Milliken Avenue, Ontario	$3,000,000.00
1412.	Georgia	Streetscape [pedestrian safety enhancements, sidewalks, curb replacement, restoration, landscaping, ADA compliance, restoration], Richland.	$500,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
1413.	New York	Planning and coordination studies for the Tappan Zee Bridge/I-287 corridor, Rockland/Westchester County.	$1,000,000.00
1414.	California	Construction of HOV lanes on I-5 from Vandegrift Blvd to La Jolla Village Drive	$1,000,000.00
1415.	North Carolina	Add 6.5 miles to the City of Greeneville's greenway system by constructing three additional sections.	$2,015,000.00
1416.	California	Construct left turn lane to ease congestion at Interstate-10 into Rosemead Boulevard and Telstar Avenue, El Monte.	$1,250,000.00
1417.	Ohio	Planning and Construction of network of recreational trails in Perry Township	$650,000.00
1418.	Kansas	Construct highway rail grade separation from Douglas Ave to 17th Street North in Wichita, KS	$7,000,000.00
1419.	Texas	Widen I-35 between SH 81 and FM 286 South of Hillsboro	$3,000,000.00
1420.	New York	Establish an identity and signage program for the Erie Canalway National Heritage Corridor	$1,000,000.00
1421.	Illinois	Construct pedestrian walkways in Columbus Park, Chicago	$750,000.00
1422.	Texas	Construction of frontage road between the Harris County Line and FM 518	$2,700,000.00
1423.	Minnesota	Construct third lane on I-494 from Hwy 212 to its Fish Lake Road terminus in Maple Grove, MN	$5,000,000.00
1424.	Maryland	Dualization of US 113 in Worcester	$13,200,000.00
1425.	New York	Preliminary design and environmental impact study for a collector-distributor road along I-95 from Westchester Ave. to Bartow Ave.	$7,110,000.00
1426.	Oklahoma	Construct US69 and Hereford Lane Interchange, McAlester	$8,000,000.00
1427.	Massachusetts	Reconstruction of Pleasant Street to enhance vehicular safety and capacity, Watertown	$2,000,000.00
1428.	New Jersey	Safety and operations improvements on Route 73, Berlin/Voorhees/Evesham	$1,200,000.00
1429.	California	Repair and replace tunnel lining on Kanan, Kanan Dume, and Malibu Canyon Roads, Los Angeles County.	$3,000,000.00
1430.	Arkansas	Downtown Dickson Street Enhancement - Block Avenue and Downtown Square	$1,750,000.00
1431.	Arkansas	Improvements to Clear Creek Bridge and surrounding infrastructure in Washington County on CR31.	$1,000,000.00
1432.	Georgia	Streetscape [pedestrian safety enhancements, curb replacement, sidewalks, restoration landscaping, ADA compliance], Ashburn.	$400,000.00
1433.	Mississippi	Upgrade Blue Cane Road in Tallahatchie County, and roads in Webb and Tutwiler	$1,000,000.00
1434.	Pennsylvania	SR 3027 Bridge, replace posted two span steel I-beam bridge with one span concrete box beam bridge in Jessup Township, Susquehanna County.	$1,000,000.00
1435.	Mississippi	Upgrade roads at Tougaloo College	$1,000,000.00
1436.	Minnesota	Construct roadway improvements on the Great River Road on CSAH 10 and CSAH 21, Aiken County.	$6,324,000.00
1437.	Mississippi	State Route 590 extension, Ellisville	$4,000,000.00
1438.	Iowa	Construct four-lane expressway on U.S. Highway 60 through Plymouth, Sioux, O'Brien, and Osceola Counties, Iowa.	$500,000.00
1439.	Utah	SR-92 from I-15 to SR-74, Utah County	$5,500,000.00
1440.	Arizona	Construction of structure for US 60 at 59th Avenue and Glendale in city of Glendale	$1,000,000.00
1441.	Mississippi	U.S. Highway 90 and State Highways 43 and 603 Gateways Enhancement Project, Hancock County.	$250,000.00
1442.	New Mexico	Construct Sunland Park Road in Sunland Park	$5,000,000.00
1443.	Minnesota	Bruce Vento Nature Sanctuary Trail Project, St. Paul	$2,000,000.00
1444.	New York	Improvements to Mearns Ave. & Fostoria St. in Village of Highland Falls-NY	$200,000.00
1445.	Arkansas	Construction of Ashdown Bypass, Ashdown	$500,000.00
1446.	Texas	Coverage of the state with the ITS systems through compatibility, interoperability, and uniformity of the entire statewide system.	$5,000,000.00
1447.	Minnesota	Construct Two Harbors High School Trail connecting Two Harbors High School to Two Harbors City.	$891,600.00
1448.	Michigan	Design, right of way acquisition, engineering work for US-31 bypass	$7,000,000.00
1449.	Indiana	Added travel lanes on Gordon Road, Sixth Street, and West Shafer Drive in Monticello, IN	$14,000,000.00
1450.	Indiana	Upgrade roads, Fowler	$100,000.00
1451.	New Jersey	Reconstruct Route 168 from Route 41 to Sixth Avenue, Runnemede	$658,000.00
1452.	New York	Install Two Permanent Variable Message Signs (VMS) on Belt Parkway	$500,000.00
1453.	Arkansas	Improvement of Jennie Road, Chicot County	$288,000.00
1454.	Georgia	Construct sidewalks and install landscaping, Vienna	$500,000.00
1455.	Texas	FM 2499, Section 4, from Highland Village to Corinth	$1,000,000.00
1456.	Virginia	Route 104/Dominion Boulevard corridor connects Interstate 464 and Interstate 64 to Route 17/George Washington Highway. Widening of the existing two-lane section to four lanes with a new bridge over the Southern Branch of the Elizabeth River.	$6,500,000.00
1457.	Mississippi	Old Richton Road and State Highway 42 connector, Petal	$1,500,000.00
1458.	Oklahoma	Widen US 281 from the New US 281 Spur North to Geary, Canadian County	$5,700,000.00
1459.	Illinois	Improve Mill Street, Rock Island	$500,000.00
1460.	New Jersey	Interchange improvements and bridge replacements, Route 46, Passaic County	$12,000,000.00
1461.	New Jersey	Project involves bridge replacement and State Route 31 widening add left turn lanes and shoulders in Glen Gardner/Hampton, Hunterdon County.	$1,000,000.00
1462.	Connecticut	Conduct study of multimodal cargo capacity on Waterfront Street, New Haven	$1,000,000.00
1463.	California	Install a traffic signal and ramps at Interstate-10 and Walnut Grove Avenue to reduce congestion, Rosemead.	$85,000.00
1464.	California	Citywide traffic signal upgrades requiring the installation of hardware and software at 9 major intersections, Palo Alto.	$500,000.00
1465.	California	Widen State Route 98 from Route 111 to State Route 7, Calexico	$5,000,000.00
1466.	Pennsylvania	Extension of River Road in Reading Pennsylvania in order to provide access to major industrial and brownfields sites.	$1,500,000.00
1467.	Louisiana	LA 16 Interchange at I-12 and improvements, and Cook Road	$13,000,000.00
1468.	California	Construct truck ramp linking Interstate 5 to the National City Marine Cargo Terminal, National City.	$1,500,000.00
1469.	New York	Implement ITS system and apparatus to enhance citywide truck route system at 9th Street and 3rd Avenue intersection in Kings County.	$100,000.00
1470.	Iowa	Construction of Outer Drive from Floyd Boulevard to Business Highway 75 in Sioux City, IA	$1,000,000.00
1471.	Vermont	Road improvements for the City of Rutland along U.S. Route 7 and U.S. Route 4	$3,560,000.00
1472.	Pennsylvania	Mitigation of water pollution due to Highway runoff on SR28 as allowed by 23 USC133(b)(14) and 23USC133(b)(8).	$1,000,000.00
1473.	Virginia	Glen Alton - design and construction of recreation trails, access and visitor information center	$1,600,000.00
1474.	Tennessee	Develop trails, bike paths and recreational facilities on Bird Mountain, Morgan County for Cumberland Trail State Park.	$250,000.00
1475.	Illinois	Construct pedestrian underpass at East 57th Place, Chicago	$700,000.00
1476.	New York	Construction of and improvements to Michigan Avenue in Buffalo	$1,000,000.00
1477.	New York	Enhance Battery Park Bikeway Perimeter, New York City	$2,000,000.00
1478.	Texas	Construct and rehabilitate pedestrian walkways along the Main Street Corridor to improve transit-related accessibility.	$1,000,000.00
1479.	Kansas	Upgrade US-69/135th Street interchange, City of Overland Park	$2,000,000.00
1480.	Wisconsin	Reconstruct Highway 141 in Marinette County, WI	$2,000,000.00
1481.	Florida	Beautify SR A1A in Ormond Beach, Daytona Beach and Daytona Beach Shores, Florida	$1,000,000.00
1482.	New York	Enhance road and transportation facilities in the vicinity of W. 65th St and Broadway, New York City.	$5,000,000.00
1483.	Arizona	Construct parallel roadway to create divided roadway for US 93, south of I-40 near Kingman	$2,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
1484.	Missouri	Upgrade U.S. Highway 61 to four lanes between Wayland and Canton, Missouri	$8,000,000.00
1485.	Arkansas	Construction of Prescott Overpass, Prescott	$2,400,000.00
1486.	Texas	Environmental, schematics and right of way acquisition for Hidalgo County Loop, Hidalgo County.	$1,000,000.00
1487.	Nebraska	Construction of two Missouri River bridges and their approach roadways	$6,500,000.00
1488.	New York	Cedar Swamp Rd. improvements in Town of Goshen-NY	$800,000.00
1489.	North Carolina	Northwest Corridor - Western Boulevard in Jacksonville, NC: Construct a 4-mile, 4-lane divided facility including a 400-foot concrete bridge.	$1,000,000.00
1490.	Tennessee	Widen Campbell Station Road in Knoxville, TN	$1,800,000.00
1491.	North Carolina	Development of a Master Transportation Plan for the Piedmont Triad Research Park (Idealliance) in Winston-Salem (Forsyth County).	$3,400,000.00
1492.	Maryland	Safety and operations improvements at Martin Luther King Blvd. and W. Baltimore St., Baltimore.	$1,700,000.00
1493.	Tennessee	Retrofit noise abatement walls, Davidson County	$2,500,000.00
1494.	Virginia	Improve N. Main Street Bridge in Lexington	$1,000,000.00
1495.	New York	Mill St. enhancements, realignments and culvert replacement in Putnam County-NY	$2,000,000.00
1496.	California	Construct nine rail-highway grade separations along Alameda Corridor East through the cities of Fullerton, Placentia, and Anaheim.	$14,000,000.00
1497.	Maryland	Rehabilitate 5 bridges carrying streets over CSX Railroad, Baltimore	$10,000,000.00
1498.	New York	Implement Improvements for Pedestrian Safety in Queens County	$1,000,000.00
1499.	California	405 Freeway Widening	$6,700,000.00
1500.	New York	Highway Construction I-90 Exit 8 Connector Phase II	$3,900,000.00
1501.	Tennessee	North Second Street Corridor Upgrade to provide alternate route around St. Jude's medical center to downtown, Memphis.	$4,000,000.00
1502.	Illinois	Reconstruction of Quentin Road from existing 2 lanes to 4 lanes with median from Dundee Road to Lake Cook Road.	$5,160,000.00
1503.	Tennessee	Widen U.S. 321, Construct new bridge across the Tennessee River in Loudon County	$7,500,000.00
1504.	Colorado	Improvements on US 36 corridor from I-25 to Boulder. Improvements include interchange and overpass rebuilding.	$3,000,000.00
1505.	California	San Gabriel Boulevard Highway widening and intersection improvement project, the City of San Gabriel.	$1,000,000.00
1506.	Georgia	Replace sidewalks, upgrade lighting, and install landscaping, Helena	$500,000.00
1507.	Pennsylvania	Design, engineering, ROW acquisition, and construction of street improvements and safety enhancements, Borough of Edwardsville in Luzerne County.	$250,000.00
1508.	Connecticut	Upgrade Plainfield Moosup Pond Road	$300,000.00
1509.	Illinois	Improve North Illinois (Illinois 159) and related roads, Belleville	$6,937,000.00
1510.	Pennsylvania	Design and construct improvements to mitigate traffic congestion that currently exists on the west side of the Ben Franklin Bridge.	$4,000,000.00
1511.	Illinois	Construct bike path, parking facility, and related transportation enhancement projects, North Riverside.	$2,750,000.00
1512.	South Carolina	Construction of West Georgia Road in Greenville County	$9,000,000.00
1513.	Massachusetts	Rt. 128/95 off ramp-Northbound to Kendrick Street, Needham	$2,000,000.00
1514.	New York	Traffic control mitigation for Jericho Turnpike between Hillside Blvd and New Hyde Park Road, New Hyde Park.	$1,000,000.00
1515.	Maine	Improvements to the Interconnecting Trail System for bike/pedestrian trails near Baxter State Park.	$500,000.00
1516.	California	Construction of HOV and BRT lanes on I-15 from SR-78 to SR-163	$2,000,000.00
1517.	Missouri	Widening, curb, and gutter improvements as part of larger Hwy 33 development project	$3,000,000.00
1518.	Minnesota	Reconstruct CSAH 91 from the D.M. and I.R. Railroad crossing at 8th Street in Duluth to CSAH 56, St Louis County.	$5,000,000.00
1519.	South Carolina	US Highway 123 - The SCDOT would construct deceleration and turning lanes to improve safety in Pickens County, SC.	$2,000,000.00
1520.	New Jersey	Rehabilitation of Hillery Street Bridge connecting Totowa and West Paterson	$2,500,000.00
1521.	American Samoa	Upgrade, repair and continue construction of Tau ferry terminal facility on island of Manua	$1,600,000.00
1522.	Louisiana	Pointe Clair Expressway in Iberville Parish	$3,000,000.00
1523.	Pennsylvania	Construct Southern Beltway (PA 60 to US 22) of the Mon Fayette Expressway	$2,000,000.00
1524.	Illinois	Construct intermodal facility, Cook County	$450,000.00
1525.	Georgia	Renovate Wilcox County Arts Complex, renovate Train Caboose as a Welcome Center, and construct pedestrian trail, Abbeville.	$500,000.00
1526.	Tennessee	Add third lane on US-27/State Route 29 for truck climbing lane and realignment of roadway at Wolf Creek Road to Old US-27 North of Robbins.	$6,000,000.00
1527.	California	Reconstruct Intersection at Highways 152 & 156, Santa Clara County	$7,000,000.00
1528.	Ohio	City of Fostoria/Seneca County loop road along rt. 23	$7,700,000.00
1529.	Mississippi	U.S. Highway 98 access improvement at Interstate 59, Lamar County	$5,000,000.00
1530.	California	Design and environmental analysis for State Route 11 connecting State Route 905 to the new East Otay Mesa Port of Entry, San Diego.	$1,000,000.00
1531.	Michigan	Resurfacing of Nine Mile Road, Eastpointe	$1,040,000.00
1532.	New York	Improve Tissle Road/Old Kings Highway intersection, Saugerties	$500,000.00
1533.	California	Upgrade existing county highway J59 in Tuolumne, Stanislaus and Merced Counties	$2,000,000.00
1534.	North Carolina	Acquire, design and renovate historic rail station into a multimodal center in downtown Winston Salem.	$4,000,000.00
1535.	California	Construct Marin-Sonoma Narrows bicycle and pedestrian walkway	$500,000.00
1536.	Oklahoma	I-40 Crosstown Expressway realignment project from I-44 to I-35 in Oklahoma City, OK	$13,000,000.00
1537.	Colorado	C-470 & Hwy 85 Interchange Reconstruction: Replace interchange ramps, bridge widening, lane improvements.	$6,000,000.00
1538.	Tennessee	Improve heavy vehicle access to interstate 55 from proposed Super Terminal distribution center along Mallory Avenue, Shelby County.	$3,000,000.00
1539.	Idaho	To construct a bypass corridor around the City of Twin Falls for US-93	$4,500,000.00
1540.	Illinois	Undertake Dempster St. Commercial corridor improvements project, Morton Grove	$250,000.00
1541.	Ohio	Improvements to 4 intersections at Lake Center St. North through Route 619 in Lake Township	$2,200,000.00
1542.	Minnesota	Design, engineering, and ROW for the French Rapids Bridge, City of Brainerd	$800,000.00
1543.	Ohio	Acquire land along US 24, Lucas County	$1,000,000.00
1544.	California	Conduct a project study to examine an interchange at State Route 165 and Bradbury Road, Merced County.	$500,000.00
1545.	New York	Construct parking spaces in Elmira, NY, on North Main Street	$500,000.00
1546.	Indiana	Reconstruct 45th Avenue from Colfax Street to Grant Street, Lake County	$2,700,000.00
1547.	Michigan	Rebuilding Jackson Road with experimental materials	$5,000,000.00
1548.	Florida	Expansion from 2 to 4 lanes with grassed median, from Interstate 10 to US 90	$10,000,000.00
1549.	North Carolina	The reconstruction of US Hwy 19 from Cherokee County, NC to Maggie Valley, NC	$7,300,000.00
1550.	New York	Continuation of the public awareness program about transportation infrastructure, Lower Manhattan.	$600,000.00
1551.	Kentucky	Rehabilitate I-75 Brent Spence Bridge	$7,000,000.00
1552.	California	Widen Washington Blvd, Commerce	$3,000,000.00
1553.	Pennsylvania	Route 422 improvement project from Ebensburg to Indiana, PA	$1,500,000.00
1554.	Texas	Completion of JBS Parkway by connecting IH-20, the 2 segments of JBS Parkway across the railroad right-of-way and BI20.	$5,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
1555.	Oregon	North Bend Waterfront District Bike/Pedestrian project	$600,000.00
1556.	Ohio	SR 82 bridge construction in Macedonia City	$3,000,000.00
1557.	Michigan	Reconstruction of County Road 612 from W. County Line to County Road 491, Montmorency County.	$800,000.00
1558.	Ohio	Construct grade separation at State Route 252, Cuyahoga County	$460,000.00
1559.	New York	Replace bridge over Mud Pond Outlet on Spring Lake Road	$400,000.00
1560.	Illinois	Upgrade connector road from I-255 to Rt. 3, Sauget	$2,400,000.00
1561.	New Jersey	Installation of automatic track switch, Port Reading/Woodbridge	$800,000.00
1562.	Georgia	Streetscape [pedestrian safety enhancements, sidewalks, curb replacement, restoration, landscaping, ADA compliance, restoration], Albany.	$1,000,000.00
1563.	Wisconsin	Reconstruct and rebuild bridge over St. Croix River from Houlton, WI to Stillwater, MN	$6,000,000.00
1564.	Washington	Replace existing seismically vulnerable viaduct and adjacent seawall, Seattle	$12,000,000.00
1565.	Illinois	Expedite engineering studies, land acquisition, and construction to widen I-55 between I-80 and Naperville Road.	$3,500,000.00
1566.	Oregon	Gateway Urban Renewal District Development Plan for reconstruction and/or new construction of local multi-modal street projects.	$7,800,000.00
1567.	Mississippi	Upgrade roads in Anguilla and Rolling Fork, Sharkey County	$1,000,000.00
1568.	Georgia	Streetscape [pedestrian safety enhancements, curb replacement, landscaping, ADA compliance], Cordele.	$500,000.00
1569.	California	Colima Road/ Fullerton Road intersection improvements in the city of Rowland Heights	$1,000,000.00
1570.	Arizona	Replace Veterans' Memorial Overpass and upgrade it's associated roadway approaches, Pima County.	$2,000,000.00
1571.	Illinois	Upgrade roads, Plainfield	$500,000.00
1572.	New York	Rehabilitation of Rt. 100 from Virginia Road to Westchester Community College	$1,100,000.00
1573.	New Mexico	Widen the US 491 (formerly US 666) corridor from Gallup north to Shiprock	$2,000,000.00
1574.	California	Reconstruct I-710 southern terminus off ramps, Long Beach	$1,000,000.00
1575.	New Hampshire	Design, right-of-way procurement, and construction from intersection NH 110 and 1st Avenue to Wight Street in Berlin, NH.	$2,860,000.00
1576.	New Jersey	Improvements to Clove Road and Long Hill Road in Little Falls & Upper Mountain Avenue in Montclair.	$2,650,000.00
1577.	Texas	Port of Corpus Christi Joe Fulton International Trade Corridor for congestion and safety enhancements.	$1,000,000.00
1578.	New York	Rehabilitate 125th Street Corridor from Old Broadway to Marginal Street/Waterfront	$2,000,000.00
1579.	Florida	Dinky Line Trail from SR 527 to South Lake Formosa Drive in Orlando, Florida	$500,000.00
1580.	Texas	Relief route for US 271 from US 67 to FM 3417 around the west side of Mount Pleasant in Titus County.	$2,000,000.00
1581.	Texas	Reconstruct the I-35E Bridge over the Trinity River in Dallas, Texas	$1,000,000.00
1582.	Pennsylvania	Independence National Historic Park transportation enhancements: pedestrian facilities, and safety improvements, including landscaping.	$4,500,000.00
1583.	California	Design and Implement Trails and Bikeways Plan for the Golden Gate National Recreation Area and Presidio.	$5,000,000.00
1584.	Illinois	Upgrade roads in the vicinity of Henry Horner Homes, Chicago	$1,000,000.00
1585.	New York	Construct Lower Falls Pedestrian Bridge and Approaches, Rochester	$1,000,000.00
1586.	Pennsylvania	Replace a highway railcrossing in Osborne, PA	$2,000,000.00
1587.	Oklahoma	Reconstruct US412P East to I-44 from regional port	$7,250,000.00
1588.	Arkansas	Improvements to Bridge #19032 in Sulphur Springs	$50,000.00
1589.	New York	Reconstruction of 3.28 miles of Surrey Meadow subdivision in Town of Chester- NY	$729,000.00
1590.	California	Construct Inland Empire Transportation Management Center to better regulate traffic and dispatch personnel to incidents, Fontana.	$1,500,000.00
1591.	American Samoa	Village road improvements for Sua Vaifanua, and Saole counties in the Eastern District	$2,000,000.00
1592.	Minnesota	Reconstruction of CSAH 7 from Itasca County Road 341 to Scenic State Park entrance, Itasca County.	$2,800,000.00
1593.	Washington	Renton 405/167 - Rebuild the SR 167 and I-405 interchange and add additional lanes to relieve congestion.	$2,000,000.00
1594.	Michigan	Convert existing interchange at Cedar Street and Pennsylvania Avenue off I-96	$1,900,000.00
1595.	Connecticut	Construct Salem Greenway	$65,000.00
1596.	New York	Pedestrian walkway improvements along Sunrise Highway, Lynbrook	$500,000.00
1597.	New York	Roadway improvements to Jackson Avenue between Jericho Turnpike and Teibrook Avenue, Nassau County.	$2,000,000.00
1598.	Iowa	Reconstruct 14.3-miles of I-235 mainline roadway through Des Moines metro area	$8,000,000.00
1599.	Florida	Church Street Road Improvements, Orlando	$13,000,000.00
1600.	Ohio	Bridge rehabilitation crossing the Tuscarawas River in the City of Massillon	$335,600.00
1601.	Michigan	Nonmotorized Pathway, City of Rockwood	$426,000.00
1602.	Virginia	Highway Connector Road to Marine Terminal Site, Portsmouth	$2,000,000.00
1603.	Florida	Upgrade I-75 from 6 to 8 lanes between SR 54 and SR 52 in Pasco & Hernando County	$2,000,000.00
1604.	Arkansas	Widening of Highway 118 to four lanes from I-40 interchange North	$3,000,000.00
1605.	Tennessee	Improve circuitry on vehicle protection device installed at railroad crossing in Loudon, TN	$57,000.00
1606.	Michigan	I-94 Widening Bt. 12th St/Sprinkle Rd	$14,000,000.00
1607.	Texas	This project will continue the development and integration of statewide ITS systems	$2,500,000.00
1608.	Mississippi	Upgrade roads in Terry (U.S. hwy 51 and I-55), Edwards (U.S. Hwy 80, 22 and I-20), Utica (U.S. Hwy18 and 27), and Bolton (U.S. Hwy. 80 and I-20), Hinds County.	$1,366,000.00
1609.	Connecticut	Construct Farmington Canal Greenway, New Haven	$2,000,000.00
1610.	Michigan	Menominee County Road 557 Bridge Replacement over the Little Cedar River	$280,000.00
1611.	California	Improvements (including arterial street rehabilitation) to enhance traffic and pedestrian safety in Northridge, Granada Hills, and Porter Ranch, Los Angeles.	$3,750,000.00
1612.	Michigan	Carpenter Road - 700 feet South of Textile Road to I-94, Washtenaw County	$2,000,000.00
1613.	Maryland	MD 30 Hampstead Bypass	$1,000,000.00
1614.	Massachusetts	Relocation of Route 79, creating 4-lane urban boulevard with landscaped median, opening up 8.5 acres of developable waterfront land, Fall River.	$5,000,000.00
1615.	Arkansas	Upgrade Pedee Creek Bridge and approaches, Logan County	$240,000.00
1616.	New York	Utica Marsh-Restablish Water Street. Entails various road openings and improvements	$2,650,000.00
1617.	Wisconsin	Widen State Highway 64 between Houlton and New Richmond	$4,500,000.00
1618.	Illinois	Veterans Drive upgrades in Pekin	$800,000.00
1619.	Ohio	Construct the existing IR 70 interchange at US 40, SR 331 west of St Clairsville	$12,000,000.00
1620.	California	Install signal pre-emption hardware at 53 traffic signals throughout Culver City to improve bus and first responder travel times.	$108,000.00
1621.	Arizona	Construct 73 miles of wheelchair accessible trails on the north and south rims of the Grand Canyon.	$2,000,000.00
1622.	Louisiana	Conduct multimodal corridor study from Louis Armstrong New Orleans International Airport to New Orleans Central Business District.	$2,500,000.00
1623.	Tennessee	Construction of greenway in Knoxville	$2,000,000.00
1624.	Virginia	Ceres Recreation Trail and Center - design and construct pedestrian/bicycle recreation trail in the community of Ceres and establish trail center.	$250,000.00
1625.	Alabama	Interchange at I-65 and Limestone County 24/Browns Ferry Road, Tanner	$1,000,000.00
1626.	Illinois	Construct access road to Southern Illinois University's Research Park from Hwy 51	$1,636,000.00
1627.	Illinois	Construct I-80/Ridgeland Avenue interchange, Tinley Park	$700,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
1628.	New York	Reconstructs Empire Boulevard from Nostrand Avenue to Utica Avenue	$4,000,000.00
1629.	Pennsylvania	Construct Southern Beltway (US 22 to Mon Fayette Expressway)	$2,000,000.00
1630.	Texas	Provide an intermodal roadway connection from SH87 to the Port of Port Arthur	$1,500,000.00
1631.	Indiana	New road construction for McClung Road from State Road 39 to Park Street in LaPorte, Indiana	$1,000,000.00
1632.	New Jersey	Replacement of Sparta Stanhope Road Bridge	$1,000,000.00
1633.	Arkansas	Development of infrastructure road to Russellville's intermodal facilities	$2,000,000.00
1634.	Ohio	Eastgate Area improvements for Interchange Improvements at Route 32 & I-275 in Clermont County.	$4,100,000.00
1635.	Texas	Extend Munn Street from Demaree Ln to Gellhorn Drive	$1,000,000.00
1636.	California	Geary Boulevard Improvements, San Francisco	$12,000,000.00
1637.	Illinois	Upgrades to Cockrell Lane in Springfield	$800,000.00
1638.	Michigan	Construct railroad grade separation on M-85 (Fort Street) North of Van Horn Road, Trenton	$250,000.00
1639.	Illinois	Improve Great River Road, Mercer County	$500,000.00
1640.	Florida	Connect Interstate 4 with the Tampa Port	$8,000,000.00
1641.	Illinois	Municipal Drive (Sugar Grove): Extension North from Rt. 30 to Wheeler Rd. and Galena Blvd. Extension west of Rt. 47.	$4,760,000.00
1642.	Georgia	Bicycle and pedestrian trail connecting Dabney-Hunter-Simmons Park with Davidson Parkway, City of Stockbridge.	$1,000,000.00
1643.	California	Reconstruct interchange with partial-cloverleaf on-ramp for south-bound traffic entering I-80 from Central Avenue, City of Richmond.	$3,000,000.00
1644.	Illinois	Improve roads and grade separations in the vicinity of 130th Street and Torrance Avenue, Chicago.	$4,000,000.00
1645.	New Jersey	Construction and rehabilitation of bridges W-7, W-8, and W-9 connecting Manasquan and Brielle Boroughs.	$2,500,000.00
1646.	New York	Conduct studies to consider transportation planning and community involvement for infrastructure projects that address congestion relief, New York City.	$1,000,000.00
1647.	Mississippi	Upgrade roads in North Carrollton (U.S. Hwy 35 and 82) McCain Street, South Street, Love Street, and Colver Street, Carroll County.	$500,000.00
1648.	Louisiana	Upgrade the 3.6 mile section of LA 478 from I-49 at exit 132 to LA 1 south of Natchitoches, LA	$5,650,000.00
1649.	Washington	Replace I5 exit 79 interchange bridge along Chamber of Commerce Way to provide more capacity	$2,000,000.00
1650.	Illinois	Widen U.S. Route 30 from Rock Falls to Round Grove, Whiteside County	$500,000.00
1651.	California	Rosecrans Avenue/Aviation Blvd/Douglas Street improvements to reduce congestion and improve traffic flow, El Segundo.	$6,000,000.00
1652.	New York	Update all county and town signage in Wayne County, NY	$75,000.00
1653.	New Mexico	Construct the four lane expansion of U.S. 62/180 from Carlsbad, New Mexico to Texas State line	$10,000,000.00
1654.	Illinois	Upgrade 31st Street and Golfview Road intersection and construct parking facilities, Brookfield	$6,400,000.00
1655.	South Carolina	Install and improve highway-rail crossing safety devices, Richland and Orangeburg Counties	$992,000.00
1656.	North Carolina	Widen SR 1165 from Parish Mill Road to Dabney Drive, Henderson	$960,000.00
1657.	New York	Safety enhancements on East Shore Road in Town of Warwick-NY	$1,000,000.00
1658.	Iowa	Upgrade Collins Road (Iowa Highway 100) and 1st Avenue in Cedar Rapids, Iowa	$2,600,000.00
1659.	Alaska	Bridge over Fish Creek in Matanuska-Susitna Borough	$1,000,000.00
1660.	Georgia	Addition of barrier-separated HOV lanes on SR 316 from the I-85 interchange to SR 20, Gwinnett Co.	$500,000.00
1661.	Arkansas	Improvement of County Road 32, Little Garnett/Cane Creek, Lincoln County	$500,000.00
1662.	New York	Rehabilitate and Improve Erie Station Road, Route 15-I390 in the Town of Henrietta	$1,000,000.00
1663.	Indiana	Construct pedestrian islands and narrow campus streets in the City of Anderson, Indiana	$1,000,000.00
1664.	California	Technical Feasibility Study for the 710 Tunnel to connect the 710 to the 210	$3,000,000.00
1665.	Ohio	Multi-use, non-motorized use, recreational trail that will connect Miami, Montgomery, Warren, and Butler Counties in SW Ohio.	$3,000,000.00
1666.	Florida	I-75 Interchange Improvements in Pembroke Pines, Broward County, Florida	$2,000,000.00
1667.	Louisiana	Construct I-20/Tarbutton Road Interchange, Lincoln Parish	$2,000,000.00
1668.	California	Replace Winters Bridge, Yolo County	$2,000,000.00
1669.	Michigan	White Pine Trail State Park paving project	$1,500,000.00
1670.	California	Construct Route 101 Auxiliary Lanes 3rd Ave in the City of San Mateo to Millbrae Ave in Millbrae.	$4,200,000.00
1671.	New York	Downtown Flushing traffic & Pedestrian improvements	$1,000,000.00
1672.	Massachusetts	Extension, resurfacing and alignment improvements to the Norwottuck Rail Trail, Hampshire County.	$6,000,000.00
1673.	Indiana	Widen Wheeling Avenue from Centennial Road to McGalliard Road in the City of Muncie, Indiana.	$960,000.00
1674.	Ohio	Construct interchange at CR 80 on IR 77 near Dover	$5,000,000.00
1675.	California	Repair and realignment of Brahma Drive and Winnetka Avenue, which serves the students of Los Angeles Pierce College.	$600,000.00
1676.	New York	Implement ITS system and apparatus to enhance citywide truck route system on Avenue P between Coney Island Avenue and Ocean Avenue in the 9th District of New York.	$100,000.00
1677.	Oregon	Interstate-5 Trade Corridor for preliminary engineering of Columbia River vehicle and transit crossings and interchange improvements.	$6,000,000.00
1678.	Texas	Widen 4-lane urban divided roadway with raised median on FM 1637, McLennan County	$4,000,000.00
1679.	Florida	Construct US 17-92 Improvements in Maitland, Florida	$1,500,000.00
1680.	California	Widen State Route 112 to four lanes through Jamieson Canyon (between Interstate 80 and SR 29)	$8,000,000.00
1681.	New York	Improve Queens Boulevard, New York	$500,000.00
1682.	Vermont	Construction of the Lamoille Valley Rail Trail for the Vermont Association of Snow Travelers	$7,268,486.00
1683.	Florida	Construct SR 9B Extension in St. Johns County, Florida	$2,800,000.00
1684.	Massachusetts	Pedestrian access and streetscape improvements in the area of Huntington Avenue, Longwood Avenue, and Palace Road, Boston.	$2,100,000.00
1685.	Pennsylvania	Improve Route 666 from Henry's Bend in Forest County to junction with Route 948 in Warren County.	$1,000,000.00
1686.	West Virginia	Fairmont Gateway Connector System to provide an improved highway link between downtown Fairmont and I-79 in the vicinity of Fairmont.	$20,000,000.00
1687.	Michigan	Study to determine replacement options for obsolete and structurally deteriorating bridge (Trenton- Grosse Ile Bridge) including approach roadways, Charter County of Wayne.	$750,000.00
1688.	Illinois	Construct streetscape project, Orland Hills	$350,000.00
1689.	Kansas	Deployment of an Intelligent Traffic System within the Wichita Metropolitan Area	$7,000,000.00
1690.	Indiana	Realign and depress I-70 to make way for new airport Interchange, Indianapolis	$10,000,000.00
1691.	Illinois	Reconstruct Old Madison Rd and interconnected roadways, St. Clair County	$2,000,000.00
1692.	North Carolina	Garden Parkway -- Project proposes to construct multilane freeway that will provide a high-speed corridor around south side of Gastonia.	$2,500,000.00
1693.	Ohio	Reconstruct I-75/I-475 Interchange, Toledo	$3,000,000.00
1694.	Illinois	Upgrade Keystone Avenue and Homan Avenue, Robbins	$1,000,000.00
1695.	Tennessee	Develop trails, bike paths and recreational facilities on the Crest of Black Mountain, Cumberland County for Cumberland Trail State Park.	$250,000.00
1696.	Nevada	Improve Lake Mead Parkway Henderson, Nevada	$1,500,000.00
1697.	Louisiana	LA 42 in Ascension Parish, and LA 73 improvements	$10,000,000.00
1698.	Tennessee	Widen SR35/US-411 beginning in Sevier County an crossing through Jefferson County, ending at I-40 in Cocke County.	$2,000,000.00
1699.	Texas	Construction of Old Hueco Tanks Road from Interstate 10 to FM76, Socorro	$2,500,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
1700.	Ohio	Construct full movement interchange on I-75 at Austin Pike from Wood Road to the west and SR41 to the east.	$7,500,000.00
1701.	New York	Replace bridge over CSX lines on Highbridge Road	$400,000.00
1702.	Iowa	Reconstruct NW 70th Avenue from 86th Street to NW Beaver Drive	$5,000,000.00
1703.	Georgia	Upgrade SR141 corridor in the Buckhead Community Improvement District	$2,000,000.00
1704.	Ohio	Bridge replacement over the Nimishillen Creek in the City of Canton	$400,000.00
1705.	Illinois	US 67 Corridor Concord/Arenzville Rd. to East of IL 100	$1,000,000.00
1706.	Alabama	City of Vestavia Hills pedestrian walkway to cross U.S. 31	$500,000.00
1707.	Mississippi	State Route 609 to State Highway 15 connector, Jackson and Harrison Counties	$3,000,000.00
1708.	Wisconsin	Reconstruct State Highway 45, City of Antigo	$1,000,000.00
1709.	California	Widen Santa Maria River Bridge on U.S. Highway 101 between Santa Barbara County and San Luis Obispo County.	$3,400,000.00
1710.	Illinois	Improve 83rd Street from Roberts Road to 83rd Avenue and improve 79th Street/88th Avenue intersection, Justice.	$5,250,000.00
1711.	California	Improve Central Avenue Historic Corridor Streetscape, Los Angeles	$1,000,000.00
1712.	Massachusetts	Safety and Operational improvements to three Route 128 North exchanges, Town of Danvers	$3,000,000.00
1713.	Illinois	Resurface Elston Avenue, Chicago	$2,000,000.00
1714.	New York	Atlantic Avenue Highway Access Improvement between Van Wyck Expressway and Jamaica Station.	$5,000,000.00
1715.	Florida	Construct I-4/GreeneWay Ramp Connector in Seminole County, Florida	$5,000,000.00
1716.	New York	Reconstruct pedestrian walkways located in the Bronx	$1,000,000.00
1717.	Illinois	Metra/Anderson Rd. (Elburn Station): Construction of a new roadway and grade separation of the UP West Line east of Elburn, IL.	$9,500,000.00
1718.	South Carolina	Replacement of Greenville County maintained bridges	$2,000,000.00
1719.	Pennsylvania	Design, engineering, ROW acquisition, and construction of a connector road between Pennsylvania State Route 93 and Pennsylvania State Route 309, Hazle Township.	$600,000.00
1720.	Oklahoma	Construction of Midwest City Pedestrian Walkway	$1,000,000.00
1721.	Texas	The project is part of the 177-mile Grand Parkway loop being constructed around the metropolitan Houston Area.	$11,500,000.00
1722.	Massachusetts	Rehabilitation of Route 21 bridge over the Chicopee River, Springfield	$2,030,000.00
1723.	New Jersey	Replacement of the Magnolia Avenue Bridge over Route 1 & 9, Elizabeth City	$1,000,000.00
1724.	Illinois	For engineering, right-of-way acquisition and reconstruction of two existing lanes on Arsenal Road from Baseline Rd to Rt 53.	$1,750,000.00
1725.	Iowa	Construction and replacement of a deficient bridge at U.S. Highway 34 Missouri River Bridge at Glenwood, IA (Mills County).	$2,500,000.00
1726.	Illinois	Upgrade roads and bridges, Chicago	$1,000,000.00
1727.	Illinois	Upgrade roads in the vicinity of Rockwell Gardens, Chicago	$1,180,000.00
1728.	Virginia	Upgrade/Widen Route 11 at Maurertown in Shenandoah County	$1,000,000.00
1729.	Michigan	Reconstruct 3.2 miles of I-96 including all ramps at M-39, Detroit	$2,000,000.00
1730.	New York	Road construction at new Town Hall facility in Town of Kent, NY	$750,000.00
1731.	Illinois	Upgrade streets, Stickney Township	$5,000,000.00
1732.	Minnesota	Construct bike-walk trail between the cities of Isanti and Cambridge in the State Highway 65 Corridor.	$288,602.00
1733.	Illinois	Improve Ogden Avenue, Chicago	$13,000,000.00
1734.	Pennsylvania	Improve Route 322 at Halls Run in Venango County	$1,700,000.00
1735.	Colorado	Construct East Corridor project	$2,000,000.00
1736.	California	Provide widening of the existing two-lane railroad underpass on SR89 in Nevada County	$3,000,000.00
1737.	New York	Staten Island Fast Ferry Purchase	$14,000,000.00
1738.	Tennessee	Interchange planning on I-65 at Highland Road	$400,000.00
1739.	Oklahoma	Construct SH3 improvements from Antlers to Broken Bow	$15,000,000.00
1740.	Illinois	Improve roads and construct pedestrian underpass, Western Springs	$2,790,000.00
1741.	Arkansas	Improvement of Sugarloaf Road and Sugarloaf Bridge Construction, Clark County	$500,000.00
1742.	Ohio	Road improvements from Elton St. North to Wooster St. in Tuscarawas Township	$800,000.00
1743.	Missouri	Hanley Road Improvements, St. Louis County	$2,000,000.00
1744.	Tennessee	Construct portion of new State Route 374 Bypass west of Clarksville	$3,400,000.00
1745.	Florida	Miami River Greenway Roadway Improvements and 5th Street Improvements	$1,000,000.00
1746.	Michigan	Improve Fed Forest HWY 16 from M-38 to Houghton County Line, Ontonagon County	$500,000.00
1747.	Illinois	Upgrade Ridge Avenue, Evanston	$3,000,000.00
1748.	New Jersey	Garden State Parkway Grade Separation, Cape May County. Eliminates 3 at grade interchanges (9,10,11) & replace with grade separations.	$45,000,000.00
1749.	Oklahoma	Improvements to I-235 (Broadway Extension) from 36th St. To 63rd St. in Oklahoma City, OK	$1,000,000.00
1750.	California	Improve access from I-8 and construct parking lot for the Imperial Sand Dunes Recreation Area Visitors Center, Imperial Valley.	$1,000,000.00
1751.	Oklahoma	HW 60 Pawhuska to Bartlesville, Osage Co	$2,000,000.00
1752.	Maryland	Upgrade conduit for traffic signal system, street lighting, and traffic-related video cameras, Baltimore.	$1,700,000.00
1753.	Washington	Overpass improvement along 3 mile section of SR501, between MP 0 and MP 3	$1,000,000.00
1754.	Ohio	Construct Portage Bike and Hike Trail, Portage County	$1,000,000.00
1755.	Tennessee	Widen State Route 33 in Knox County, TN	$6,500,000.00
1756.	Illinois	Upgrade Curtis Rd in conjunction with state plan for I-57 interchange, from Duncan Rd to 1st St in Champaign.	$7,000,000.00
1757.	Washington	Avenue D Reconstruction, Snohomish	$1,800,000.00
1758.	Illinois	de roads, Village of Hillside	$1,000,000.00
1759.	Louisiana	North-South Corridor from Houma/Thibodaux to I-10	$5,000,000.00
1760.	New York	Construction of and improvements to Main Street in the Town of Eden	$500,000.00
1761.	California	State Route 52 East upgrade (SR 125 to SR 67)	$6,400,000.00
1762.	California	I-80 at Eureka Road Interchange -Improve access to I-80 by reducing traffic congestion at two heavily traveled on-ramps at Eureka Road and Riverside Avenue in Placer County.	$2,000,000.00
1763.	Massachusetts	Study and design I-93 / Mystic Avenue Interchange at Assembly Sq, Somerville	$500,000.00
1764.	Tennessee	Construct roundabout intersection at Hwy 41A and Hwy 49, Pleasant View	$900,000.00
1765.	California	Bay Road improvements between Clarke Avenue and Cooley Landing. Northern access improvements between University and Illinois Avenues, East Palo Alto.	$4,000,000.00
1766.	Texas	Construct new intersection direct connections between IH-635 and IH-35E, Dallas County, Texas	$17,000,000.00
1767.	Texas	Continuation of item number 92 of the table contained in section 1602 of the Transportation Equity Act for the 21st Century.	$2,500,000.00
1768.	California	Transportation enhancements, Bellflower	$75,000.00
1769.	Texas	Implement the recommendations of a forthcoming study on reducing congestion in and around the Texas Medical Center.	$5,000,000.00
1770.	Arkansas	Improvements to Jenny Lind Road and Ingersoll Road in Fort Smith	$6,000,000.00
1771.	New York	Design/Environmental work on the Inner Loop from Clinton Avenue to East Main Street, Rochester.	$2,400,000.00
1772.	New York	Implement ITS system and apparatus to enhance citywide truck route system on Victory Blvd Between Travis Ave and West Shore Expressway Travis Section of SI.	$100,000.00
1773.	Maine	Gorham Village Bypass, Gorham	$9,600,000.00
1774.	Michigan	Street Project for Access Road to Develop 65-Acre of Municipal Tract of Industrial Land, Village of Cass City, Tuscola County.	$23,160.00

High Priority Projects—Continued

No.	State	Project Description	Amount
1775.	Colorado	Roadway widening and interchange rebuilding on I-225 from I-70 to Parker road	$14,000,000.00
1776.	Indiana	Improve Baile Street, Kentland	$300,000.00
1777.	Virginia	Extension of six-lane section of U.S. Rt. 29 between Eaton Place at Rt. 123	$3,000,000.00
1778.	Georgia	Improve sidewalks, upgrade lighting, and add landscaping in downtown Glennville	$680,000.00
1779.	Georgia	Construct Effingham bypass, SR 21 to SR 275	$3,500,000.00
1780.	Texas	SH 114/SH 121 ''Funnel Project'' - Preliminary Engineering Study	$4,000,000.00
1781.	Georgia	DeKalb schools pedestrian safety upgrades	$4,500,000.00
1782.	Washington	Install dual left turn lanes and intersection signal modifications at SR432 and Columbia Blvd	$1,750,000.00
1783.	Indiana	Reconstruction of .46 miles of Range Line Rd. and replacement of Hamilton County Bridge number 194 in Carmel, IN.	$1,000,000.00
1784.	California	Land acquisition to mitigate impacts to natural habitats and wetlands caused by highway projects on US1 and US101 in areas around Solstice Canyon in the Santa Monica National Mountains Recreation Area.	$1,000,000.00
1785.	Arizona	Construct and replace Safford 8th Avenue north of Safford, Arizona	$3,000,000.00
1786.	California	Construct overpass at Central Avenue Overpass and the Union Pacific railroad crossing, Newark	$1,000,000.00
1787.	Oregon	Widen Oregon Highway 217 between Tualatin Valley Highway and the US 26 interchange, Beaverton.	$6,250,000.00
1788.	South Carolina	I-73 Interstate from South Carolina State line to Myrtle Beach Area	$10,000,000.00
1789.	Tennessee	Improve circuitry on vehicle protection device installed at railroad crossing in Athens, TN	$99,000.00
1790.	Texas	Extend Dowlen Rd. from College St. to Walden Rd., Beaumont	$3,460,000.00
1791.	Louisiana	Peters Road improvements in Plaquemines Parish	$1,000,000.00
1792.	Florida	Expand I-95/Palm Coast Parkway Interchange in Flagler County, Florida	$3,000,000.00
1793.	New Mexico	Improvements to U.S. Highway 87 from Raton to Clayton	$2,000,000.00
1794.	New York	Implement traffic calming and safety improvements in the Gateway to Great Neck area	$400,000.00
1795.	Tennessee	Increase safety at intersections on US11E through Russellville, Whitesburg, Bulls Gap and I-81, roadway improvements for local access roads.	$500,000.00
1796.	Massachusetts	Charlemont Bridge, Route 2. Replacement of the Charlemont Bridge that crosses Deerfield River, Charlemont.	$4,800,000.00
1797.	New York	Install Improvements for Pedestrian Safety in the vicinity of IS 194	$250,000.00
1798.	Florida	Extension of Apopka Bypass-Maitland Boulevard in Orange County, Florida	$1,000,000.00
1799.	Virginia	Jamestown 2007, To provide transportation infrastructure for visitors to Jamestown Island	$2,750,000.00
1800.	Minnesota	Trunk Highway 23 bypass of the city of Paynesville	$3,000,000.00
1801.	New York	Construct improvements on Rt. 12- Phase I other projects	$1,205,000.00
1802.	Florida	Widening and improvements to Snake Road (BIA Rt. 1281) in Hendry County	$1,000,000.00
1803.	Texas	Expansion and improvements to Loop 304, Crockett	$16,000,000.00
1804.	South Carolina	McClellan Road Bridge in Anderson County	$310,000.00
1805.	Michigan	Construction of I-696 freeway ramps, Southfield	$1,000,000.00
1806.	Georgia	Revitalization project will extend and resurface the Roberta Walker Trail, Roberta	$500,000.00
1807.	California	Provides funding for the construction of auxiliary lanes in each direction of U.S. 101 from Marsh Road to the Santa Clara County line.	$2,000,000.00
1808.	New York	Wayne County rails to trails initiative, creating bicycle/pedestrian trails	$345,000.00
1809.	Arkansas	Widen and replace bridges on Hopewell Road, Union County	$500,000.00
1810.	New York	Construct Setauket/Port Jefferson Station Greenway Trail	$5,000,000.00
1811.	California	Construct new ramps to Route 262, widen 262, reconstruct railroad bridges, Fremont	$3,000,000.00
1812.	Michigan	Resurfacing of Eleven Mile Road, St. Clair Shores	$480,000.00
1813.	Illinois	Construction of new access road from Hazel Dell Lane to Hope School in Springfield	$75,000.00
1814.	New York	Construction of a new entrance ramp from 9A Southbound to the Taconic State Parkway Southbound near the northbound Taconic exit ramp to 9A.	$1,000,000.00
1815.	New York	Route 590 Reconstruction Project in the Town of Irondequoit, NY	$4,000,000.00
1816.	New York	Improve Hospital Road Bridge between CR99 and CR101, Patchogue	$6,000,000.00
1817.	Minnesota	Interchange at CSAH & Hwy 24 in Cannon Falls, project development cost three interchange sites & one overpass along 52.	$1,000,000.00
1818.	New York	Queens and Brooklyn County Graffiti Elimination Program including Kings Highway from Ocean Parkway to McDonald Avenue.	$4,000,000.00
1819.	Texas	Construction of La Entrada al Pacifico south of Odessa to relieve traffic from El Paso and Del Rio.	$5,000,000.00
1820.	Alabama	Additional lanes would be added to SR-167 from Troy to Enterprise	$1,000,000.00
1821.	Ohio	Improve SR 14/Washingtonville Rd Intersection, Washingtonville	$824,000.00
1822.	Ohio	Transportation Museum facility expansion and improvements, City of Warren	$750,000.00
1823.	New York	Install Improvements for Pedestrian Safety in the vicinity of PS 277	$250,000.00
1824.	Kentucky	Construct the Albany Bypass, Clinton County	$4,000,000.00
1825.	Massachusetts	Route 110 & I-93 rotary improvements	$1,500,000.00
1826.	Tennessee	Upgrade circuit at gates/lights for Bristol grade crossing (Cedar Street) to intelligent systems that eliminate current variability.	$50,000.00
1827.	Massachusetts	Improvements to Mass. Ave, Andover Street, Osgood Street, Salem Street, and Johnson Street, Town of North Andover.	$1,000,000.00
1828.	New York	Construct W. 79th St. Rotunda, New York City	$2,000,000.00
1829.	California	Conduct Study and Construct Mc Kinley Interchange at SR 120 Project, Manteca, CA	$4,000,000.00
1830.	Indiana	Construct Margaret Avenue Underpass in Terre Haute	$4,000,000.00
1831.	Kansas	Removal of structurally deficient bridge and construction of a new major river crossing of Topeka Blvd. over the Kansas River.	$7,000,000.00
1832.	Michigan	Replacement of the interchange at 44th Street and US-131 in Grand Rapids	$8,700,000.00
1833.	New Jersey	Pedestrian, safety, and street lighting improvements, Edison National Historic Site	$520,000.00
1834.	Maine	Construct and plan Lewiston/Auburn Downtown Connector	$5,800,000.00
1835.	Michigan	Improve the existing highway-rail crossing at Cogshall Street, relocate existing signals	$2,000,000.00
1836.	Illinois	Improve Sheridan Road, Evanston	$2,000,000.00
1837.	South Carolina	Murphy Road East Bridge in Anderson County	$115,000.00
1838.	Texas	Construct 36th Street Extension to connect KellyUSA, San Antonio	$6,000,000.00
1839.	New York	Rehabilitate Rt. 12 at Town and Village of Greene	$4,852,000.00
1840.	Kentucky	Replace bridge and approaches over Beaver Creek (C14) 1.0 mile SE of JCT CR-1221	$500,000.00
1841.	Mississippi	US Hwy 61 Widening/ImprovementWidening US Hwy 61 through Natchez and improving 3 major intersections, including turn lanes, at Devereaux, Liberty, and Junkin Roads.	$1,500,000.00
1842.	Oregon	Rockwood Town Center for Stark Street from190th to 197th for pedestrian, bicycle and transit facilities and safety mitigation.	$2,000,000.00
1843.	Michigan	Expansion of Cass Avenue, Clinton Township	$8,763,000.00
1844.	Washington	Port of Tacoma Road - Construct a second left turn lane from westbound Pac Hwy to Port of Tacoma Road.	$500,000.00
1845.	Georgia	Bicycle and pedestrian trail 1.5 miles along Jester Creek, City of Morrow	$960,000.00
1846.	Mississippi	I-20 Interchange and Connectors at Hawkins Crossing:I-20 Interchange and connectors linking Meridian and industrial complex to US Hwys 11 and 45.	$1,000,000.00
1847.	Massachusetts	Engineering and construction of the Longfellow Bridge, Boston	$2,500,000.00
1848.	California	Construct A 2.8 mile bikeway, working in conjunction with the city of Whittier, that will connect four other regional trails and bikeways.	$400,000.00
1849.	Ohio	Construct White Pond Dr. project, Akron	$1,000,000.00
1850.	Arkansas	Resurfacing Grigsby Ford Road, Hot Spring County	$220,000.00
1851.	Oregon	Lake Road, Milwaukie for improvements in traffic flow, safety, bicycle and sidewalk facilities along the length of the road.	$3,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
1852.	North Carolina	Improve US221 to multilane highway resulting in additional traffic-carrying capacity and enhanced safety.	$5,000,000.00
1853.	Arkansas	Continued development of connector from relocated Highway 67 North to Highways 49 and future Interstate 555.	$1,000,000.00
1854.	Nevada	Construct Las Vegas Martin Luther King Blvd. to Industrial Road Connector	$5,500,000.00
1855.	Ohio	Grading, paving, roads, and ramp facilities for the transfer of rail-to-truck for the intermodel facility at Rickenbacker Airport.	$5,500,000.00
1856.	Illinois	Upgrade roads, Village of Maywood	$1,005,000.00
1857.	Illinois	IL Rt. 82 Railroad Underpass (Geneseo): Would raise the height of a narrow highway underpass	$3,000,000.00
1858.	Minnesota	Hwy 36/McKnight Road Interchange Reconstruction, Ramsey County	$5,000,000.00
1859.	New York	Rehabilitation of the bridge at Warburton Avenue and Factory Lane, Yonkers	$1,000,000.00
1860.	Minnesota	Skyline Parkway Corridor preservation and roadway improvements from Seven Bridges Road to Becks Road, City of Duluth.	$4,000,000.00
1861.	Indiana	Reconstruct 3.4 miles of 2 lane rural road as divided parkway with landscaped median and recreation paths in Carmel, IN.	$500,000.00
1862.	Massachusetts	Design and engineering of 30-mile bikeway extending south from the Town of Salisbury to the Town of Danvers.	$600,000.00
1863.	Minnesota	Stearns County Bridge no. 73501 improvements	$400,000.00
1864.	Louisiana	Improve Zachary Taylor Parkway in LA	$1,000,000.00
1865.	Texas	SH 164 in Groesbeck to Sand Branch Creek. Reconstruct a two-eleven foot main lane roadway to a two-lane twelve-foot main lane with eight-foot shoulder facility. Overall widening of SH 164 for safety.	$2,000,000.00
1866.	Colorado	Upgrade I-70 from Glenwood Canyon to C-470	$4,000,000.00
1867.	New York	Phase II Corning Preserve Transportation Enhancement Project	$5,000,000.00
1868.	Michigan	Purchase and implementation of various Intelligent Transportation System technologies in the Grand Rapids metro region.	$13,100,000.00
1869.	Connecticut	Upgrade North Stonington, CT - Westerly, RI Bridge	$480,000.00
1870.	California	Oregon-Page Mill expressway improvements between U.S. 101 and S.R. 82, Palo Alto	$2,000,000.00
1871.	New York	Pedestrian walkway improvements along Sunrise Highway, Valley Stream	$1,000,000.00
1872.	California	Study economic, environmental and congestion mitigation benefits of a Hybrid Utility Vehicle, Santa Barbara County.	$100,000.00
1873.	Virginia	Route 613 Bridge over Gold Mine Creek - Louisa County	$500,000.00
1874.	Illinois	Undertake traffic mitigation and circulation enhancements on 57th and Lake Shore Drive, Chicago.	$500,000.00
1875.	Ohio	Walnut Ave. Bridge replacement project in the City of Alliance	$500,000.00
1876.	California	Pedestrian Bridge Over Atlantic Boulevard, the City of Monterey Park	$510,000.00
1877.	New York	Emergency vehicle preemption system at traffic signals, Smithtown	$500,000.00
1878.	New York	Implement ITS system and apparatus to enhance citywide truck route system on Broadway to Irwin Ave between 232 to 231 in the neighborhood of Kingsbridge, NY.	$100,000.00
1879.	Ohio	Conduct Phase II of U.S. Route 68 bypass project in Urbana	$2,300,000.00
1880.	Texas	This project will develop a statewide 511 program	$4,000,000.00
1881.	New Jersey	Intermodal Access Improvements to former MOTBY, Bayonne	$2,000,000.00
1882.	Connecticut	Construct Route 11 Extension and Greenway from Salem to Waterford	$15,345,000.00
1883.	New Jersey	Rowan Boulevard Parking adjacent to Highway 322 Corridor, Glassboro Township	$1,000,556.00
1884.	Kentucky	Construct the Northern Bypass of Somerset, Kentucky and Interstate 66 from the Cumberland (Louie B. Nunn) Parkway west of Somerset, Kentucky to Interstate 75 south of London, Kentucky.	$14,000,000.00
1885.	New York	Construct sidewalk along KingsFerry Rd. and Cortlandt St. in Town of Cortlandt -NY	$400,000.00
1886.	Virginia	Appalachian Traditions - construction of outdoor facilities along Music Heritage Trail, Josephine.	$250,000.00
1887.	Louisiana	Construct US 90/LA 675 interchange, Iberia Parish	$5,000,000.00
1888.	Kentucky	Widening US 25 from US 421 to KY876, Richmond	$800,000.00
1889.	Washington	Kent Willis UP Tracks - Provide grade separation at the existing railroad tracks at the UP tracks.	$1,000,000.00
1890.	New York	Improvement on Burnt Corners Rd and Grahamtown Rd. in Town of Greeneville-NY	$100,000.00
1891.	Nebraska	Construct new E-W and N-S roadways/elevated railroad crossing to enhance comprehensive redevelopment of downtown Lincoln.	$4,000,000.00
1892.	Illinois	Improve roads, Benton	$2,300,000.00
1893.	Pennsylvania	Northwest Lancaster County River Trail will parallel 14 miles of Susquehanna River	$250,000.00
1894.	Georgia	Bridge replacement on County Road 183-FAS Route 1509, Peach County	$425,000.00
1895.	Florida	Construction of a new bridge at Indian Street, Martin County, Florida	$4,000,000.00
1896.	New York	Improvements to Ashburton Ave. from the Saw Mill River Parkway to the waterfront	$600,000.00
1897.	Florida	SW 62nd - SW 24th arteriol connector alleviating traffic on I-75	$1,000,000.00
1898.	Kentucky	Make Highway 55 (aka Highway 555) into a 4 lane highway	$10,000,000.00
1899.	Missouri	RiversSouth Development, St. Louis County	$3,000,000.00
1900.	Washington	Emission reduction kits to be put on diesel vehicles (Diesel Solution program, Puget Sound Clean Air Agency).	$2,000,000.00
1901.	Alaska	Variety of road improvements and upgrades to service road areas and miscellaneous projects within Northstar Borough.	$5,000,000.00
1902.	Indiana	Louisville/Southern Indiana Ohio River Bridges Project, Indiana	$14,400,000.00
1903.	New York	Roadway improvements on CR3 between Ruland Rd and I-495, Suffolk County	$2,000,000.00
1904.	New York	Improve the Bronx River Greenway Park Connection	$800,000.00
1905.	Illinois	Resurface Yellow Banks Road, Franklin County	$300,000.00
1906.	Iowa	Construct a Pedestrian Trail Bridge adjacent to U.S. Highway 275 across the Southern half of Council Bluffs, IA between the Missouri River and the Interstate 29 interchange.	$250,000.00
1907.	Florida	SR 434 to JKF Blvd. Roadway Reconstruction, Eatonville	$3,000,000.00
1908.	California	Improving the interchanges on I-5 at Genesee Ave and Sorrento Valley Blvd	$2,000,000.00
1909.	Georgia	Construct Statesboro North bypass, SR 26 to SR 73	$2,000,000.00
1910.	Washington	Intersection project at South Access-522 beginning and ending at the UWB-CCC campus to improve access and alleviate congestion.	$3,000,000.00
1911.	Michigan	Plymouth, Repair Auburn St	$500,000.00
1912.	Missouri	Add 2 lanes to current 2 lane roadway, front street between I-29, I-35 and Chouteau Trafficway	$1,000,000.00
1913.	Florida	Airport Access Road, Gainesville	$1,000,000.00
1914.	Oregon	Columbia Intermodal Corridor for rail congestion relief, improved intersections and access to Interstate-5 for trucks, and grade-separate road from rail, Portland.	$12,000,000.00
1915.	California	This project will widen the northbound ramps and widen the southbound ramps at the I-15 and SR-79 south interchange.	$2,000,000.00
1916.	Washington	Realign West Main Street through west Kelso	$2,000,000.00
1917.	Washington	Construct an off-ramp from I-5 to the intersection of Alderwood Mall Blvd and Alderwood Mall Pkwy.	$500,000.00
1918.	New York	Resurface Grade Crossing at Old State Road (County Route 82)	$500,000.00
1919.	New York	Reconstruct a historic bridge crossing Maxwell Creek in the Town of Sodus, NY	$580,000.00
1920.	New York	Fulton Street Improvements from Pennsylvania Avenue to Eldert Lane, Brooklyn	$5,600,000.00
1921.	Alabama	Talledega Mountains Natural Resource Center - an educational center and hub for hikers, bicyclists, and automobiles.	$1,000,000.00
1922.	Pennsylvania	Design, engineering, ROW acquisition, and construction of street improvements and safety enhancements, Borough of Dupont in Luzerne County.	$250,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
1923.	Nebraska	Construct planned 68-mile, 4-lane expressway on N-35 from Norfolk to South Sioux City	$13,000,000.00
1924.	Missouri	Modifications to I-470-US50 Interchange	$1,000,000.00
1925.	Michigan	West Michigan Regional Planning Study for transportation and infrastructure	$500,000.00
1926.	Virginia	Improve State Routes 161 and 315 and construct infrastructure improvements at/adjacent to Virginia Museum of Fine Arts in Richmond.	$1,000,000.00
1927.	California	Development study of the Riverside-Orange corridor through the Community Environmental Transportation Acceptability Process (CETAP).	$14,000,000.00
1928.	California	Land acquisition in Sargent Hills to mitigate for road runoff into water sources and to protect a wildlife corridor connecting Santa Cruz Mountains to Mt. Hamilton Range, Santa Clara County.	$1,000,000.00
1929.	Michigan	CR 186 from M-35 at Brampton to US2 & US41 - bituminous overlay with super elevation, correction, curb, and gutter, Delta County.	$240,000.00
1930.	Oklahoma	Widen US 60 from approximately 2 miles east of the US 60/US 75 interchange east approximately 5.5 miles.	$2,000,000.00
1931.	North Carolina	Continued development of pedestrian bike paths, Cary	$1,300,000.00
1932.	Massachusetts	Warren Street and Blue Hill Avenue street improvements, Boston	$2,000,000.00
1933.	Pennsylvania	Construct limited access interchange on I-81 in Guilford Township	$3,150,000.00
1934.	Michigan	Construction of improvements of 4 miles connecting M40 in Western Allegan County to Middleville and a bridge over Thornapple River.	$3,400,000.00
1935.	Georgia	Historic preservation of a city bus station in downtown Eastman	$134,917.00
1936.	Texas	This project will deploy ITS elements in the rural areas of Texas	$4,000,000.00
1937.	Texas	Relocation of FM 156 at Alliance Airport	$5,000,000.00
1938.	Texas	Construct a 3 level diamond interchange on IH 35, Bell County	$2,000,000.00
1939.	Washington	Improvements in the SR9 corridor, Snohomish County	$1,500,000.00
1940.	Texas	Reconstruct State Highway 87 from SH 124 to Sabine Pass	$7,000,000.00
1941.	New York	Install Improvements for Pedestrian Safety in the vicinity of Prospect Park Yeshiva	$250,000.00
1942.	Ohio	Replace McDonald Industrial Bridge, Village of McDonald	$500,000.00
1943.	Tennessee	Plough Boulevard Interchange project to improve access to Memphis International Airport	$2,000,000.00
1944.	New York	Rehabilitation of the Ashford Ave. bridge over I-87 in the Villages of Dobbs Ferry and Ardsley	$2,600,000.00
1945.	Washington	Granite Falls Alternate Freight Route, Granite Falls	$2,400,000.00
1946.	New York	Rebuild Queens Plaza, a 250-foot wide roadway on the astern end of the Queensborough Bridge	$8,000,000.00
1947.	New Jersey	Reconfiguration of Bay Avenue and Polaris Street in Newark, NJ	$8,000,000.00
1948.	Illinois	Reconstruct Winter Ave, existing 1 lane Railroad subway, and 1 lane bridge to provide access to Winter Park in Danville.	$5,400,000.00
1949.	New York	Eastern Laurelton Area Improvements, Queens	$6,600,000.00
1950.	Texas	Construct grade-separation bridges at Wintergreen and Millers Ferry Roads in Hutchins and at Pleasant Run and Millers Ferry Roads, Wilmer.	$7,200,000.00
1951.	Pennsylvania	Engineering, design and construction of an extension of Park Avenue north to Lakemont Park in Altoona.	$2,000,000.00
1952.	Florida	Increase four lane road to a six lane segment on Highway 98, Walton County	$2,000,000.00
1953.	New Jersey	Pedestrian facilities and street lighting on Haddon Avenue from Voorhees Township Line to Bate Avenue, Berlin Township.	$347,120.00
1954.	Minnesota	Acquire right of way for reconstruction and relocation of U.S. Highway 14 from CSAH 2 to Owatonna.	$12,000,000.00
1955.	New York	Construct highway improvements necessary to develop an industrial park in Lackawanna	$2,000,000.00
1956.	Alaska	Emergency evacuation road at Point Hope in North Slope Borough	$5,000,000.00
1957.	Michigan	Rail Consolidation Phase II, City of Monroe	$5,250,000.00
1958.	New York	Road and pedestrian safety improvements on Main Street, Village of Patchogue	$1,400,000.00
1959.	Ohio	Construct connector between Crocker and Stearns County Highways, Westlake and North Olmsted.	$700,000.00
1960.	Tennessee	Improve and relocate section of SR-66 from I-81 in Jefferson County and extending to SR-34 in Hamblen County via SR-160.	$2,750,000.00
1961.	Ohio	Calming of traffic on Greenfield st. in City of Tiffin and improving intersection of Greenfield St. with Routes 18 and 101.	$1,700,000.00
1962.	California	Realignment of La Brea Avenue to reduce congestion, Inglewood	$4,240,000.00
1963.	Minnesota	Construct one mile of new roadway and a bridge crossing the DM&IR railroad tracks, and construct connector between CSAH 14 and CSAH 284, Proctor.	$3,280,000.00
1964.	Georgia	Construct 5 ft. bicycle lanes to connect the cities of Elberton and Lake Russell, and rest stops for recreational use.	$1,250,000.00
1965.	California	Construct fourth bore of Caldecott Tunnel on Route 24	$1,000,000.00
1966.	Illinois	Prospect St. Project (Cambridge): Restoration and reconstruction of the central business district street.	$1,200,000.00
1967.	New York	Roadway improvements to Woodbury Rd at intersection with Syosset-Woodbury Rd., Nassau County.	$1,500,000.00
1968.	New Jersey	Rt. 1&9, Roadway Rehabilitation in North Bergen	$1,000,000.00
1969.	New York	Construct and improve access roads to Northland Commerce Park, Buffalo	$1,500,000.00
1970.	Massachusetts	Meridian Street Bridge. Replacement of the Meridian Street bridge that crosses the Green River, Greenfield.	$2,300,000.00
1971.	Kansas	Highway construction project on K-18 in Geary County, south 2.7 miles to Interstate 70	$13,970,000.00
1972.	Pennsylvania	Schaefferstown Bypass, PA Route 501, Lebanon	$1,000,000.00
1973.	North Carolina	Widen US 401 to multilane facility between Fayetteville and Fuquay-Varina	$4,000,000.00
1974.	Washington	North Sound Connecting Communities Project Planning Funds	$1,000,000.00
1975.	Georgia	Construct Blue Jay Rd. to Highway 30 in Effingham	$2,500,000.00
1976.	North Carolina	Widening of US501 from NC 49 in Roxboro, North Carolina to the Virginia State line, part on new location.	$10,000,000.00
1977.	Maryland	Reconstruction of roadways in the East Baltimore Biotechnology Park	$6,000,000.00
1978.	Ohio	Construct additional lane to alleviate traffic congestion on US 40 in and adjacent to St Clairsville.	$800,000.00
1979.	Missouri	Intersection improvement of Hwy 45, Hwy K, and Union Chapel Road, in addition to widening Hwy 45.	$3,000,000.00
1980.	Maryland	Interchange at Musgrove Road and Fairland Road on US29	$3,400,000.00
1981.	California	Traffic signal upgrades on Bellflower Blvd at Alondra Blvd and Rosecrans Ave, Bellflower	$350,000.00
1982.	Utah	Virgin River Bridge, Washington City	$2,800,000.00
1983.	Nebraska	Construction of a 2-lane roadway on new alignment south and east of Louisville	$1,626,400.00
1984.	Florida	Ludlum Trail	$1,000,000.00
1985.	New Jersey	Route 21 Improvements and bridge replacement in vicinity of Chester Avenue, Newark	$1,000,000.00
1986.	Indiana	US 231 new road construction in Spencer and Dubois Counties	$5,000,000.00
1987.	South Carolina	Southern Conway Bypass (701 Connector)	$5,000,000.00
1988.	South Carolina	Railroad Avenue Extension, Road S-732, Berkeley County	$2,000,000.00
1989.	Louisiana	Construct Mississippi River Trail and Bikepath, New Orleans	$500,000.00
1990.	Washington	Preliminary engineering and EIS for I-5 from SR500 WA crossing the Columbia River, to Marine Drive in OR.	$10,000,000.00
1991.	New York	Improvements to the intermodal transportation on the Jacobi Campus-1400 Pelham Park	$250,000.00
1992.	Texas	Pedestrian improvements and traffic control projects in the central business district of downtown El Paso.	$2,000,000.00
1993.	Alabama	4-laning of US 278 from I-65 to US 231	$3,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
1994.	Kansas	Construct bike/pedestrian path along K-10 between Douglas and Johnson Counties	$500,000.00
1995.	Florida	Construction and four-laning of State Road 80 in Hendry County, Florida	$1,000,000.00
1996.	Missouri	Upgrade interchange at I170 & Ladue Road (Ladue, MO)	$2,000,000.00
1997.	Maryland	Funding for Baltimore City to begin development of a City Transportation Management Center utilizing ITS.	$1,000,000.00
1998.	Texas	Environmental Mitigation and wetland protection funding for US 290 to US 59 (The Grand Parkway) and Right of Way funding for US 290 to SH249 and I-45 to US 59.	$14,000,000.00
1999.	Arkansas	Improvement of Hwy 65b-North, Pine Bluff	$3,200,000.00
2000.	Texas	Loop 49--Construct a new location 4-lane divided controlled access facility from SH 155 to SH 31	$6,100,000.00
2001.	California	Construct State Route 905 to connect the Otay Mesa Port of Entry to Interstate 805, San Diego	$15,000,000.00
2002.	Washington	Improvements at I-5 and 134th Street and arterial network linking I-5 and I-205	$12,354,000.00
2003.	Florida	North Access Road / International Airport Boulevard in Duval County	$5,000,000.00
2004.	Ohio	Construct a 4 lane limited access road to link Newcomerstown and Cadiz	$750,000.00
2005.	Alaska	Westside development Williamsport-Pile Bay Road	$5,000,000.00
2006.	Massachusetts	Engineering and construction of the Chelsea St Bridge, Boston	$8,000,000.00
2007.	Oregon	Widen Delauro Road and add a bike lane in both directions, Clatsop County	$90,000.00
2008.	Iowa	Build extension to U.S. 20 Mississippi River Bridge in Dubuque County	$25,000,000.00
2009.	Mississippi	Upgrade roads in Attala County District 4 (Roads 4211 and 4204), Kosciusko, Ward 3 (U.S. Hwy 16), and Ethel (U.S. Hwy 12), Attala County.	$1,300,000.00
2010.	California	Widen the Mountain View Avenue Bridge in Loma Linda	$2,000,000.00
2011.	Alaska	Construct access road and a bridge crossing the Naknek River terminus points in South Naknek-King Salmon Highway.	$5,000,000.00
2012.	California	Construct Illinois Street Bridge/Amador Street Connection and Improvements, San Francisco	$5,000,000.00
2013.	Michigan	Commerce, widen Haggerty Rd. from 14 mile to Richardson	$2,000,000.00
2014.	South Carolina	North Rhett Boulevard Extension to US Hwy 52, Berkeley County	$7,000,000.00
2015.	Michigan	Allen Road Highway-Rail Grade Separation under CN Railroad, City of Woodhaven	$3,000,000.00
2016.	Pennsylvania	Complete the reconstruction of roadways around the David L. Lawrence Convention Center	$1,000,000.00
2017.	Oklahoma	Construct Texanna Road Improvements from Highway 69 to Highway 71, McIntosh County	$2,000,000.00
2018.	New Mexico	Construct Fairgrounds Road in Alamogordo	$5,000,000.00
2019.	New York	Reconstruction of Times and Duffy Squares, New York City	$1,500,000.00
2020.	Florida	US Highway 19 North, Pinellas County	$10,000,000.00
2021.	Maryland	MD70/Rowe Boulevard Bridge. Funding to undertake environmental mitigation work on Weems Creek associated with bridge reconstruction.	$2,000,000.00
2022.	Alabama	Extension of I-565 westward from existing interchange to existing Tennessee River bridges at Decatur, AL.	$5,000,000.00
2023.	Washington	San Juan Boulevard Project, Bellingham	$4,000,000.00
2024.	Oklahoma	Reconstruct the I-44/Fort Sill Key Gate Interchange	$1,000,000.00
2025.	New York	Improve safety measures at railroad grade crossings on the West Shore River Line, Rockland County.	$1,000,000.00
2026.	Oregon	Improve Millican/West Butte Road which connects U.S. Highway 20 with U.S. Highway 126	$2,000,000.00
2027.	California	Construct Alviso Bay Trail project, a 1.3 mile trail from Gold Street to San Tomas Aquino Creek, Santa Clara County.	$800,000.00
2028.	Kentucky	Reconstruct KY 750 from KY 3105 to US 23, Raceland	$500,000.00
2029.	Illinois	Upgrade Missouri Ave from 1st St to 10th St, East St. Louis	$2,500,000.00
2030.	New York	Install Improvements for Pedestrian Safety in the vicinity of IS 72/PS 69	$250,000.00
2031.	California	Improvements (including arterial street rehabilitation) to enhance traffic and pedestrian safety in the Sherman Oaks community, Los Angeles.	$214,000.00
2032.	Georgia	Install walkways, lighting, landscaping in Water Works Park and south along river through Ocmulgee National Monument and Central City Park.	$4,500,000.00
2033.	California	Reconstruct 1.1 miles of Long Beach Blvd from Imperial Hwy. to Tweedy Blvd., Lynwood	$2,200,000.00
2034.	Michigan	Overlay of Fairview Road to improve network of all-season Truck routes, Ogemaw County	$369,600.00
2035.	Washington	I-90, Spokane to Idaho State Line Widening: Construct two general purpose lanes from Sprague Avenue in City of Spokane to Idaho State Line.	$5,000,000.00
2036.	Texas	Greater Galveston Bay Area cooperative development for landscape beautification, hike & bike trail extension, and extension of current trails.	$2,000,000.00
2037.	Virginia	Blue Ridge Travel Association - establishment of website providing information including trails and road systems within the region.	$250,000.00
2038.	South Carolina	Construct intersection and corridor improvements to US 278 to include widening and traffic control improvements.	$6,500,000.00
2039.	Tennessee	Improve circuitry on vehicle protection device installed at railroad crossing in Niota, TN	$99,000.00
2040.	Arkansas	Improvement of Hwy 82 East/West Project, Ashley County	$500,000.00
2041.	Ohio	Construct proposed connection SR 207, SR104, and US 23 in Ross County	$2,000,000.00
2042.	Indiana	Construct an economic thoroughfare parallel to I-69 in the City of Anderson, Indiana	$2,000,000.00
2043.	Washington	Cascade Gateway Coordination of Binational Planning; The International Mobility and Trade Corridor Project.	$1,300,000.00
2044.	Illinois	City of Peoria Riverfront area street improvements	$800,000.00
2045.	New Mexico	Mesa Del Sol: Improve and renhance access to existing county recreational complex and the new Mes Del Sol development.	$2,000,000.00
2046.	California	Replace Route 1 San Pedro Creek bridge, Pacifica	$1,500,000.00
2047.	Massachusetts	Reconstruction of Union St and Route 138W, Holbrook	$1,800,000.00
2048.	New York	Construction of and improvements to highway / rail grade crossing at Harrington Road in the Town of Sheridan.	$500,000.00
2049.	California	The Foothill South Project will construct 16 miles of a six lane limited access highway system	$10,000,000.00
2050.	Florida	Roadway and drainage improvements in the city of Key West to reduce street flooding	$2,000,000.00
2051.	New Jersey	Route 46 Little Ferry Traffic Circle Elimination, Roadway and Drainage Improvements	$1,500,000.00
2052.	California	Planning, engineering, and construction of a tunnel on SR 75/282 to Naval Air Station. San Diego.	$5,000,000.00
2053.	Massachusetts	Replace Cross Street Bridge spanning the flood-prone Aberjona River, Winchester	$1,000,000.00
2054.	Georgia	Widening of SR 196 in Liberty County	$1,000,000.00
2055.	Illinois	Annie Glidden Rd. (DeKalb): Widen the two-lane road to five lanes with intersection improvements.	$8,000,000.00
2056.	Mississippi	Highway 45 Bypass - Provides a 4-lane alternative to Highway 45 in Columbus	$6,000,000.00
2057.	New York	Construction of ferry terminals and ferry boats for Haverstraw, Yonkers, and Manhattan	$1,500,000.00
2058.	California	Construct road from Mace Blvd in Yolo County to federally supported Pacific Flyway wildlife area.	$1,000,000.00
2059.	New York	Construction of roadways to improve access to waterfront at Erie Street in Buffalo	$1,500,000.00
2060.	Washington	Route analysis for a planned community pathway through Chehalis	$50,000.00
2061.	California	Improve access roads to Beale Air Force Base (Spenceville, Smartville, Hammonton-Smartville, and North Beale Roads).	$6,500,000.00
2062.	Mississippi	Canal Road intermodal connector, Gulfport	$8,000,000.00
2063.	Iowa	Reconstruction and relocation of US 30 from 4.5 miles west of Toledo to 1 mile east of Tama	$4,000,000.00
2064.	Nebraska	Highway grade separation structure across the BNSF/FEVR railroad corridor in the western part of the City of Fremont.	$1,807,300.00
2065.	Illinois	Construct Illinois Route 336 from Macomb to Peoria	$2,000,000.00
2066.	Pennsylvania	Schuylkill River Gateway project enhancing bridge and roadway structures connecting Center City and University City for pedestrians, bicyclists, and motorists.	$1,250,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
2067.	North Carolina	Add interchange on I-26 north of NC 146 and south of the Blue Ridge Parkway	$5,000,000.00
2068.	Virginia	Widen Route 7 from Reston Parkway to Rolling Holly Drive	$6,000,000.00
2069.	Mississippi	Upgrade roads in Beauregard (U. S. Hwy 51), Crystal Springs (U.S. Hwy 51 and I-55), and Hazelhurst (U.S. Hwy 51 and I-55), Copiah County.	$1,000,000.00
2070.	California	Conduct Study and Construct Lammers Rd / I -205 Widening and Interchange Project, Tracy, CA	$1,000,000.00
2071.	Maryland	Design ramp from I-495 to MD 4 and signalized intersection	$3,500,000.00
2072.	Oregon	Add a southbound lane to section of I-5 between Delta Park and Lombard	$5,000,000.00
2073.	Minnesota	Reconstruction of CSAH 4 and CSAH 5 (Forest Highway 11) between CSAH 15 and Trunk Highway 61, Silver Bay.	$1,740,000.00
2074.	California	Upgrade Kanan Road interchange at US101 (Agoura Hills) to improve safety and accessibility	$5,000,000.00
2075.	Washington	U.S.-395, Spokane to Stevens County Line Widening: Construct US-395 from milepost 172.6 to Stevens County line just north of Deer Park, Washington.	$1,000,000.00
2076.	Georgia	Upgrade sidewalks and lighting, Lyons	$709,098.00
2077.	Ohio	Construction of new roadway intersecting Chestnut St. and Paradise St. and modifications to Chestnut St. and Paradise St. in the City of Orville.	$6,004,400.00
2078.	Georgia	Extend East Greene Street, install street lights, utilities, and landscaping, Milledgeville	$500,000.00
2079.	Wisconsin	Construct Michigan Street Bridge in Sturgeon Bay, Wisconsin	$5,000,000.00
2080.	Missouri	Complete the upgrade of Hwy. 60 to 4 lanes from Willow Springs to Van Buren	$10,000,000.00
2081.	Ohio	Deconstruct the Bellaire Highway Bridge which connects Bellaire, OH and Benwood, WV	$1,700,000.00
2082.	California	Construction of interchange at State Hwy 86 and Ave 50 in Coachella, CA	$1,000,000.00
2083.	Virginia	Preliminary engineering for Hampton Roads Third Crossing	$3,000,000.00
2084.	Arizona	Improve 15 miles of Navajo Route 16 in the Navajo Mountain Community	$1,000,000.00
2085.	New Hampshire	Construction of interchange on I93. The project is not part of a larger system. But, will be compatible with the NHDOT I-93 widening project.	$2,500,000.00
2086.	Vermont	Construction of the St. Albans intermodal connector roadway with I-89 for the City of St. Albans	$1,200,000.00
2087.	Illinois	Widen Algonquin Rd to four-lane divided highway in McHenry County, IL	$4,000,000.00
2088.	Mississippi	Upgrade roads in Itta Bena (U.S. Hwy 82 and 7) and in vicinity of Viking Range Corp. (U.S. Hwy 7 and 49), Leflore County.	$1,500,000.00
2089.	New York	Improvements to Robinson La and Lake Walton Rd at Rt 376 in Town of East Fishkill	$500,000.00
2090.	Hawaii	Conduct study of East Hawaii Alternative Road, Island of Hawaii	$250,000.00
2091.	Washington	Tukwila Urban Access - address necessary improvements to Southcenter Parkway in Tukwila to relieve congestion.	$1,000,000.00
2092.	California	Quincy-Oroville Highway Rehabilitation - Provides for 9.5 miles of pavement rehabilitation, culvert replacements, guardrail installation, signing and stripping in Plumas County.	$1,000,000.00
2093.	New Jersey	Rt. 33 from Rt. 35 to Rt. 71 -Widening existing roadway, sidewalks, left turn lanes, signage and drainage, Neptune.	$2,000,000.00
2094.	Missouri	Ogden Ave improvements - property acquisition, design & engineering, and enhanced streetscapes for bike and pedestrian traffic, St. Louis County.	$400,000.00
2095.	California	Interchange improvements at Rice Avenue and U.S. Highway 101, City of Oxnard	$3,000,000.00
2096.	New Jersey	Pedestrian walkway improvements across three bridges over I-280, Orange	$1,000,000.00
2097.	Arizona	Pave 12 miles of Pine Springs Road, N9010, on the Navajo Nation	$1,000,000.00
2098.	California	Utilize funds over a four-year period to reconstruct and deep-lift asphalt on various roads throughout the district in Santa Barbara County.	$4,644,000.00
2099.	Minnesota	Lyndale Avenue Bridge Project, Richfield	$7,000,000.00
2100.	Virginia	Route 635 Bridge Over Southern Railway - Orange County	$500,000.00
2101.	New York	Construct Safe Routes to Schools projects, New York City	$3,000,000.00
2102.	Nevada	Design and Construct Hoover Dam Bypass Extension, Boulder City, Nevada	$6,000,000.00
2103.	Texas	Construct pedestrian trail from Pasadena Heritage Park to Memorial Park, then continue south along Vince Bayou to Strawberry Park.	$150,000.00
2104.	Pennsylvania	Widening of 4.5 miles of northbound Rte 28 at Yutes Run Rd for the Frazer Mills Project	$1,500,000.00
2105.	Illinois	Construct parking facility, LaGrange	$3,700,000.00
2106.	Ohio	Replace the Edward N. Waldvogel Viaduct	$8,000,000.00
2107.	Georgia	Install sidewalks on Highway 23 from Dykes Street to Sarah Street, Cochran	$300,000.00
2108.	North Carolina	10th St. Connector in Greenville, NC: Widen Farmville Blvd. from Memorial Dr. to 14th St. and extend from 14th St. to 10th St.	$12,000,000.00
2109.	Florida	Construction and Right of Way activities for SR 548, In-Town Bypass in Lakeland, FL	$6,000,000.00
2110.	Oklahoma	Construct SH28 Improvements from I-44 to Langley	$2,300,000.00
2111.	Ohio	Rehabilitate tunnel and bridge on National Road Bikeway in St Clairsville	$700,000.00
2112.	Ohio	Ashtabula Co. MetroParks completion of bicycle trails project	$1,000,000.00
2113.	Hawaii	Design/engineering of Puainako Street	$1,500,000.00
2114.	Virginia	Expansion of South Airport Drive near Richmond International Airport	$500,000.00
2115.	North Carolina	Construction of a hard surface road that will establish a new port access point to receive and dispatch trucks from/to US 74/76, US 421, and US 17S.	$3,000,000.00
2116.	Minnesota	City of Moorhead SE Main GSI, 34th St and I94 Interchange, and Moorhead Comprehensive Rail Safety Program.	$2,600,000.00
2117.	Nevada	Enhancement to ReTrac project that provided for separation of 11 street crossings through downtown Reno.	$1,000,000.00
2118.	New York	Improve NY112 from Old Town Road to NY347	$10,000,000.00
2119.	California	Construct 213th Street pedestrian bridge to provide safe passage for pedestrians and wheelchairs, Carson.	$1,050,000.00
2120.	Connecticut	Construct additional southbound Route 8 Entrance Ramp at Exit 11 in Shelton, CT	$1,500,000.00
2121.	Virginia	Cranesnest Trail - construction of 16 mile hiking, biking, horse trail from Route 83 to Cranesnest Campground.	$650,000.00
2122.	Maryland	Reconstruction of MD 175 from the Baltimore-Washington Parkway to MD 170 (Telegraph Road)	$2,000,000.00
2123.	Ohio	City of Tiffin/Sarah st. along St. route 18 and 101 to calm traffic	$2,600,000.00
2124.	New Jersey	Road improvement to improve the intersection of Rt. 173, Pittstown Road, and Interstate 78, Franklin Township of Hunterdon County.	$1,650,000.00
2125.	Alabama	Huntsville Southern Bypass from I565 through Redstone Arsenal to US Highway 231	$3,000,000.00
2126.	Michigan	Widen Maple and Orchard Lake Roads at Northwestern Highway intersections	$5,000,000.00
2127.	Montana	Bozeman Parking Facility	$5,000,000.00
2128.	New Hampshire	Relocation of the intersection of Route 103 and North Street and the reconstruction of North Street in Claremont, NH.	$2,680,000.00
2129.	Washington	SR 35 - Columbia River Crossing Environmental Impact Statement completion, Klickitat County	$800,000.00
2130.	Utah	Southern Corridor, St. George	$4,000,000.00
2131.	Oregon	Construction of roadway facilities at the Tualatin River National Wildlife Refuge	$60,000.00
2132.	Pennsylvania	State Street and Mulberry Street Bridge Lighting project, Harrisburg	$4,000,000.00
2133.	Florida	Widening and improvement of State Road 64 from Lakewood Ranch Boulevard to Lorraine Road	$2,000,000.00
2134.	Idaho	A widening project at the Sunnyside IC located on I-15 between mileposts 113 and 116	$4,500,000.00
2135.	Indiana	Riverfront trail, community gathering space and safe passage for pedestrians linking Noblesville to the White River Trails in Hamilton County.	$500,000.00
2136.	Louisiana	Upgrade I-49 South from Lafayette, Louisiana to New Orleans, Louisiana	$3,500,000.00
2137.	Tennessee	New five-lane connector north of the city of Elizabethton, Carter County, located within Urbanized Area Boundary of Johnson City.	$500,000.00
2138.	Georgia	Link US 84 with Hinesville downtown redevelopment via Memorial Drive	$1,200,000.00
2139.	Pennsylvania	PA Route 61 safety improvements, Leesport Borough/Ontelaunee/Muhlenburg	$3,000,000.00
2140.	California	Builds a pedestrian bridge from Hiller Street to the Bay Trail, Belmont	$2,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
2141.	Michigan	Transportation Aesthetics project in City of Durand, includes new curb and gutter	$500,000.00
2142.	Illinois	Dixon Riverfront Plan: Development of a coordinated trail system, parking, and trial system	$3,200,000.00
2143.	California	Develop conceptual master plan including economic analysis and environmental study to improve the efficiency of transportation facilities, Covina.	$215,000.00
2144.	California	Streetscape improvements at E. 14th/Mission Blvd., Alameda County	$1,250,000.00
2145.	Utah	Cottonwood and Winchester Intersection, Murray City	$5,000,000.00
2146.	Massachusetts	Southwick and Westfield Rail Trail. Construction of a 9.5 mile multi-use trail, Southwick and Westfield.	$5,000,000.00
2147.	Florida	For land acquisition and construction of the Englewood Interstate Connector, a vital evacuation route for Sarasota, Charlotte and Lee Counties.	$4,000,000.00
2148.	Illinois	Engineering and construction of the 15.1-mile Alliance Trail from LaSalle to Bureau Junction	$1,000,000.00
2149.	Texas	Construct Hidalgo County Loop	$2,000,000.00
2150.	Pennsylvania	Flyover ramps at SR837/Center Street to Industrial Drive and SR148/Coursin Street to Industrial Drive, McKeesport/Duquesne.	$9,000,000.00
2151.	Virginia	Widen Rt. 820 in Bergton	$1,200,000.00
2152.	Idaho	A project to directly contribute to completed and future improvements to US-30 from I-15 from milepost 363.8 to milepost 365.9.	$5,000,000.00
2153.	New Jersey	Perth Amboy Rt. 440/State St. Interchange	$5,000,000.00
2154.	District of Columbia	Rock Creek Recreational Trail study to assess feasibility of constructing recreation trail	$1,000,000.00
2155.	Ohio	Construction/improvements of Lake Co Highway Administration Center in Madison	$500,000.00
2156.	Kansas	Reconstruct US-69 between 87th Street and 119th Street, City of Overland Park	$2,000,000.00
2157.	Virginia	Concept design and scope for a slip ramp from E. Eisenhower Valley area of Alexandria	$500,000.00
2158.	Oregon	BNSF Intermodal Hub for improved traffic flow, safety, and the construction of a turnout lane parallel to NW Yeon Avenue, Portland.	$200,000.00
2159.	Virginia	Whitetop Station - completion of renovation of Whitetop Station (which serves as trailhead facility), including construction of trail.	$100,000.00
2160.	West Virginia	Upgrade Route 10, Logan Co	$5,000,000.00
2161.	California	Construct Guadalupe River Trail project from highway 237 to I-880, San Jose	$5,500,000.00
2162.	Texas	Tower 55 CMAQ Congestion and Preliminary Engineering Study	$2,000,000.00
2163.	Illinois	Upgrade traffic signalization on Sheridan Road from Hollywood to Juneway, Chicago	$1,500,000.00
2164.	Massachusetts	Reconstruct Route 24 / Route 140 Interchange, replacing bridge and ramps, widening lanes, extending acceleration and deceleration lanes.	$8,700,000.00
2165.	New York	Construct turning lane on Rt 55 at Gardner Hollow Rd. in Town of Beekman-NY	$560,000.00
2166.	Illinois	Replace bridge structure over Wabash River between Mt.Carmel, IL and Princeton, IN	$7,200,000.00
2167.	Kansas	Construct K-10/ Lone Elm Road interchange, Lenexa	$3,000,000.00
2168.	Oregon	Barber Road extension, Wilsonville	$1,000,000.00
2169.	Texas	Bicycle and pedestrian trail network southeast Austin, including McKinney Falls Trail, Pierce Lane Link, Onion Creek Trail, and Southern Walnut Creek Trail.	$9,000,000.00
2170.	Florida	Link I-95 in St. Johns County to I-10 in Duval County with a 4-lane freeway running through Clay County.	$3,000,000.00
2171.	Arizona	Improve Interstate 40 at the Country Club Interchange in East Flagstaff, Arizona	$2,000,000.00
2172.	Illinois	Construct Bike paths, Madison County	$3,200,000.00
2173.	Pennsylvania	PA72 corridor improvements from PA283 to PA Turnpike. Connect with PA 283	$600,000.00
2174.	New York	Bicycle and pedestrian safety improvements on Main Street, Riverhead	$1,200,000.00
2175.	Georgia	Pedestrian streetscape project, including curbs, bicycle parking, and landscaping, to revitalize downtown Locust Grove.	$1,000,000.00
2176.	New Jersey	Project will fund improvements along County Route 523 corridor from Village of Oldwick south to US 22 in the Readington-Tewksbury, Improvement District.	$500,000.00
2177.	Kentucky	Newtown Pike extension from West Main Street to South Limestone Street, Lexington	$5,250,000.00
2178.	Louisiana	Construct improvements to I-10 interchange with Ryan Street, Lake Charles	$4,500,000.00
2179.	New York	Construction of and improvements to Route 5 in the Town of Hamburg	$500,000.00
2180.	Minnesota	TH 38 reconstruction from Itasca CSAH 19 to Marcell	$4,675,942.00
2181.	Maryland	Baltimore-Washington Maglev Demonstration Project will demonstrate capabilities of Maglev technology.	$200,000.00
2182.	Nebraska	Upgrade Cuming Street and US-75 entrance ramp, Omaha	$4,000,000.00
2183.	Texas	South Orient Rail economic & rehabilitation Project	$3,000,000.00
2184.	Illinois	City of Bartonville, Street widening and improvements and sidewalk improvements	$800,000.00
2185.	Mississippi	Interstate 59, U.S. Highway 84, and State Highway 15 interchange, Laurel	$2,120,000.00
2186.	Georgia	Streetscape project to install sidewalks and bicycle trails, Gray	$500,000.00
2187.	Massachusetts	Realignments and reconstruction of a section of Route 32 in Palmer to the Ware town line	$4,000,000.00
2188.	Maryland	I-81 Improvements South of I-70 to North of Halfway Blvd	$1,000,000.00
2189.	Georgia	Streetscape [pedestrian safety enhancements, sidewalks, curb replacement, landscaping, restoration, ADA compliance, restoration], Thomasville.	$500,000.00
2190.	Maryland	Land acquisition for highway mitigation in Cecil and Worcester	$14,800,000.00
2191.	Michigan	Construct Industrial Park Service Road and Caine Road Bridge Replacement,Village of Millington, Tuscola County.	$416,000.00
2192.	Minnesota	8th Street Right of Way Acquisition for Stearns country road expansion and realignment	$4,000,000.00
2193.	California	For environmental review and preliminary engineering for a freeway-to-freeway interchange connecting Interstate 5 to State Route 78.	$5,000,000.00
2194.	Pennsylvania	Identify multi-modal commercial and military freight corridors in PA. Part of PA Reg. Agile Port Intermodel Distribution Sys. Philadelphia.	$500,000.00
2195.	California	The Esplanade improvements to reduce pedestrian/bicycle/automobile traffic congestion and improve oceanfront access, Redondo Beach.	$1,000,000.00
2196.	New York	Create overpass at Peruville Road to address intersection safety issues	$4,432,000.00
2197.	Missouri	Rehabilitate and widen Route 71 from Route W to Blue Ridge Blvd, Grandview Triangle	$2,000,000.00
2198.	Minnesota	City of East Grand Forks 13th Street Extension	$1,200,000.00
2199.	Illinois	Illinois Prairie Path (Wayne): Construction of a new bicucle-pedestrian bridge	$1,200,000.00
2200.	Illinois	Upgrade Pioneer Parkway in Peoria	$800,000.00
2201.	New York	Design and Construction of an enhancement project within the Erie Canal Aqueduct in downtown Rochester.	$1,500,000.00
2202.	Kentucky	A 20-mile priority design segment of the route from Campbellsville to Columbia	$2,000,000.00
2203.	Illinois	Pre construction activities, IL 8 upgrades from East Peoria to Washington	$800,000.00
2204.	Pennsylvania	Design and construct interchange improvements including sound barriers at I-83, Exit 19, or other projects designated by York County MPO.	$6,000,000.00
2205.	Alabama	Valleydale Road widening from U.S. 31 to I-65 (Shelby County Rd 17)	$5,000,000.00
2206.	New Jersey	Route 21 congestion relief improvements - Murray Street to Green Street, Newark	$900,000.00
2207.	Wisconsin	Construct Highway 32/Claude Allouez Bridge in DePere, WI	$500,000.00
2208.	New York	Construction of a Greenway along the waterfront, the Village of Irvington in Westchester	$200,000.00
2209.	Michigan	Repaving a portion of H-58 between Sullivan Creek towards Little Beaver Road, Alger County	$1,600,900.00
2210.	Illinois	The widening of Midlothian Road including signalization and pedestrian crosswalk installation at the entrance of Lake Zurich High School.	$480,000.00
2211.	New York	Improve the Bronx River Greenway Bronx Park East Pathways	$800,000.00
2212.	Florida	Wekiva Parkway in Orange, Seminole and Lake Counties, Forida	$5,000,000.00
2213.	Kentucky	Reconstruct KY 244 from KY 3105 to the railroad underpass, Raceland	$500,000.00
2214.	Pennsylvania	Design and construct and upgrade the interchange of U.S. 15 and U.S. 30 in Adams County	$4,000,000.00
2215.	Iowa	Acquire right of way, widen, resurface and replace three bridges on IA T14, 22 to IA 80	$500,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
2216.	Illinois	Improve roads and bridges, Cook County	$5,000,000.00
2217.	Florida	Arlington Expressway Access Road, Jacksonville	$1,500,000.00
2218.	California	Construct a soundwall along Esperanza Road in the city of Yorba Linda	$2,000,000.00
2219.	Illinois	Reconstruct Lakeshore Drive overpass over Lawrence Avenue, Chicago	$1,500,000.00
2220.	New Jersey	Quinn Road widening, Little Falls	$2,500,000.00
2221.	Virginia	Study to upgrade U.S. Route 460 in the Petersburg- Hampton Roads Corridor from approximately I-295 to Bowers Hill including an evaluation of rail.	$5,500,000.00
2222.	Louisiana	Construct frontage streets along I-10, Crowley	$1,100,000.00
2223.	Oregon	Connect Boeckman Road to Tooze Road, Wilsonville	$3,000,000.00
2224.	Mississippi	US Hwy 49 Interchange - Seminary:US Hwy 49 Interchange with SR 589 and 590 at Seminary to significantly reduce congestion and accidents.	$500,000.00
2225.	Kansas	Highway construction project on US-54/400 for four miles west of Pratt-Kingman County line	$12,000,000.00
2226.	Wyoming	Casper Bypass:Reconstruct Old Yellowstone Hwy from David to Poplar St., and 2nd St. from David St. to E Yellowstone Hwy.	$3,000,000.00
2227.	Tennessee	Improve circuitry on vehicle protection device installed at railroad crossing in Athens, TN	$59,000.00
2228.	Pennsylvania	Deploy an Intelligent Transportation System by the Montgomery County Planning Commission	$4,000,000.00
2229.	California	Montclair Monte Vista Avenue grade separation along Alameda Corridor East	$2,000,000.00
2230.	Kentucky	2 new bridges over Ohio River & reworking I65-I64-I265 interchange	$14,000,000.00
2231.	Illinois	Undertake traffic mitigation and circulation enhancements on 57th and Lake Shore Drive, Chicago.	$3,000,000.00
2232.	New York	Construct pedestrian waterfront walkway, Kingston	$1,600,000.00
2233.	Louisiana	Plan and construct bike/pedestrian crossings of Washington-Palmetto Canal in the vicinity of Xavier University, New Orleans.	$3,000,000.00
2234.	California	Study to evaluate traffic implications resulting from the proposed re-alignment of Nutwood Avenue, Fullerton.	$500,000.00
2235.	New Jersey	Project will rehabilitate existing structure at the Bridge Street bridge over the CSX Railroad Trenton line in Manville, Somerset County.	$500,000.00
2236.	Massachusetts	Assabet River Rail Trail design and construction	$700,000.00
2237.	Pennsylvania	Transportation enhancements along the Delaware Canal between Yardley, PA and Bristol, PA	$1,000,000.00
2238.	Texas	Construct a loop at 201 beginning at SH 195 and terminate at connection to FM 3841, Bell County.	$4,000,000.00
2239.	Montana	Pave MT Secondary 323 from Ekalaka to Alzada	$23,000,000.00
2240.	California	Salinas Airport Boulevard/Hwy 101 interchange -- new 4 lane overpass with 2 lanes each direction, new approaches, new southbound on/off ramps, bicycle lanes.	$3,670,000.00
2241.	Illinois	Eastern Peoria Bypass and Bridge (ring road) study and land acquisition	$1,600,000.00
2242.	Texas	9-1-1 Crash Demonstration Project providing communication between crash subject and first responders/EMS.	$2,000,000.00
2243.	Rhode Island	Replace I-195 Washington Bridge Eastbound	$3,000,000.00
2244.	Arkansas	Improvements to Rena Road in Van Buren	$1,500,000.00
2245.	Ohio	Upgrade State Route 82/State Route 46 interchange, Trumbull County	$2,000,000.00
2246.	New York	Improve SCCC roads, Fallsburg	$1,500,000.00
2247.	New York	Implement Pedestrian Safety Improvements on Queens Boulevard	$500,000.00
2248.	Illinois	Implement ITS and congestion mitigation project on I-294 and I-90	$5,000,000.00
2249.	California	Upgrade and reconstruct the I-80/I-680/SR 12 Interchange, Solano County	$13,000,000.00
2250.	West Virginia	Connect existing RHL Boulevard to State Route 601 (Jefferson Road)	$750,000.00
2251.	North Carolina	Upgrade US 158 to construct a multilane facility between I85 and I95	$2,600,000.00
2252.	Florida	Keys Endangered Species Habitat Protection	$1,000,000.00
2253.	Louisiana	Widen and improve LaPlaco Boulevard from Bayou Segnette to US90, Jefferson Parish	$3,500,000.00
2254.	Illinois	Improve U.S. Route 34 from Kewanee to Kentville Road	$500,000.00
2255.	Florida	Florida Keys Overseas Heritage Trail	$500,000.00
2256.	Georgia	Reconstruct roadways to add bicycle lanes or bike-able road shoulders, Atlanta	$2,000,000.00
2257.	Illinois	Upgrade county highways 18 and 22 in conjunction with state I-57 interchange plan north of Mattoon.	$2,000,000.00
2258.	Massachusetts	Improvements to Kenmore Square Station and Commonwealth Avenue between Amory Street and Packard's Corner, Boston.	$5,000,000.00
2259.	California	4-lane overpass for Mission Blvd grade separation project, City of Pomona	$4,400,000.00
2260.	Louisiana	Construct LA 1 at Port Fourchon, Louisiana	$3,000,000.00
2261.	Tennessee	Extension of bicycle and pedestrian trail, LaVergne	$1,500,000.00
2262.	North Carolina	Upgrade existing US 220 I-73/74 from south of NC 134 US 220 Business to North of Park Drive Extension.	$6,600,000.00
2263.	Hawaii	Construct access roads to Kahului Airport	$600,000.00
2264.	California	Improve SR219 to 4-lanes in the cities of Riverbank, Oakdale and Modesto	$2,000,000.00
2265.	Indiana	Correct visibility problems and sharp grade changes at SR 332 and Nebo Road intersection in Delaware County, Indiana.	$650,000.00
2266.	Iowa	Complete construction of Phase 6 of US Highway 6 in Coralville, Iowa	$900,000.00
2267.	Minnesota	MNTH 169 safety improvements from City of Virginia to Ely/Winton	$14,300,000.00
2268.	New Jersey	Reconstruct roadways in Union County/Elizabeth - Kapowski Road Area Project	$5,000,000.00
2269.	Vermont	Construction and rehabilitation of the Cross Vermont Trail for the Cross Vermont Trail Association.	$1,386,000.00
2270.	Ohio	Widening from 2 lanes to 5 lanes between Woodlawn Ave. and Whipple Ave. in Jackson Township.	$2,000,000.00
2271.	Michigan	Planning and Engineering for The American Road, The Henry Ford Museum, Dearborn	$1,500,000.00
2272.	Arkansas	Sidewalks in Altus	$40,000.00
2273.	New Jersey	Provide an alternate Route for traffic passing through congested State Route 31 corridor in the Flemington Area.	$2,000,000.00
2274.	Maryland	Bridge rehabilitation of Hanover Street and Pennington Avenue drawbridges, Baltimore	$3,000,000.00
2275.	Connecticut	Construct Shoreline Greenway, Madison, Guilford, Branford and East Haven	$1,500,000.00
2276.	Texas	Reconstruction of Clinton Dr. from Federal Rd. to N. Wayside Dr., an intermodal freight artery near Port of Houston.	$9,500,000.00
2277.	Texas	Study, design and construct new border crossing and facilities - Donna/Rio Bravo International Bridge.	$2,000,000.00
2278.	Tennessee	Improve circuitry on vehicle protection device installed at railroad crossing in Philadelphia, TN	$99,000.00
2279.	Oklahoma	Construction of Duncan Bypass Grade Separation	$3,000,000.00
2280.	Florida	Clark Road Clover Leaf at I-95, Jacksonville	$5,000,000.00
2281.	Pennsylvania	Improvements to Plank, Otts, Meyers, and Seitz roads in Mongomery County	$1,000,000.00
2282.	California	Temecula Winchester Project- This project will require a partial cloverleaf interchange on I-15 at exit/entrance ramps at Winchester Road.	$2,000,000.00
2283.	California	Conduct Study of State Route 130 Realignment Project, San Joaquin County and Santa Clara County, CA.	$2,000,000.00
2284.	California	Widen roads, construct bicycle lane and parking facility to enhance access to Hansen Dam Recreation Area, Los Angeles.	$6,500,000.00
2285.	Pennsylvania	SR 29 Bridge, replace T-beam bridge in Noxen Township, Wyoming County	$1,000,000.00
2286.	Minnesota	Construct Soo Line Trail from north of Bowlus to the east side of Mississippi River	$495,000.00
2287.	Ohio	Construction of an interchange at Interstate 70 and Burnett Rd and items associated with construction of interchange.	$2,000,000.00
2288.	Indiana	New road construction of Boston Street intersection with Route 2 in LaPorte, Indiana	$1,500,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
2289.	South Carolina	Milfred Road Bridge in Anderson County	$350,000.00
2290.	Virginia	White's Mill Recreation Trail and Renovation - design and construction of recreational trail and preservation of watermill for use as visitors center.	$750,000.00
2291.	Georgia	Pedestrian and streetscape improvements, Ellaville	$500,000.00
2292.	Alaska	Various road improvements in City of Fairbanks	$5,000,000.00
2293.	Alabama	4 US hwy 84 from Evergreen to Monroeville in Alabama	$6,000,000.00
2294.	California	Feasibility study, design, engineering, grade separation, pedestrian improvements, and traffic calming project, the City of South Pasadena.	$1,000,000.00
2295.	Texas	Construct a 4-lane urban roadway at US Bus77 on Loop 574, McLennan County	$2,000,000.00
2296.	California	ATIS added to the Magnolia corridor connecting Riverside, Corona, Moreno Valley and portions of Riverside County.	$480,000.00
2297.	Maryland	Widen MD 45 from Ridgley to Seminary Roads. Widening includes addition of a middle turn lane and to acquire right of way.	$5,520,000.00
2298.	North Carolina	Upgrade of US321 corridor in Burke, Caldwell and Catawba counties mitigating severe congestion near bridge over Catawba river.	$2,000,000.00
2299.	Virginia	Secure right-of-way and construct improvements along Jefferson Davis/Route 1 corridor for vehicle traffic and improved bus service, Arlington County.	$4,000,000.00
2300.	New Jersey	Pedestrian and bicycle facilities, and street lighting, Haddon Heights/Barrington	$750,000.00
2301.	Florida	PINEDA CAUSEWAY INTERCHANGE at I-95	$8,000,000.00
2302.	Minnesota	To study a major river crossing over the Mississippi river between Monticello and St. Cloud and TH10 and I-94.	$1,000,000.00
2303.	Texas	Highway construction to expand SH 71 in Austin to US 281	$1,000,000.00
2304.	New Jersey	Project will improve State Route 22 by improving section of highway that connects Route 22 and 287 in two locations.	$3,000,000.00
2305.	New York	Construct greenway along East River waterfront between East River Park (ERP) and Brooklyn Bridge, and reconstruct South entrance to ERP.	$1,250,000.00
2306.	Wisconsin	Resurface State Highway 8 from County C to Town of Monico	$1,000,000.00
2307.	South Carolina	Construct I-73 from Bennettsville to I-95	$10,000,000.00
2308.	Louisiana	Replace Almonaster Bridge, New Orleans	$500,000.00
2309.	Washington	SR 167 - a new freeway from SR 509 (Port of Tacoma) to SR 161 (Puyallup)	$2,500,000.00
2310.	Pennsylvania	Erie - Replacement of Asbury Road underpass; replacement of Powell Ave. Bridge; Peninsula Dr. improvements.	$4,000,000.00
2311.	Michigan	Rehabilitate 2 piers and remove old bridge caissons for Sturgeon River Road bridge, Houghton County.	$270,000.00
2312.	Michigan	Rebuilding M-99 for flood control in Hillsdale	$2,000,000.00
2313.	Virginia	Chessie Work Station - renovation of abandoned rail site to enable intermodal access at site, Clifton Forge.	$2,736,000.00
2314.	Wisconsin	Construct State Highway 23 (County Highway OJ to U.S. Highway 41), WI	$16,000,000.00
2315.	Iowa	Extend Mormon Trek Boulevard in Iowa City, Iowa	$5,000,000.00
2316.	Ohio	Construct access roads and freight intermodal facility, Columbiana County	$5,000,000.00
2317.	Maryland	Reconstruction of Route 32 to freeway standards from Route 108 to I-70	$2,000,000.00
2318.	Pennsylvania	SR 22 widening to 4 lanes from Export to Delmont, Westmoreland County, PA	$1,300,000.00
2319.	American Samoa	Drainage mitigation for Malaeloa-Leone village roads	$1,000,000.00
2320.	New York	Design and construct Upper Delaware Scenic Byway Visitor Center, Cochecton	$448,000.00
2321.	Pennsylvania	Continued Construction of the Montour Trail which is part of the Great Allegheny Passage	$1,000,000.00
2322.	Washington	SR 538 (College Way) and North 26th Street Signal, Mount Vernon	$175,000.00
2323.	Pennsylvania	Construction of 2 ramps, replacement of 2 ramps on I-79 at SR 3025 in Jackson Township, PA	$1,000,000.00
2324.	Texas	Construct US183-A, a 12 mile turnpike to connect US183 at SH45 and extend northward to US183 in Williamson County, Texas.	$10,000,000.00
2325.	Illinois	Construct Grand Illinois Trail, Cook County	$1,000,000.00
2326.	Ohio	Construct connector road between SR 79 and Thornwood Drive in Licking County	$5,000,000.00
2327.	Maryland	Fringe and Corridor Parking Facility at Clinton Street and Keith Avenue	$3,000,000.00
2328.	Ohio	Widen SR 170, Calcutta	$2,500,000.00
2329.	California	Replacement of existing 2 lane interchange to full 6 lane interchange where Cajalco Road and I-15 meet in Corona, CA.	$10,000,000.00
2330.	Oregon	Highway 22, Polk County	$1,000,000.00
2331.	Pennsylvania	Final engineering and design to construct a four lane connector and bridge over the Allegheny River to link New Kensington to Rt 28.	$5,000,000.00
2332.	South Carolina	Construct Calhoun Clarendon Connector	$14,008,000.00
2333.	Virginia	Mayo Bridge, Richmond	$2,000,000.00
2334.	Oklahoma	Reconstruct US 69 from US 62 West to the US 69/US 62 intersection, Muskogee	$750,000.00
2335.	Maryland	Engineering and construction of the MD Route 355 at Montrose Road/Randolph Road Interchange, Rockville.	$5,000,000.00
2336.	Pennsylvania	PA23 corridor improvements from US30 to US322	$3,000,000.00
2337.	Michigan	Construct interchange at I-675 and M-13 (Washington Avenue) and Northbound Exit, Saginaw	$2,000,000.00
2338.	Florida	To complete design and construction of double-deck roadway system exiting Ft. Lauderdale/Hollywood International airport connecting U.S. 1 and I-595.	$5,000,000.00
2339.	Illinois	Upgrade roads, Summit	$1,000,000.00
2340.	Kentucky	Reconstruct Georgetown Northwest Bypass from US-460 W to I-75 N, Scott County	$1,000,000.00
2341.	Wisconsin	Construct Lake Butte des Morts Bridge, U.S. Highway 41, Winnebago County, WI	$25,600,000.00
2342.	Texas	SH 288 at BW 8: construct two direct connectors	$5,000,000.00
2343.	Washington	Yelm 510/507 - an alternative route to two existing state highways that bisect Yelm	$2,500,000.00
2344.	Iowa	Improvements at the IA 146 and I 80 interchange	$1,000,000.00
2345.	New Hampshire	Crystal Lake Mitigation preservation of 110 acres of land in Manchester	$1,000,000.00
2346.	Arkansas	Construction of I-49 from Hwy 22 near Barling to Hwy 71 at Jenny Lind Road	$5,000,000.00
2347.	Minnesota	Right of way acquisition for the expansion of 3rd street north in the city of St. Cloud	$750,000.00
2348.	Nebraska	New interchange on Interstate-80 near milepost 275 and improvements to Cherry Avenue to provide an east bypass for Kearney, Nebraska.	$2,000,000.00
2349.	Virginia	UVA-Wise Entrance - second phase of project to address road and stormwater problems	$1,000,000.00
2350.	Tennessee	Improve existing two lane highway to a four lane facility along the US-412 Corridor west of Natchez Trace to US-43 at Mt. Pleasant.	$5,500,000.00
2351.	Maryland	Pedestrian bridge crossing North Avenue and street signage, Baltimore	$1,800,000.00
2352.	Michigan	South Lyon, 2nd Street between Warren and Haggadorn	$125,000.00
2353.	Tennessee	Continue construction of the Foothills Parkway in the Great Smoky Mountains National Park	$7,500,000.00
2354.	Illinois	Construct bike/pedestrian path and related facilities in Spring Rock Park, Western Springs	$700,000.00
2355.	Maryland	US 219 Oakland Bypass	$1,000,000.00
2356.	Pennsylvania	Relocation of PA52 on edge of Longwood Gardens	$1,000,000.00
2357.	Michigan	Construct improvements to existing 68th Avenue bridge over Grand River	$6,700,000.00
2358.	Illinois	Construct Cedar Creek Linear Park Trail, Quincy	$500,000.00
2359.	Tennessee	Reconstruct connection with Hermitage Ave. to Cumberland River bluff, Nashville	$500,000.00
2360.	South Carolina	I-385 and SC14 (Exit 19) - The SCDOT would reconstruct the existing interchange at I-385 and SC 14 (Exit 19) in Laurens, Co., SC.	$1,985,000.00
2361.	New Mexico	Ease traffic congestion and improve intersection safety by identifying alternative alignment to US 84/285 and NM 68 through Espanola.	$2,000,000.00
2362.	Mississippi	Highway 6 - adds two lanes parallel to existing lanes in Lee COunty	$6,000,000.00
2363.	New York	Suffolk County ITS arterial monitoring and performance measures system	$1,500,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
2364.	Pennsylvania	Design and construction of Portzer Road connector in Milford, Quakertown	$2,500,000.00
2365.	Washington	DesignValley Mall Blvd. from Main Street to I-82 and I-82 interchanges at MPs 36 and 38, Union Gap.	$6,440,000.00
2366.	California	Acquire approximately 4,000 acres of land at the Desert Cahuilla Prehistoric Site, Imperial County.	$1,000,000.00
2367.	Michigan	Ogden Street bridge rehabilitation project - replacement of deck, expansion of joints, sidewalks, railing and all other joints, Menominee.	$200,000.00
2368.	Pennsylvania	Design, engineering, ROW acquisition, and construction of street improvements and safety enhancements, City of Scranton.	$2,500,000.00
2369.	Georgia	DeKalb Greenway Trails	$1,100,000.00
2370.	Missouri	Route MM Improvements, Jefferson County	$4,000,000.00
2371.	Indiana	The reconstruction of existing Co. Rds. 400N, 825W and 525N in Shelby County	$1,672,000.00
2372.	New Jersey	Safety and operational improvements on Route 23 in Hardyston and Franklin	$3,800,000.00
2373.	New York	Rehabilitate pavement and bridges from I-86, Exit 24 to Allegany County Line	$1,000,000.00
2374.	New York	Access improvements for terminal located on 12th Ave between W. 44th and W. 54th St in Manhattan.	$4,000,000.00
2375.	Florida	Construction and engineering of the Central Sarasota Parkway Interchange at I-75, a evacuation route for Sarasota and the barrier islands.	$2,000,000.00
2376.	California	Construct Dry Creek and Enterprise canal trails in Clovis	$700,000.00
2377.	Texas	Widening project on FM 60 from SH 6 to FM 158, Brazos County	$3,000,000.00
2378.	California	To provide for the preparation of environmental documents and design for conversion of the reliquished railroad bridge over the Feather River between Yuba City and Marysville.	$5,000,000.00
2379.	Colorado	SH 83 & SH 88 Interchange Reconstruction: Grade separation of SH 83 over SH 88	$6,000,000.00
2380.	Nevada	US50A Fernley-Fallon replace UPRR bridge in Fernley, realign intersection US95A/50A	$9,000,000.00
2381.	California	Construct safe access to streets for bicyclists and pedestrians including crosswalks, sidewalks and traffic calming measures, Covina.	$500,000.00
2382.	Illinois	Logan County 5th Street Road upgrades	$800,000.00
2383.	Virginia	Route 50 Traffic Calming at Gilbert's Corner	$1,000,000.00
2384.	California	Implement Congestion Mitigation and Air Quality Improvement Project, Orange County	$1,000,000.00
2385.	Georgia	US 25 widening in Burke, Jenkins Co. and Millen bypass	$28,000,000.00
2386.	Ohio	Widening from 2 lanes to 5 lanes between 55th St. and Applegrove St. in Plain Township	$5,000,000.00
2387.	Maryland	MD 85/I-270 Interchange	$2,000,000.00
2388.	Washington	Inchelium Bridge Feasibility Study: Conduct study to determine whether bridge over Lake Roosevelt would meet needs of residents of Gifford and Inchelium, Washington.	$120,000.00
2389.	New York	For the acquisition of ferry boats and ferry terminal facilities and for the operation of ferry service from Rockland County/Yonkers/Manhattan.	$1,000,000.00
2390.	Missouri	Grading for 4 lanes, lighting, roadways, and bridges on Highway 5 in Camdenton	$10,000,000.00
2391.	Washington	Burien SR 518 project - interchange improvements and the addition of one travel lane on a portion of corridor.	$1,000,000.00
2392.	Georgia	Install sidewalks, trails, lighting, and amenities in Balls Ferry Park, Wilkinson County	$500,000.00
2393.	West Virginia	Construct New River Parkway between I-64/Sandstone Interchange and Sandstone Falls, Summers and Raleigh Counties.	$4,500,000.00
2394.	Illinois	Road Construction and Reconstruction in the Village of Hampshire: Keyes Ave. Reconstruction; Industrial Drive Overlay; Mill Ave. Reconstruction.	$2,300,000.00
2395.	Illinois	Transportation Enhancement and road improvements necessary for Downtown Plaza restoration in Jacksonville, IL.	$800,000.00
2396.	California	Construction of a bikeway on the North bank of the Los Angeles River between Sepulveda Boulevard and Kester Avenue in Sherman Oaks, Los Angeles.	$575,000.00
2397.	New York	Design & Construct a Bicycle and Pedestrian Walkway along the Decommissioned Putnam Rail Line.	$950,000.00
2398.	Pennsylvania	Greencastle, Pa- Upgrade intersection of SR 0011 and I-81 at exit 3 (northbound) and the proposed Grindstone Hill Road intersection.	$1,200,000.00
2399.	California	Construct auxiliary lanes, bicycle, pedestrian improvements, signal modifications on Almaden Expressway between Branham Lane and Blossom Hill Road, Santa Clara County.	$3,500,000.00
2400.	Texas	Widen SH 36/ US 190 to 4 lanes, Milam County	$2,000,000.00
2401.	Minnesota	Bike Trail extensions and walking trails, connect to Mesabi Trail, City of Aurora	$294,745.00
2402.	Maryland	Plan, Design, and construct the Intercounty Connector	$9,000,000.00
2403.	Massachusetts	Design, permitting, and ROW acquisition for new on/off ramps on I-95 between Route 1A and Route 123 interchanges.	$500,000.00
2404.	Texas	Replaces 3 structures at interchanges of I20, US83, and US 277 in Abilene	$1,500,000.00
2405.	Texas	Improvements to National High Priority Corridor #38 for the Oklahoma border south through Amarillo.	$14,000,000.00
2406.	Michigan	Milford Village, Roundabout at N. Milford Rd. and Summit St	$125,000.00
2407.	Kentucky	Replace bridge #C00004 on Oregon Road, Mercer County	$680,000.00
2408.	North Carolina	Widen NC 49 from Harrisburg east of SR 2630 to the Yadkin River, NC	$10,000,000.00
2409.	California	Santa Cruz Highway 1 widening and HOV lanes-- 8.3 miles from Morrissey Boulevard to San Andreas-Larkin Valley Road south of Aptos.	$3,670,000.00
2410.	New York	Improvements to Harlem River Park and Greenway including park amenities	$4,000,000.00
2411.	Illinois	Expansion of Miller Road from 2 - 4 lanes; bridge improvements; further expansion from IL Route 31 to IL Route 120.	$5,000,000.00
2412.	Minnesota	For design of a new interchange with TH169 over CSAH4	$1,000,000.00
2413.	New Mexico	Construct the two lane enhancement of U.S. 54 from Tularosa to Santa Rosa	$11,000,000.00
2414.	Florida	Widening and improvements to Snake Road (BIA Rt. 1281)	$2,000,000.00
2415.	Minnesota	Consolidate access, provide supporting roadways and add an additional lane to CSAH 42 in Dakota County and Scott County.	$1,000,000.00
2416.	Massachusetts	Reconstruction of Washington St., Walpole	$2,000,000.00
2417.	Massachusetts	Extensions to the Berkshire County Bike Paths, Berkshire County	$5,000,000.00
2418.	Ohio	Pleasant Valley Road bridge renovation over the Chagrin River in Willoughby Hills Township	$260,000.00
2419.	Arizona	Upgrade and widen SR85 (mileposts 120.5 --147.6)	$1,000,000.00
2420.	California	Construction of an interchange at the at-grade intersection of Stillwater Road and State Route 44.	$7,500,000.00
2421.	Oregon	Highway 20, Lincoln County	$7,000,000.00
2422.	Massachusetts	Lawrence Canal and Union Street intersection improvements	$1,000,000.00
2423.	Pennsylvania	Construct Route 219 Bypass in the Borough of Johnsonburg	$2,000,000.00
2424.	New York	Design and construct pedestrian and bicycle path (Cayuga Waterfront Trail), Ithaca	$1,200,000.00
2425.	California	Reconstruct Carson St. with an on/off ramp to Interstate 605, Hawaiian Gardens	$400,000.00
2426.	Illinois	Construct North Main St (Il Rte 2) Rockford, IL to four lanes	$1,000,000.00
2427.	Ohio	Construct Chesapeake Bypass/Tri State Metro Outer Belt	$2,000,000.00
2428.	Ohio	SR 322 roadway safety improvements in the Village of Gates Mills	$520,000.00
2429.	Missouri	Expand to six lanes Rt. 141/Woods Mill Rd (Chesterfield, MO) from I64 north to Rt. 340	$3,000,000.00
2430.	Alaska	False Pass Road construction from small boat harbor dock to airport and town	$3,000,000.00
2431.	Georgia	Install sidewalks, improve lighting, and install landscaping along Riverside Drive, Macon	$500,000.00
2432.	Illinois	Undertake streetscaping on Ridgeland Avenue, Oak Park Avenue, and 26th Street, Berwyn	$1,500,000.00
2433.	Massachusetts	Roosevelt Avenue intersection improvements from Bay Street to Page Boulevard, Springfield	$1,500,000.00
2434.	Pennsylvania	9th Avenue Project, Altoona, PA: Complete preliminary engineering study and begin right of way acquisition.	$3,500,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
2435.	New York	Improve Maple Avenue, Smithtown	$1,000,000.00
2436.	New York	Improve East End roads, Newburgh	$1,863,500.00
2437.	Ohio	Relocate SR 149, Bellaire	$650,000.00
2438.	Illinois	Improve safety of horizontal curve on 250th Rd. in Grandview Twp	$320,000.00
2439.	Illinois	Construct pedestrian bridge over Chicago Ship & Sanitary Canal to link Centennial Trail to I&M Canal Trail in Lemont, IL.	$100,000.00
2440.	Texas	Connector Sbound SH 146 to Ebound Port Road, from Wbound Port Road to Nbound SH 146. supports proposed Bayport Terminal Complex.	$9,000,000.00
2441.	Pennsylvania	Tidal Schuylkill Riverfront project consists of eight mile bike and pedestrian recreation trail from Locust Street to Historic Bartram's Garden.	$3,500,000.00
2442.	Florida	Upgrade SR 50 from US 27 to Orange Co. line in Lake County	$3,000,000.00
2443.	New York	Structural analysis and feasibility study evaluating options for rehabilitating the Bronx River Parkway at Crane Road over the Bronx River and Harlem line, Scarsdale.	$400,000.00
2444.	Massachusetts	Cape Cod Bicycle Path with Shining Sea Link: Connects core to heavily visited national sites of upper and lower Cape.	$3,000,000.00
2445.	Michigan	Belleville, Repave Main Street	$125,000.00
2446.	Illinois	Construct the Lisle Township segment of the East Branch DuPage River Greenway Trail	$100,000.00
2447.	Illinois	Upgrade roads, Cicero	$1,010,000.00
2448.	North Carolina	Wayne County road improvements for US 117 to SR 1342	$1,200,000.00
2449.	Pennsylvania	Linglestown Square, roadway and intersection improvements, Lower Paxton Township	$3,000,000.00
2450.	Maryland	Widen MD 295 near BWI airport from 695 to MD 100	$8,700,000.00
2451.	Illinois	Widen and improve Pulaski Road, Alsip	$700,000.00
2452.	Texas	Widening FM 423, from The Colony (crossroad - State Highway 121) to Little Elm (crossroad - US 380 East).	$8,000,000.00
2453.	Indiana	Construction of the Hoosier Heartland along SR 25, from Lafayette to Logansport, Indiana	$5,000,000.00
2454.	Georgia	Replace sidewalks, upgrade lighting in downtown Vidalia	$708,610.00
2455.	North Carolina	Construction of a four-lane divided route on new location that will serve as the US 421 bypass from NC 16 to the Yadkin River in Wilkes County.	$4,000,000.00
2456.	Connecticut	Construct Madison Shoreline Greenway Trail	$750,000.00
2457.	Connecticut	Upgrade Mark Twain Drive, Hartford	$2,000,000.00
2458.	New York	Reconstruction of the Gowanus Expressway	$500,000.00
2459.	New Jersey	Traffic Signal Upgrade, Union City	$800,000.00
2460.	Florida	Construct US 1/SR 100 Connector in Bunnell, Florida	$2,500,000.00
2461.	New York	West Harlem Waterfront-ferry, intermodal and street improvements and vicinity	$7,500,000.00
2462.	Missouri	Highway 115 extension - land acquisition & roadway design to coordinate with Lambert Airport expansion.	$1,000,000.00
2463.	New York	Improve Front Street, Binghamton	$5,000,000.00
2464.	Washington	Centennial Trail Project, Snohomish	$200,000.00
2465.	New Jersey	Passaic Avenue along Riverbank Park, Kearny: Bikeway, Jogging and Fitness Trails	$2,500,000.00
2466.	Pennsylvania	Design and construct inner loop roadway around Shippensburg, Pennsylvania, or other Cumberland County projects selected by Harrisburg Area Transportation Study.	$500,000.00
2467.	Illinois	Construct interchange at I-255/Dupo-Columbia	$19,000,000.00
2468.	North Carolina	Adding passing lanes to Hwy. 64 from NC 107 to US 178	$1,700,000.00
2469.	Kentucky	I-65 Interchange at Mile Marker 32 in Bowling Green	$3,000,000.00
2470.	Illinois	Improve roads, Village of Westchester	$850,000.00
2471.	New York	Conduct studies and construct infrastructure projects on Governor's Island	$4,000,000.00
2472.	Iowa	Reconstruct 15.3 miles of the US 30 corridor from Colo, Iowa to the beginning of the Marshalltown bypass and reconstruct the 7.5 mile segment from 4.5 miles west of Toledo to 1 mile east of Tama.	$2,300,000.00
2473.	Florida	State Road A-1-A Corridor from I-95 east to the Amelia River Bridge (Nassau County)	$4,000,000.00
2474.	Iowa	Reconstruction of the existing IA 945 interchange, with I 80 widened and reconstructed	$1,000,000.00
2475.	California	Seismic retrofit of Golden Gate Bridge	$10,000,000.00
2476.	Louisiana	Construct I-49 North from Shreveport, Louisiana to Arkansas line	$3,500,000.00
2477.	Indiana	US 31 Freeway Project for Kokomo Howard County	$5,000,000.00
2478.	Tennessee	Improve circuitry on vehicle protection device installed at railroad crossing in Lenoir City, TN	$104,000.00
2479.	California	Arcadia Santa Anita Avenue Corridor Improvement project, street rehabilitation	$3,000,000.00
2480.	Texas	Improvements to FM 716 between Realitos and Conception, Duval County	$1,000,000.00
2481.	Minnesota	Lyon County, City of Marshall Hwy 23 between CSAH 33 and TH19	$3,700,000.00
2482.	Pennsylvania	Construction of ramps on I-95 and US 322, widening of streets and intersections, increase vertical clearance at Amtrak bridges.	$3,000,000.00
2483.	Oregon	Weaver Road Extension/Bridge Project, Douglas County	$16,259,000.00
2484.	New York	Improve bicycle and pedestrian safety on NY25, Jamesport	$300,000.00
2485.	Illinois	Reconstruction of Bus US 20- West State St corridor in Rockford, IL	$1,000,000.00
2486.	New Hampshire	Creation of a footbridge to connect overflow parking to the main lot in Pinkham Notch, NH. As well as provide necessary backfill and stabilization work.	$150,000.00
2487.	Alabama	I-20 widening and safety improvements in St. Clair County	$5,000,000.00
2488.	Wisconsin	Construct the Gateway Boulevard project, Rock County	$6,950,000.00
2489.	California	Add turn lane and adaptive traffic control system at intersection of San Tomas Expressway and Hamilton Avenue, Campbell.	$1,300,000.00
2490.	California	Conduct Study and Construct I - 580 Corridor HOV Improvements Project, Alameda County, CA	$5,000,000.00
2491.	Pennsylvania	Transportation improvements to SR 56 and SR 403 through Johnstown West end to improve safety, access and traffic conditions.	$2,000,000.00
2492.	New York	Improve I-87 Exit 18 interchange in Town of Queensbury, Warren County. Includes ramp reconfigurations & improvements to adjacent intersections.	$2,250,000.00
2493.	Oklahoma	Complete Reconstruction of the I-35/SH 9 West Interchange	$4,000,000.00
2494.	Louisiana	Fund the 8.28 miles of the El Camino East-West Corridor along LA 6 from LA 485 near Robeline, LA to I- 49.	$2,000,000.00
2495.	New Jersey	Bicycle facilities, West Deptford Township	$115,000.00
2496.	Florida	Upgrade CR491 from Pine Ridge Blvd to US 41	$2,000,000.00
2497.	Washington	5th Street/US 2 Signalization Improvements, Sultan	$400,000.00
2498.	New Mexico	Conduct the development of a transportation access plan for Santa Teresa	$1,000,000.00
2499.	Kentucky	Reconstruct KY 70 (KY 259) from Brownsville to Kyrock Elementary School	$1,000,000.00
2500.	Maine	Bike/Ped Trail Construction, Eastern Trail Management District	$1,000,000.00
2501.	Texas	Street Improvements for Willow Street, between North Street and Crockett Street, Beaumont	$360,000.00
2502.	Illinois	Upgrade traffic signal system on 87th Street, Chicago	$500,000.00
2503.	Ohio	Widen Hamilton Avenue/U.S. 127	$2,700,000.00
2504.	Nebraska	Construct 25 miles of recreational trail in Douglas County	$6,000,000.00
2505.	Washington	I-5 widening, Lewis County	$4,000,000.00
2506.	Pennsylvania	Relocate Crow's Run Rd between SR 65 and Freedom Crider Rd in Beaver County, PA	$2,200,000.00
2507.	New Jersey	A 521 space parking garage, New Brunswick	$2,000,000.00
2508.	Michigan	Complete multistage reconstruction of Walton Boulevard with curb and gutter improvements	$5,000,000.00
2509.	Virginia	Heart of Appalachia - construction of stations for distribution of informational brochures along roads and trailways throughout seven counties.	$100,000.00
2510.	Virginia	Widen Route 7 Leesburg Bypass	$2,000,000.00
2511.	New Jersey	Bicycle route connecting parks in Irvington to the Irvington Bus Terminal through the business center.	$350,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
2512.	Connecticut	Construct arterial roadway from Boston Avenue north to proposed Lake Success Business Park site in Bridgeport, CT.	$7,000,000.00
2513.	Illinois	Project is part of the overhaul of 230 miles of US 67, near Jerseyville	$1,700,000.00
2514.	South Carolina	Reconstruct I-95/SC 327 interchange	$7,000,000.00
2515.	Texas	Construct roadway to connect Anzalduas Bridge to US83	$3,500,000.00
2516.	California	Construct interchange at Interstate-605 and Arrow Highway and at Live Oak Avenue including engineering, surveying, and right-of-way acquisition, Irwindale.	$1,600,000.00
2517.	Mississippi	Widening of MS Hwy 24:Widening MS Hwy 24 from I-55 in McComb to US Hwy 61 in Woodville	$500,000.00
2518.	Texas	Construct IH-30 replacement bridge, Trinity River, Dallas, Texas	$17,000,000.00
2519.	Maine	I-295/Franklin Street Arterial Interchange, Portland	$3,000,000.00
2520.	Alabama	American Village - Montevallo construction of closed loop Access Road, bus lanes and parking facility.	$300,000.00
2521.	Illinois	Upgrade harbor access at Tri-City Regional Port District	$832,000.00
2522.	Indiana	Reconstruct Standard Avenue, Whiting	$1,300,000.00
2523.	Minnesota	Connect CSAH 48 with MN State Trunk Hwy 210. Complete portions of Paul Bunyan Trail	$1,000,000.00
2524.	Texas	Construct proposed ''super streets'' that are part of the Houston-Galveston Area Council's 100% Solution Plan to reduce regional congestion.	$4,000,000.00
2525.	Tennessee	Extension of bicycle and pedestrian trail, Springfield	$200,000.00
2526.	Pennsylvania	Design and construct interchange and related improvements at I-83, Exit 4, or other projects selected by York County, Pennsylvania MPO.	$3,500,000.00
2527.	Missouri	Design, Right of Way and Construction of Highway 465, from Highway 76 to Highway 376, Taney Cty, MO.	$6,800,000.00
2528.	Connecticut	Widen and improve Metro North Railroad Underpasses at Atlantic, Elm, and Canal Streets and Route 1 in Stamford, CT.	$500,000.00
2529.	Pennsylvania	Extension of Third Street from Interstate 83 to Chestnut Street, Harrisburg	$5,000,000.00
2530.	New York	Reconstruction of West Neck Road from Huntington-Lloyd Harbor boundary to the end of the Village-maintained road, Lloyd Harbor.	$2,000,000.00
2531.	New York	To design/construct safer roadway for high volume traffic, connecting I-87 in NY with I-89 in VT, via Cumberland Head peninsula, NY.	$1,000,000.00
2532.	Georgia	Improvements of St. Marys Road from I-95 to Kings Bay Subbase	$1,800,000.00
2533.	New York	Pedestrian Bridge to Stony Pt Battlefield. Bicycle and pedestrian trail rehab & related improvements in Rockland County - NY.	$1,200,000.00
2534.	New York	Rehabilitation of Pines Bridge Road/Lake Avenue and Ryder Road, in Ossining, Yorktown and New Castle.	$2,765,000.00
2535.	Louisiana	Kerner Bridge	$1,000,000.00
2536.	North Carolina	Construct Interstate 73/74 in Montgomery County and Richmond County, NC	$18,500,000.00
2537.	Massachusetts	Replacement of failing bridge / underpass (Route 106) and concrete support structure, Town of Mansfield.	$1,800,000.00
2538.	Minnesota	Acquisition of ROW and environmental review for additional Mississippi River crossing, City of Little Falls.	$2,200,000.00
2539.	Iowa	Construct a roadway extending north from the I 80/US 65 interchange to NE 118th Avenue, west to I 35 and the Mile Long Bridge (IA 415).	$500,000.00
2540.	Pennsylvania	Central Susquehanna Valley Thruway U.S. 15. Construct 4 lane limited access highway. Connect SR 147 south of I-80 with US 11/15 south of Selingsgrove.	$2,000,000.00
2541.	Minnesota	Munger Trail Extension, City of Duluth	$3,200,000.00
2542.	California	Interchange improvements at Interstate 215 at Los Alamos Road, City of Murrieta	$2,000,000.00
2543.	Illinois	Construct I-57/I-294 interchange	$2,900,000.00
2544.	Louisiana	Widen LA 18 from Northrup Grumman/Avondale Shipyards to US 90, Jefferson Parish	$2,500,000.00
2545.	Maine	Replacement of the Route 201-A ''covered'' bridge, Norridgewock	$1,000,000.00
2546.	New Hampshire	Improvements of the intersection of Route 101A and Route 13 in Milford, NH	$1,700,000.00
2547.	California	Adds NB lane and auxiliary lanes on I-5 and widens the I-8 west to I-5 north, San Diego	$6,000,000.00
2548.	Maine	Route 2 Improvements from Bethel to Gilead	$500,000.00
2549.	Missouri	Construct U.S. Highway 54 Expressway near Osage Beach, Missouri	$1,500,000.00
2550.	Georgia	Construct road around the high school, two blocks from SR 42 and SR 80, Crawford County	$8,000.00
2551.	Tennessee	Proposed State Route 397 extension from State Route 96, west to US 431 North in Franklin, Williamson County.	$2,225,000.00
2552.	Wisconsin	Upgrade State Highway 2, City of Ashland	$4,000,000.00
2553.	California	Ferrari Interchange Project - Construction of an interchange located at the intersection of future State Route 65 and Ferrari Ranch Road/Westwood in Placer County.	$3,000,000.00
2554.	Illinois	Construct and improve bike path network, Evanston	$250,000.00
2555.	Michigan	Reconstruct East Spruce Street with drainage, curb, gutter, pavement, traffic control devices, Sault Ste. Marie.	$950,000.00
2556.	New York	Enhance road and transportation facilities in the vicinity of W. 65th St and Broadway, New York City.	$3,000,000.00
2557.	New York	Design and reconstruction of roadways & sidewalks, including Washington Street to Stone Street, and throughout Public Square, located in Watertown, NY.	$2,000,000.00
2558.	Georgia	Rockbridge Road improvements DeKalb	$2,500,000.00
2559.	Georgia	Construct rail overpass, SR 21 to SR 25	$2,000,000.00
2560.	Florida	Normandy Blvd. & Cassat Avenue, Jacksonville	$1,500,000.00
2561.	Florida	Complete Removal and Replacement of Platt Street Bridge, Hillsborough County	$750,000.00
2562.	Pennsylvania	State Street Bridge Rehabilitation, Hamburg	$1,500,000.00
2563.	Missouri	Widening of Chouteau Trafficway to 4 lanes and necessary safety improvements	$3,000,000.00
2564.	Virginia	To enhance Main Street (US Route 1 South) in Dumfries, Prince William County	$725,000.00
2565.	Illinois	Construct pedestrian tunnel under railroad tracks at commuter lot, Winfield, IL	$1,700,000.00
2566.	Virginia	Maple Avenue street improvement project in Vienna	$1,650,000.00
2567.	Georgia	Streetscape project for lighting and landscaping on Main Street along Georgia Highway 231, Davidsboro.	$300,000.00
2568.	Ohio	Construct interchange or other appropriate access on IR 70 west of existing mall road exit in Belmont County.	$6,935,000.00
2569.	California	Design and Construction Camino Tassajara -Crown Canyon to East Town Project, Danville, CA	$1,000,000.00
2570.	Hawaii	Construct Kapaa Bypass	$3,000,000.00
2571.	Arkansas	Repair and Improvement of East Patrol Road, Hempstead County	$200,000.00
2572.	Florida	I-95 / Spanish River Blvd. Interchange, Palm Beach County	$14,000,000.00
2573.	Pennsylvania	Improvements, including a turn lane at, new signing and markings at intersection of Route 422 and Route 662 in Berks County.	$2,430,000.00
2574.	Georgia	Reconstruction of the shoulders of GA SR 400 from mile post 6.65 north to SR 306 for use by transit vehicles.	$10,000,000.00
2575.	Virginia	Construct Route 262 Bypass at Rt. 252/Rt. 254 in Augusta County	$1,000,000.00
2576.	Kansas	Construct K-7/55th St./Johnson Drive interchange and construct Clear Creek Parkway overpass over K-7, City of Shawnee.	$3,000,000.00
2577.	California	Multi-year integrated project to develop regional transportation plan for next 20 yrs for Riverside County and Orange County. Major investment study and PA-ED phase work.	$3,520,000.00
2578.	New York	Orzeck Rd. improvements in Town of Goshen-NY	$500,000.00
2579.	New Jersey	Replace Haynes Avenue bridges over Waverly Yards and Routes 1 and 9, Newark	$900,000.00
2580.	Ohio	Construct shared use trail from Bellbrook to Spring Valley connecting with the Little Miami Scenic Trail.	$500,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
2581.	California	Reconstruct 1.9 miles of Paramount Blvd. Major arterial in region with interchange at 91 Freeway to Del Amo Blvd., Long Beach.	$500,000.00
2582.	Mississippi	Upgrade roads in Humphreys County Districts 1 and 5 and Isola	$944,000.00
2583.	Missouri	Lewis and Clark Expressway	$2,000,000.00
2584.	Missouri	Design, Right of Way and Construction of Interstate 44 & Highway 39 Interchange, Mt. Vernon, MO.	$5,000,000.00
2585.	New York	Rehabilitation of East and West John Streets in the Village of Lindenhurst	$1,015,000.00
2586.	Arkansas	Widen Old Boyd Road and upgrade associated bridges, Miller County	$500,000.00
2587.	Florida	Widening I-95, from Ft. Pierce to Melbourne	$2,000,000.00
2588.	Texas	Construct Santa Fe Trail DART LR overpass from Hill Street to Commerce Street along abandoned Santa Fe Rail right of way.	$2,400,000.00
2589.	Alabama	Decatur/Hartselle Southern Bypass connecting Alabama 67 near Priceville continuing between Hartselle & Decatur ending on Alabama Hwy 20.	$2,000,000.00
2590.	Ohio	Study and design of the I-74 / I-75 interchange	$2,000,000.00
2591.	Texas	I-30 Bridge over the Trinity River, Dallas	$42,000,000.00
2592.	Illinois	City of Havana upgrades to Broadway St	$800,000.00
2593.	Massachusetts	Engineering, design and restoration of State Route 146 site for Northern Gateway Visitor Information Center Blackstone Corridor Worcester.	$4,650,000.00
2594.	Georgia	Reconstructing State Route 316 into a limited-access highway	$2,000,000.00
2595.	Florida	Reconstruct 40th Street, Tampa	$4,000,000.00
2596.	Virginia	Craig County Trail - improvements to trail, Craig County	$150,000.00
2597.	Ohio	Bicycle trail construction from Chardon south to East Branch Reservoir	$500,000.00
2598.	Texas	State Loop 390 in Marshall, Harrison County	$6,000,000.00
2599.	Ohio	Widen Western Reserve Road, Mahoning County	$2,000,000.00
2600.	Arkansas	Relocate Mazarn Bridge, SE Montgomery County	$60,000.00
2601.	California	Undertake Fernandez Ranch transportation enhancement project, Contra Costa County	$1,000,000.00
2602.	Michigan	Build 1.5 mile road between M-66 and B drive N, including improved drainage	$1,500,000.00
2603.	New York	Rt. 531 Expansion, Gates-Brockport, 4-Lane Highway is a Project to Extend Route 531	$5,000,000.00
2604.	Louisiana	Widen LA Highway 28 from Vernon/Rapides line to State Route 121, Rapides Parish	$5,000,000.00
2605.	Tennessee	Construction of park access road and adjacent trails at the Athens Regional Park in Athens	$300,000.00
2606.	Ohio	Construct Lakefront Plan (pedestrian/bike path and road improvements), Cleveland	$3,750,000.00
2607.	Tennessee	Construct greenway system, Nashville and Davidson County	$1,100,000.00
2608.	Texas	Reconstruction of IH 35E/Loop 12 from Spur 408 north to IH 635 thru Grand Prairie, Irving, and Dallas.	$5,000,000.00
2609.	Maryland	Chestertown Trail, Kent County	$300,000.00
2610.	New York	Reconstruction of Route 340 and Erie Street Intersections with Route 303, Rockland County	$1,000,000.00
2611.	North Carolina	Purchase of two rail corridors for future use as a bike/pedestrian trail, Durham	$2,000,000.00
2612.	Illinois	Construct and expand the Greenway Trail along the East Branch of the DuPage River in Bloomingdale and Milton townships, IL.	$400,000.00
2613.	Wisconsin	Reconstruct US Highway 41 in Green Bay, WI	$2,500,000.00
2614.	Mississippi	Upgrade roads in Canton (U.S. Hwy 51, 22, 16 and I-55), Madison County	$800,000.00
2615.	Pennsylvania	Indiana, Pa-Construct 5 mile segment of rail line and eliminate use of existing line and 37 grade crossings, Glenn Lock to Middletown.	$2,700,000.00
2616.	Texas	Extension of Radio Road from I-30 to SH 11 at FM 2560	$1,000,000.00
2617.	Texas	US Route 87 Big Spring Bypass part of the Ports-to-Plains Corridor, a National High Priority Corridor from Mexico to Denver.	$16,000,000.00
2618.	California	Reconstruct I880/Coleman Avenue Interchange to improve traffic flow, San Jose	$10,000,000.00
2619.	California	Construct grade separation between State Street and BNSF tracks along with street improvements on State Street, San Bernardino.	$1,250,000.00
2620.	New York	Big Ridge Road: Spencerport Village Line to Gillett Road in the Town of Ogden	$2,000,000.00
2621.	California	Rancho Cucamonga I-15/Base Line Interchange, removal and reconstruction of on and off ramps, and construction of auxiliary lanes.	$5,000,000.00
2622.	Kansas	Replacement or Rehabilitation of the Amelia Earhart Bridge over the Missouri River from Kansas into Missouri.	$2,000,000.00
2623.	Wisconsin	Reconstruct US Highway 45 in Waupaca County	$2,000,000.00
2624.	Michigan	Wayne, Laurenwood reconstruct 1/4 mile stretch	$125,000.00
2625.	Missouri	Study Needs and Design of Highway 37 & 60 Corridor, from Republic, MO to Arkansas stateline	$2,500,000.00
2626.	Maryland	MD237-right-of-way acquisition to upgrade and wide MD237 to a multi-lane highway from Pegg Road to MD235.	$10,000,000.00
2627.	Texas	US 83 underpass and pedestrian crossing at Abrams Road, Palmview	$1,900,000.00
2628.	Tennessee	Replace Unitia Bridge in Loudon County	$900,000.00
2629.	Minnesota	Construct bicycle trails in and around Aitkin connecting the Paul Bunyan Trail to the Mesabi Bike Trail.	$400,000.00
2630.	Colorado	Wadsworth Bypass (State Highway 121)/Burlington Northern Railroad and Grandview Grade separation.	$6,000,000.00
2631.	Illinois	Complete Phase II engineering for reconstruction of 159th Street/US 6 in Will County	$1,000,000.00
2632.	Illinois	Construct and replace East Branch River bridge on Illinois Prairie Path, Milton Township, IL	$300,000.00
2633.	Nebraska	Pave 5.5 miles of road north of the Village of Cordova to I-80	$1,500,000.00
2634.	Ohio	Land acquisition for construction of bicycle and pedestrian trails at Mentor Marsh	$710,000.00
2635.	California	Widen Interstate 8 overpass at Dogwood Road, Imperial County	$2,500,000.00
2636.	Texas	Improve Bus 287 between 8th Street and Northside Drive, Ft. Worth	$4,000,000.00
2637.	Oklahoma	Widen SH 33 from Cimarron River East to US 177, Payne County	$6,300,000.00
2638.	Georgia	Bridge improvements on Rico Tatum Road at Cedar Creek, Fulton Co	$560,000.00
2639.	Michigan	Expansion of Ten Mile Road, Hazel Park/Madison Heights	$277,000.00
2640.	Texas	Widen from 4 to 6 lanes I-35E from Lake Lewisville to Loop 288	$14,000,000.00
2641.	Arizona	Roadway widening from two lanes to four on US 93 near the town of Wikieup	$1,000,000.00
2642.	Florida	Designation of State Road 70 as an I2 corridor connecting the east and west coasts of Florida	$4,000,000.00
2643.	Kentucky	Replace bridge and approaches on KY-1665 over Stony Creek (B48) west of Jct. US 421	$500,000.00
2644.	Oklahoma	Construct US 59 improvements from Westville to US 412, Delaware County	$5,000,000.00
2645.	California	Conduct Study and Construct Contra Costa County Brentwood Tracy Expressway Project, CA	$5,000,000.00
2646.	Michigan	Carlysle Road - 2 miles east of city limit to Middlebelt Road, City of Inkster	$2,000,000.00
2647.	California	Folsom Boulevard & Power Inn Road improvements and widening	$9,000,000.00
2648.	Florida	44th St. Extension to Golfair Blvd., Jacksonville	$1,500,000.00
2649.	Georgia	Construct two lane bypass from US 1 to SR 88 around Wrens	$1,000,000.00
2650.	California	Construct Highway 101 bicycle/pedestrian overpass at Millbrae Ave for the San Francisco Bay Trail, Millbrae.	$1,000,000.00
2651.	New York	Design and Construction of bicycle and pedestrian facilities in the area of the Roosevelt Avenue Bridge.	$480,000.00
2652.	Ohio	Reconstruction of a urban collector street within the federal highway system at SR 18 and Smith Rd. in the City of Medina.	$1,960,000.00
2653.	Louisiana	Construct LA 143/US 165 Connector and North Ouachita River Bridge, Ouachita Parish	$12,000,000.00
2654.	Pennsylvania	Replace an existing stone-arch rail bridge, Upper Dublin Township	$9,500,000.00
2655.	Pennsylvania	Design, engineering, ROW acquisition, and construction of intersection improvements and safety enhancements, Borough of Taylor in Lackawanna County.	$250,000.00
2656.	Minnesota	Heritage Center at the Grand Portage National Monument	$1,355,000.00
2657.	New Hampshire	Public safety improvement by easement, building side-crosswalks, parking, traffic calming work. Part of Chocorua Village Intersect Improvement project.	$2,020,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
2658.	Illinois	Construct West Corbin Overpass over Illinois 255, Bethalto	$5,000,000.00
2659.	Indiana	CR 17, Elkhart Cnty, IN. The project is for a new four lane highway from County Rd. 26 to County Rd 38.	$3,000,000.00
2660.	Virginia	Construct equestrian enhancement in Mount Rogers NRA adjacent to Virginia Highlands Horse Trail.	$2,000,000.00
2661.	New York	Rehabilitate the High Bridge over the Harlem River between Manhattan and the Bronx	$5,000,000.00
2662.	Indiana	Extend Everbrook Drive from SR 332 to Bethel Avenue in the City of Muncie, Indiana	$640,000.00
2663.	New York	Continue design phase, including tiered, multi-year environmental scoping study, & construction on proposed route of Northern Tier Expressway (NTE), connecting I-81 and I-87, via US Rte.11.	$5,000,000.00
2664.	Michigan	Complete reconstruction of Tienken Road with curb and gutter improvements	$4,000,000.00
2665.	New Jersey	Vernon Township Traffic Calming, Pedestrian Safety and Traffic Congestion Circulation Improvement Project.	$3,000,000.00
2666.	Oregon	Improvements to Bandon-Charleston State Scenic Tour on Randolph Road and North Bank Lane.	$4,200,000.00
2667.	Nebraska	Construct Pflug Road and I-80 Interchange	$2,000,000.00
2668.	Oregon	Rogue River Bikeway/Pedestrian Path, Curry County	$600,000.00
2669.	Utah	Widen and improve 800 North/SR - 52 a main east-west corridor in Orem Utah	$2,100,000.00
2670.	New York	Rehabilitation of East and West Gates Avenue in the Village of Lindenhurst	$1,020,000.00
2671.	Virginia	Daniel Boone Wilderness Trail Corridor - design and construction of interpretive center and enhancement of trail corridor.	$4,000,000.00
2672.	Minnesota	Reconditioning CSAH 61 from Barnum to TH 210 at Carlton, and improve Munger Trail	$1,480,000.00
2673.	American Samoa	Village road improvements for Tualauta, Tualatai, Aitulagi, Fofo,and Alataua counties in the Western District.	$3,000,000.00
2674.	Pennsylvania	The project involves building an interchange, extending Lafayette Street, and building a toll interchange connecting Lafayette Street with the Pennsylvania Turnpike.	$5,188,000.00
2675.	Pennsylvania	Design, engineering, ROW acquisition, and construction of the third phase of the Marshalls Creek Bypass Project, Monroe County.	$1,000,000.00
2676.	Michigan	New Interchange at Latson Road on I-96	$6,000,000.00
2677.	Florida	Coral Way Phase One, City of Miami	$3,000,000.00
2678.	Wisconsin	Reconstruct State Highway 32 in Kenosha and Racine Counties, Wisconsin	$11,900,000.00
2679.	Missouri	Chain of Rocks Bicycle/Pedestrian connector linking regional network of trails & greenways	$300,000.00
2680.	Illinois	Pre construction activities for Sangamon Valley Trail	$236,000.00
2681.	Michigan	Resurfacing and widening of Parmater Road, Otsego County	$368,000.00
2682.	Virginia	Virginia Creeper Trail - ongoing trail needs, including construction of restroom facilities at Watauga and Alvarado and parking expansion at Watauga.	$1,300,000.00
2683.	Indiana	Connection of Hazelldell Parkway to proposed Little Chicago Road in Hamilton County	$500,000.00
2684.	Alaska	Construction of and improvements to roads at Alaska Pacific University	$3,000,000.00
2685.	North Carolina	3.5 mile extension of Martin Luther King, Jr. Arterial Boulevard in Monroe, NC	$2,000,000.00
2686.	California	Widen and add turn lanes to Firestone Blvd, Downey	$2,500,000.00
2687.	Arkansas	Improvement of Judges Road, Desha County	$500,000.00
2688.	Pennsylvania	Complete design for Eastern Inner Loop connector between Business Route 322 and State Route 3022 in Centre County.	$1,000,000.00
2689.	New York	Highway Construction Selkirk Bypass Truck Route	$1,600,000.00
2690.	Iowa	Right-of-way and construction of U.S. Highway 20 at Woodbury County (Interstate 29), Ida County, Sac County from Ida County line to U.S. 71 at Early, IA.	$7,750,000.00
2691.	Arizona	Construction of interim bypass for US 93, circumventing the town of Wickenburg	$1,000,000.00
2692.	Texas	Construct grade separation at the intersection of Medical Drive and Fredericksburg Road	$3,800,000.00
2693.	Massachusetts	Union Square street improvements and enhancements, Somerville	$500,000.00
2694.	Indiana	I-69 access project connects 146th St. to I-69 Interchange at Exit 10	$4,000,000.00
2695.	Texas	Construct IH-35E replacement bridge, Trinity River, Dallas, Texas	$5,000,000.00
2696.	Mississippi	Upgrade Alex Gates Road and Walnut Road in Quitman County, and roads in Falcon, Sledge and Lambert.	$2,200,000.00
2697.	Illinois	Improve 63rd Street, Chicago	$2,000,000.00
2698.	Pennsylvania	SR 3003 Bridge, replace one span steel stringer bridge with a one span concrete box beam bridge in Auburn Township, Susquehanna County.	$1,000,000.00
2699.	New Jersey	Widening Routes 1 & 9, Production Way to East Lincoln Avenue	$500,000.00
2700.	New Jersey	Rte. 50 Bridge & Road improvements, Cape May & Atlantic Counties. Replace Rte. 50 bridge over Tuckahoe River with fixed span.	$5,000,000.00
2701.	Florida	Upgrade SR 50 from US 19 to US 41 in Hernando County	$3,000,000.00
2702.	Tennessee	Addition of an interchange on I-40 in Roane County at Buttermilk Road and I-40 to provide safe, efficient access to interstate.	$3,000,000.00
2703.	New Hampshire	Intersection improvements at US Route 3 and the Franklin Industrial Drive entrance in Franklin, NH.	$1,000,000.00
2704.	Maine	Relocation of southbound on-ramp to I-95 at exit 47, Bangor	$1,500,000.00
2705.	New Jersey	Extend CR Route 605	$1,000,000.00
2706.	Arkansas	Development of infrastructure to Regional Airport in Fort Smith	$1,200,000.00
2707.	Ohio	City of Tiffin Kennedy bridge overpass and lighting improvement along St. Route 53	$1,000,000.00
2708.	Louisiana	Construct pedestrian walkways between Caddo Street and Milam Street along Edwards Street in Shreveport, LA.	$1,000,000.00
2709.	Michigan	Construct improvements and modifications to M-40/I-196 Interchange	$6,000,000.00
2710.	Massachusetts	Rt. 20 - I-95 Interchange, Waltham	$1,500,000.00
2711.	Massachusetts	Reconstruct Rutherford Avenue from City Square to Route 99, Boston	$1,000,000.00
2712.	New York	Study, design, and reconstruction of pedestrian walkways, the Bronx	$1,000,000.00
2713.	Michigan	Construct road improvements to Miller Road from Interstate 75 to Linden Road, Flint Township	$4,500,000.00
2714.	Arkansas	Relocation of Highway 412 bypass, Paragould	$1,000,000.00
2715.	Georgia	Construct Coastal Ga Greenway trail from Bee Road to Lake Mayer	$500,000.00
2716.	Arkansas	Replacement of bridges #11597, #11598, and #11590, Columbia County	$500,000.00
2717.	Utah	Parley's Creek Corridor Project	$5,000,000.00
2718.	Kansas	Improve I-35/95th Street interchange, City of Lenexa	$1,000,000.00
2719.	New Jersey	Rehabilitation of Benigno Boulevard from I-295 to Route 168, Bellmawr	$400,000.00
2720.	Arizona	Roadway widening from two lanes to four on US 93 south of the town of Wikieup	$1,000,000.00
2721.	Ohio	Construct Riverwalk project (bike/pedestrian path and facilities), City of Warren	$1,500,000.00
2722.	Pennsylvania	Design, engineering, ROW acquisition, and construction of street improvements and safety enhancements, City of Nanticoke in Luzerne County.	$2,000,000.00
2723.	Massachusetts	Pedestrian walkway for the Town of Norwood	$700,000.00
2724.	Maryland	I-70/MD85/MD355 Interchange	$3,000,000.00
2725.	Missouri	Study of Needs and Design Highway 160 & Kansas Expressway, Greene County, MO	$2,000,000.00
2726.	Missouri	Grand Ave Viaduct replacement of 6 lane structure with 5 lanes plus pedestrian walkways, St. Louis.	$12,000,000.00
2727.	Florida	Construct I-4 Frontage Road in Volusia County, Florida	$2,000,000.00
2728.	New York	Reconfiguration of New Rochelle Toll Plaza, including installation of high-speed EZPass, at this congested segment of I-95.	$1,000,000.00
2729.	Louisiana	Elimination of highway-rail grade crossings along Louisiana and Delta railroad	$1,000,000.00
2730.	Pennsylvania	York City Northwest Triangle redevelopment project	$1,500,000.00
2731.	California	Improve pedestrian and biking trails within East Bay Regional Park District, Contra Costa County.	$1,000,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
2732.	South Carolina	SC-81 Turning Lane - The SCDOT would construct a turning lane to feed traffic into lakeside development at Lake Russell, SC.	$50,000.00
2733.	Kentucky	Construct priority section 1 of the E.T. Breathitt (Pennyrile) Parkway Extension from Lovers Lane North to U.S. 41-A, Christian County.	$8,000,000.00
2734.	Pennsylvania	Design, engineering, ROW acquisition and construction of streetscaping enhancements, including paving, lighting and safety improvements, in downtown Wilkes-Barre.	$2,500,000.00
2735.	Georgia	Rehabilitate sidewalks and replace streetlights, Swainsboro	$500,000.00
2736.	New York	Construction of and improvements to Seneca Street in Buffalo	$2,000,000.00
2737.	Tennessee	Restoration of historic downtown Cobblestone Landing, Memphis	$1,000,000.00
2738.	New Jersey	Rte. 30 & Pomona Rd. intersection improvements. Widens road, improves signals and turn lanes at intersection.	$4,000,000.00
2739.	Virginia	NRV Trail - construction of multi-use trail between the Towns of Rich Creek and Glen Lyn, Giles County.	$56,000.00
2740.	New Jersey	Ferry Service Terminal, Carteret	$2,100,000.00
2741.	California	Pedestrian calming measures along Las Tunas Blvd., the City of San Gabriel	$600,000.00
2742.	Tennessee	Extension of bicycle and pedestrian trail, Murfreesboro	$9,400,000.00
2743.	Minnesota	Construct Final Segment of Hwy 610 from TH169 in Brooklyn Park, MN to its terminus in Maple Grove, MN.	$5,000,000.00
2744.	New York	Roadway improvements on Woodbine Avenue between 5th Avenue and Beach Avenue, Northport	$640,000.00
2745.	Texas	Construct bicycle and pedestrian trails in Houston's historic Third Ward	$750,000.00
2746.	Massachusetts	Construct 1.5 mile East Longmeadow Redstone Trailway	$720,000.00
2747.	Mississippi	State Highway 57 widening, Jackson County	$5,000,000.00
2748.	Illinois	Construction of a highway on new alignment to create a cross town route across Godfrey, IL from Illinois Route 3 to US 67.	$1,000,000.00
2749.	Nevada	New Interchange for Industrial Park in Mesquite along I-15 corridor from MP 117.5 @MP 118.5	$1,000,000.00
2750.	Kansas	Reconstruct grade separation on US-169, Kansas City	$6,500,000.00
2751.	New York	Roadway, streetscape, pedestrian, transit, and parking improvements to the Buffalo Niagara Medical Campus, Buffalo.	$2,000,000.00
2752.	Ohio	Construct replacement of Morgan Township Road 209 between SR 60 and SR 78 in Morgan County.	$3,300,000.00
2753.	New York	Improve intersection of Old Dock Road and Church Street, Kings Park	$500,000.00
2754.	New York	Construction of sidewalks along Rt 9A corridor in Village of Buchanan-NY	$475,000.00
2755.	Texas	Port of Beaumont Intermodal Corridor Project	$6,488,000.00
2756.	Maine	Replacement of Waldo-Hancock Bridge	$16,000,000.00
2757.	Illinois	Establish transportation museum on Navy Pier (Chicago Children's Museum), Chicago	$540,000.00
2758.	California	Sierra College/I-80 Interchange Project - Correct design deficiencies at the Sierra College Boulevard interchange with I-80 in Placer County.	$2,000,000.00
2759.	Washington	US 2/Sultan Basin Road Improvements, Sultan	$400,000.00
2760.	Mississippi	Ohr-O'Keefe Welcome Center, Biloxi	$750,000.00
2761.	Illinois	Replace Interstate 74 Bridge, Moline	$4,000,000.00
2762.	Massachusetts	Improve traffic signal operations, pavement markings & regulatory signage, Milton-Boston City Line.	$1,500,000.00
2763.	Illinois	Realign Irving Park Road (State Highway 19) and construct grade separation for RR tracks that intersect Irving Park and Wood Dale roads, Wood Dale, IL.	$11,600,000.00
2764.	Virginia	US Rt. 17 (Warrenton Road) Stafford County. To widen road and alleviate traffic congestion	$2,000,000.00
2765.	Ohio	Upgrade Manchester Rd., Akron	$4,000,000.00
2766.	Georgia	Infantry Museum Transportation Network [4-lane connector], Columbus	$1,000,000.00
2767.	Massachusetts	Widen Crosby Drive from north of Route 62 in the Town of Bedford to Middlesex Turnpike in the Town of Burlington.	$1,000,000.00
2768.	North Carolina	Expand and replace traffic signal systems and intelligent transportation systems in the City of Greensboro.	$16,000,000.00
2769.	New York	Rehabilitation of road and drainage systems on Beach, Canal, and Sea Breeze Roads in the Town of Oyster Bay.	$3,000,000.00
2770.	Virginia	High Knob Horse Trails - construction of network of horse riding trails and associated facilities in High Knob area of Jefferson National Forest.	$1,500,000.00
2771.	New York	Reconstruction of Schenck Avenue from Jamaica Avenue to Flatlands Avenue, Brooklyn	$5,000,000.00
2772.	Pennsylvania	Construct new alignment of Route 830 from Interstate 80 to Dubois-Jefferson County Airport	$2,000,000.00
2773.	Pennsylvania	SR 21 safety and capacity improvements, Greene and Fayette Counties	$2,000,000.00
2774.	Arkansas	Improvements on Calhoun County Roads 64, 73, 81, and 26	$500,000.00
2775.	California	Improve the signal system infrastructure and timing of 10 traffic signals on Antonio Parkway	$125,200.00
2776.	Idaho	Improve and widen US-95. Includes replacement of two bridges, Copeland to Eastport in Boundary County.	$4,000,000.00
2777.	New Jersey	Route 7 Wittpenn Bridge over Hackensack River, Bridge Replacement and Reconstruction of Route 7 - Fish House Road Interchange.	$1,000,000.00
2778.	Texas	Pedestrian improvements and traffic control projects for Alameda, Dyer, and North Loop, El Paso.	$2,500,000.00
2779.	New Jersey	Sea Isle Blvd. Reconstruction, Cape May County. Reconstruct and raise road bed above FEMA 100 year flood level.	$2,000,000.00
2780.	Oregon	Renewal of wooden trestle bridge west of Albany	$6,000,000.00
2781.	Missouri	Construction of Highway 249 (Range Line By-pass), Jasper County, MO	$10,000,000.00
2782.	Minnesota	Construction of street underpass and 2 bicycle-pedestrian underpasses of rail-crossing and grade separated interchange with U.S. Highway 61.	$2,000,000.00
2783.	New York	Purchase Three Ferries and Establish System for Ferry Service from Rockaway Peninsula to Manhattan.	$15,000,000.00
2784.	Hawaii	Ft. Weaver Road Widening	$10,000,000.00
2785.	New York	Install Improvements for Pedestrian Safety in the vicinity of PS 153	$250,000.00
2786.	Illinois	South Chicago Street Improvements (Geneseo): Construction of a pedestrian sidewalk along S. Chicago Street.	$145,000.00
2787.	Pennsylvania	Construct PA Route 61/Schulkill Haven Bypass, Schuylkill Haven	$10,000,000.00
2788.	Ohio	Construct Front Street grade separation, Berea	$500,000.00
2789.	Michigan	Widen, pulverize and improve drainage with new bituminous pavement surface Nahma Bridge on CR 497 from US 2 at Nahma Junction to Village of Nahma.	$575,000.00
2790.	Mississippi	Lake Harbour Drive Extension:Extension of Lake Harbour Dr at US Hwy 51 to Highland Colony Pkwy, providing a major east-west corridor through Ridgeland.	$500,000.00
2791.	Alaska	Realign rail track to eliminate highway-rail crossings and improve highway safety and transit times.	$5,000,000.00
2792.	Illinois	Construct 1.5 miles of roadway from Mississippi River Barge Dock to the Intersection of IL3 & IL157, Cahokia.	750,000.00
2793.	Ohio	Replace Rock Spring Bridge, Portage County	$500,000.00
2794.	New York	Install Improvements for Pedestrian Safety in the vicinity of PS 124	$250,000.00
2795.	Michigan	ROW acquisition and construction for I-94 widening between Sargent Road and M-60, including interchange improvements at I-94/US-127 North.	$3,000,000.00
2796.	California	Implement ITS on Muni Transit System, San Francisco	$4,000,000.00
2797.	Illinois	Widen and improve Chain of Rocks Road between IL 111 and I-255	$2,156,000.00
2798.	Pennsylvania	Improve handicapped accessibility and provide a pedestrian overpass	$3,000,000.00
2799.	Kentucky	Replace bridge and approaches on CR-5230 over North Rolling Fork River (C20), Danville	$770,000.00

High Priority Projects—Continued

No.	State	Project Description	Amount
2800.	Tennessee	Develop trails, bike paths and recreational facilities on Western Slope Black Mountain, Cumberland County for Cumberland Trail State Park.	$250,000.00
2801.	Minnesota	Construct Mesabi Trail completion from Grand Rapids to City of Ely	$2,700,000.00
2802.	Ohio	Construct transportation enhancements projects, Toledo	$6,000,000.00
2803.	Virginia	Construct eastbound and westbound ramps with bridges to provide direct access from Interstate 95 to Temple Avenue in Colonial Heights.	$2,000,000.00
2804.	New Jersey	Newark Waterfront pedestrian and bicycle access, Broad Street to NJPAC to Minish Park	$1,784,000.00
2805.	California	Upgrade and reconstruct I-580/Vasco Road Interchange, City of Livermore	$2,500,000.00
2806.	Michigan	Livonia, Reconstruct Stark Rd. between Plymouth Rd. and I-96	$1,000,000.00
2807.	Georgia	Add 5-10 ft. sidewalks in downtown Winder to improve bicycle/pedestrian streetscapes, safety, increase handicap access, and add bicycle parking.	$2,000,000.00
2808.	Utah	Highway 6 From I-15 to I-70	$3,000,000.00
2809.	California	Upgrade Save Mart Center intersection at Willow and Ashlan and Willow and Shaw, City of Fresno.	$1,500,000.00
2810.	Alabama	US 82 - I-65 connector and/or AL 5 improvements in Bibb County	$3,000,000.00
2811.	California	Undertake Cordelia Hill/Sky Valley transportation enhancement project including upgrade of pedestrian and bicycle corridors, Solano County.	$2,000,000.00
2812.	Michigan	White Lake, Pave Cooley Lake Rd. between Hix and Newburgh Roads	$500,000.00
2813.	Massachusetts	Construct Quinebaug River Rail Trail	$1,000,000.00
2814.	Texas	Widen Spur 298 to a six-lane urban roadway, McLennan County	$4,000,000.00
2815.	New Mexico	Construct the NM524 South truck bypass in Carlsbad	$7,000,000.00
2816.	Michigan	Pave Braves Avenue to connect the high school and grade school for safe bus route, Gladstone	$370,000.00
2817.	Michigan	Study the development and construction of a new interchange at Sternberg Road and I-96	$1,000,000.00
2818.	Georgia	Truck bypass - I - 75 at Oakridge Road, Tift County	$500,000.00
2819.	Texas	Construction of Segment #1 of Morrison Road for the City of Brownsville	$2,000,000.00
2820.	Florida	I-275 Roosevelt Blvd. Connector, Pinellas County	$10,000,000.00
2821.	Mississippi	Upgrade Dog Pen Road and Galilee Road in Holmes County, and roads in Cruger, Pickens, and Goodman.	$1,490,000.00
2822.	California	I-5/SR-56 connector construction from westbound SR-56 to north bound I-5, and from southbound I-5 to eastbound SR-56.	$4,000,000.00
2823.	Connecticut	Construct Enfield high-speed rail crossing to bike and pedestrian trails	$2,300,000.00
2824.	Minnesota	Aerial Lift Bridge preservation and improvements	$3,040,000.00
2825.	American Samoa	Drainage mitigation for Pago Pago village roads	$1,000,000.00
2826.	California	Install new crossing under the BNSF railroad at Ranchero Road in Hesperia	$2,000,000.00
2827.	Pennsylvania	Construct 9th and 10th Street bridges over Norfolk Southern Tracks, Lebanon	$7,000,000.00
2828.	Pennsylvania	Relocate New Salem Road to create a four lane connection from SR 21 and Matthew Drive to US 40.	$2,000,000.00
2829.	Arkansas	Improvement of Dallas County Roads 101, 124, 209, and 113	$500,000.00
2830.	Pennsylvania	Improve Route 6 from Mansfield Borough to the Village of Mainesburg	$1,000,000.00
2831.	Washington	Three Bridge Corridor (Skagit River) Extension Project, Skagit County	$5,000,000.00
2832.	California	Add interchange to I-15 and improve connecting roads in Victorville, CA	$1,500,000.00
2833.	Colorado	Build Powers/Woodmen Interchange to a grade separated interchange	$8,000,000.00
2834.	Texas	Preston Road will connect air & seaport facilities via Ellington Air Field and several Houston Ship Channel industry locations.	$1,000,000.00
2835.	Texas	Union Pacific Railroad Bridge Expansion Over U.S. 287	$3,000,000.00
2836.	Washington	Modernize and study interchange at I-5 and SR503	$300,000.00
2837.	Kansas	Widening of US 69 from Pittsburg to Baxter Springs, KS	$5,000,000.00
2838.	Georgia	Flint River Bridge; right of way acquisition, construction, Albany	$1,000,000.00

Subtitle H—Miscellaneous Provisions

SEC. 1801. BUDGET JUSTIFICATION.

The Department of Transportation and each agency therein shall submit to the Committee on Transportation and Infrastructure of the House of Representatives a budget justification concurrently with the President's annual budget submission to Congress under section 1105(a) of title 31, United States Code.

SEC. 1802. MOTORIST INFORMATION.

Section 124 of of title I of division F of the Consolidated Appropriations Act, 2004 (118 Stat. 296–297) is repealed.

SEC. 1803. MOTORIST INFORMATION CONCERNING FULL SERVICE RESTAURANTS.

Not later than 180 days after the date of enactment of this Act, the Secretary shall initate a rulemaking to determine whether or not—

(1) full service restaurants should be given priority on not more than 2 panels of the camping or attractions logo specific service signs in the Manual on Uniform Traffic Control Devices of the Department of Transportation when the food logo specific service sign is fully utilized; and

(2) full service restaurants should be given priority on not more than two panels of the food logo specific service signs in such Manual when the camping or attractions logo specific service signs are fully utilized.

SEC. 1804. HIGH PRIORITY CORRIDORS ON THE NATIONAL HIGHWAY SYSTEM.

Section 1105(c) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2032) is amended—

(1) by adding at the end the following:

''(46) Interstate Route 710 between the terminus at Long Beach, California, to California State Route 60.

''(47) Interstate Route 87 from the Quebec border to New York City.

''(48) The Route 50 High Plains Corridor along the United States Route 50 corridor from Newton, Kansas, to Pueblo, Colorado.

''(49) The Atlantic Commerce Corridor on Interstate Route 95 from Jacksonville, Florida, to Miami, Florida.

''(50) The East-West Corridor commencing in Watertown, New York, continuing northeast through New York, Vermont, New Hampshire, and Maine, and terminating in Calais, Maine.

''(51) The SPIRIT Corridor on United States Route 54 from El Paso, Texas, through New Mexico, Texas, and Oklahoma to Wichita, Kansas.

''(52) The route in Arkansas running south and parallel to United States Route 226 from the relocation of United States Route 67 to the vicinity of United States Route 49 and United States Route 63.''; and

(2) by aligning paragraph (45) with paragraph (46).

SEC. 1805. ADDITIONS TO APPALACHIAN REGION.

(a) KENTUCKY.—Section 14102(a)(1)(C) of title 40, United States Code, is amended—

(1) by inserting ''Nicholas,'' after ''Morgan,''; and

(2) by inserting ''Robertson,'' after ''Pulaski,''.

(b) OHIO.—Section 14102(a)(1)(H) of such title is amended—

(1) by inserting ''Ashtabula,'' after ''Adams,'';

(2) by inserting ''Fayette,'' after ''Coshocton,'';

(3) by inserting ''Mahoning,'' after ''Lawrence,''; and

(4) by inserting ''Trumbull,'' after ''Scioto,''.

(c) TENNESSEE.—Section 14102(a)(1)(K) of such title is amended—

(1) by inserting ''Giles,'' after ''Franklin,''; and

(2) by inserting ''Lawrence, Lewis, Lincoln,'' after ''Knox,''.

(d) VIRGINIA.—Section 14102(a)(1)(L) of such title is amended—

(1) by inserting ''Henry,'' after ''Grayson,''; and

(2) by inserting ''Patrick,'' after ''Montgomery,''.

SEC. 1806. TRANSPORTATION ASSETS AND NEEDS OF DELTA REGION.

(a) AGREEMENT.—Not later than 6 months after the date of enactment of this Act, the Secretary shall enter into an agreement with the Delta Regional Authority (referred to in this section as the ''DRA'') to conduct a comprehensive study of transportation assets and needs for all modes of transportation (including passenger and freight transportation) in the 8 States comprising the Delta region (Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri and Tennessee).

(b) CONSULTATION.—Under the agreement, the DRA, in conducting the study, shall consult with the Department of Transportation, State transportation departments, local planning and development districts, local and regional governments, and metropolitan planning organizations.

(c) REPORT.—Under the agreement, the DRA, not later than 24 months after the date of entry into the agreement, shall submit to the Secretary and the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a final report on the results of the study, together with such recommendation as the DRA considers appropriate.

(d) PLAN.—Under the agreement, the DRA, upon completion of the report, shall establish a regional strategic plan to implement the recommendations of the report.

(e) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account), $500,000 for each of the fiscal years 2005 and 2006 to carry out this section.

(2) CONTRACT AUTHORITY.—Funds authorized by this section shall be available for obligation 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 such funds shall remain available until expended and shall not be transferable.

SEC. 1807. TOLL FACILITIES WORKPLACE SAFETY STUDY.

(a) IN GENERAL.—The Secretary shall conduct a study on the safety of highway toll collection facilities, including toll booths, to determine the safety of the facilities for the toll collectors who work in and around the facilities, including consideration of—

(1) the effect of design or construction of the facilities on the likelihood of vehicle collisions with the facilities;

(2) the safety of crosswalks used by toll collectors in transit to and from toll booths;

(3) the extent of the enforcement of speed limits in the vicinity of the facilities;

(4) the use of warning devices, such as vibration and rumble strips, to alert drivers approaching the facilities;

(5) the use of cameras to record traffic violations in the vicinity of the facilities;

(6) the use of traffic control arms in the vicinity of the facilities;

(7) law enforcement practices and jurisdictional issues that affect safety in the vicinity of the facilities; and

(8) the incidence of accidents and injuries in the vicinity of toll booths.

(b) DATA COLLECTION.—As part of the study, the Secretary shall collect data regarding the incidence of accidents and injuries in the vicinity of highway toll collection facilities.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, 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 study, together with recommendations for improving toll facilities workplace safety.

(d) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, out of the Highway Trust Fund (other than the Mass Transit Account), $500,000 for fiscal year 2005.

(2) CONTRACT AUTHORITY.—Funds authorized to be appropriated by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code; expect that the Federal share of the cost of the project shall be 100 percent, and such funds shall remain available until expended and shall not be transferable.

SEC. 1808. PAVEMENT MARKING SYSTEMS DEMONSTRATION PROJECTS.

(a) IN GENERAL.—The Secretary shall conduct a demonstration project in the State of Alaska, and a demonstration project in the State of Tennessee, to study the safety impacts, environmental impacts, and cost effectiveness of different pavement marking systems and the effect of State bidding and procurement processes on the quality of pavement marking material employed in highway projects. The demonstration projects shall each include an evaluation of the impacts and effectiveness of increasing the width of pavement marking edge lines from 4 inches to 6 inches.

(b) REPORT.—Not later than June 30, 2009, the Secretary shall transmit to Congress a report on the results of the demonstration projects, together with findings and recommendations on methods that will optimize the cost-benefit ratio of the use of Federal funds on pavement marking.

(c) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, out of the Highway Trust Fund (other than the Mass Transit Account), $1,000,000 per fiscal year for each of the fiscal years 2005 through 2009.

(2) CONTRACT AUTHORITY.— Funds authorized to be appropriated by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code; expect that the Federal share of the cost of the demonstration projects shall be 100 percent, and such funds shall remain available until expended and shall not be transferable.

SEC. 1809. WORK ZONE SAFETY GRANTS.

(a) IN GENERAL.—The Secretary shall establish and implement a work zone safety grant program under which the Secretary may make grants to nonprofit organizations to provide training to prevent or reduce highway work zone injuries and fatalities.

(b) ELIGIBLE ACTIVITIES.—Grants may be made under the program for the following purposes:

(1) Training for construction craft workers on the prevention of injuries and fatalities in highway and road construction.

(2) Development of guidelines for the prevention of highway work zone injuries and fatalities.

(3) Training for State and local government transportation agencies and other groups implementing guidelines for the prevention of highway work zone injuries and fatalities.

(c) FUNDING.—

(1) IN GENERAL.—There is authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $5,000,000 for each of fiscal years 2005 through 2009.

(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code; except that such funds shall not be transferable.

(d) CONSTRUCTION WORK IN ALASKA.—Section 114 of title 23, United States Code, is amended by adding at the end the following:

''(c) CONSTRUCTION WORK IN ALASKA.—

''(1) IN GENERAL.—The Secretary shall ensure that a worker who is employed on a remote project for the construction of a highway or portion of a highway located on a Federal-aid system in the State of Alaska and who is not a domiciled resident of the locality shall receive meals and lodging.

''(2) LODGING.—The lodging under paragraph (1) shall be in accordance with section 1910.142 of title 29, Code of Federal Regulations (relating to temporary labor camp requirements).

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

''(A) REMOTE.—The term 'remote', as used with respect to a project, means that the project is 75 miles or more from the United States Post Office in either Fairbanks, Anchorage, Juno, or Ketchikan, Alaska, or is inaccessible by road in a 2-wheel drive vehicle.

''(B) RESIDENT.—The term 'resident', as used with respect to a project, means a person living within 75 miles of the midpoint of the project for at least 12 months.''.

SEC. 1810. GRANT PROGRAM TO PROHIBIT RACIAL PROFILING.

(a) GRANTS.—Subject to the requirements of this section, the Secretary shall make grants to a State that—

(1)(A) has enacted and is enforcing a law that prohibits the use of racial profiling in the enforcement of State laws regulating the use of Federal-aid highways; and

(B) is maintaining and allows public inspection of statistical information for each motor vehicle stop made by a law enforcement officer on a Federal-aid highway in the State regarding the race and ethnicity of the driver and any passengers; or

(2) provides assurances satisfactory to the Secretary that the State is undertaking activities to comply with the requirements of paragraph (1).

(b) ELIGIBLE ACTIVITIES.—A grant received by a State under subsection (a) shall be used by the State—

(1) in the case of a State eligible under subsection (a)(1), for costs of—

(A) collecting and maintaining of data on traffic stops;

(B) evaluating the results of the data; and

(C) developing and implementing programs to reduce the occurrence of racial profiling, including programs to train law enforcement officers; and

(2) in the case of a State eligible under subsection (a)(2), for costs of—

(A) activities to comply with the requirements of subsection (a)(1); and

(B) any eligible activity under paragraph (1).

(c) RACIAL PROFILING.—To meet the requirement of subsection (a)(1), a State law shall prohibit, in the enforcement of State laws regulating the use of Federal-aid highways, a State or local law enforcement officer from using the race or ethnicity of the driver or passengers to any degree in making routine or spontaneous law enforcement decisions, such as ordinary traffic stops on Federal-aid highways. Nothing in this subsection shall alter the manner in which a State or local law enforcement officer considers race or ethnicity whenever there is trustworthy information, relevant to the locality or time frame, that links persons of a particular race or ethnicity to an identified criminal incident, scheme, or organization.

(d) LIMITATIONS.—

(1) MAXIMUM AMOUNT OF GRANTS.—The total amount of grants received by a State under this section in a fiscal year may not exceed 5 percent of the amount made available to carry out this section in the fiscal year.

(2) ELIGIBILITY.—A State may not receive a grant under subsection (a)(2) in more than 2 fiscal years.

(e) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $10,000,000 for each of fiscal years 2004 through 2009.

(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except the Federal share of the cost of activities carried out using such funds shall be 100 percent, and such funds shall remain available until expended and shall not be transferable.

SEC. 1811. AMERICA'S BYWAYS RESOURCE CENTER.

(a) IN GENERAL.—The Secretary shall allocate funds made available to carry out this section to the America's Byways Resource Center established pursuant to section 1215(b)(1) of the Transportation Equity Act for the 21st Century (112 Stat. 209).

(b) TECHNICAL SUPPORT AND EDUCATION.—

(1) USE OF FUNDS.—The Center shall use funds allocated to the Center under this section to continue to provide technical support and conduct educational activities for the national scenic byways program established under section 162 of title 23, United States Code.

(2) ELIGIBLE ACTIVITIES.—Technical support and educational activities carried out under this subsection shall provide local officials and organizations associated with National Scenic Byways and All-American Roads with proactive,

technical, and on-site customized assistance, including training, communications (including a public awareness series), publications, conferences, on-site meetings, and other assistance considered appropriate to develop and sustain such byways and roads.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $3,500,000 for each of fiscal years 2004 through 2009.

(d) APPLICABILITY OF TITLE 23.—Funds authorized 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 any project or activity carried out under this subsection shall be 100 percent and such funds shall remain available until expended and shall not be transferable.

SEC. 1812. TECHNICAL ADJUSTMENT.

(a) IN GENERAL.—The donee of the vessel with the Unit Identification Code number 13862 is deemed to be the owner of that vessel free and clear as of September 1, 2000.

(b) FEDERAL CLAIMS.—All Federal claims arising from the donation or use of the vessel described in subsection (a) are permanently extinguished.

SEC. 1813. ROAD USER CHARGE EVALUATION PILOT PROJECT.

(a) IN GENERAL.—The Secretary shall carry out a national evaluation pilot project to assess how intelligent transportation system technology can be applied to assess mileage-based road user charges for the purposes of collecting revenues for the Highway Trust Fund.

(b) MATTERS TO BE EVALUATED.—The following matters shall be evaluated under the pilot project:

(1) Technical feasibility of imposing mileage-based road user charges, including cost, reliability, and security of on-board and intelligent transportation systems.

(2) Compatibility of technology for imposing such charges with automobile and truck design.

(3) Design and testing of a collection system for such charges that is secure, low cost, and easy to use.

(4) Methods of ensuring privacy of road users and assessing public attitudes and views of motorists who participate in field tests of the equipment and system.

(c) REPORTS.— The Secretary shall transmit annual reports on the status of the pilot project and, not later than June 30, 2009, a final report on the results of the pilot project, together with findings and recommendations, to the Secretary of the Treasury, the Committee on Transportation and Infrastructure and the Committee on Ways and Means of the House of Representatives, and the Committee on Environment and Public Works and the Committee on Finance of the Senate.

(d) AUTHORIZATION OF APPROPRIATION.—

(1) IN GENERAL.—There is authorize from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $1,000,000 for each of fiscal years 2005 and 2006 and $3,500,000 for each of fiscal years 2007, 2008, and 2009.

(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code; except the Federal share of the cost of the pilot project shall be 100 percent, and such funds shall remain available until expended and shall not be transferable.

SEC. 1814. SENSE OF CONGRESS.

In honor of his service to the Commonwealth of Massachusetts and the United States of America, and in recognition of his contributions toward the construction of Central Artery Tunnel project in Boston, it is the sense of the Congress that the northbound and southbound tunnel of Interstate Route 93, located in the city of Boston, which extends north of the intersection of Interstate Route 90 and Interstate Route 93 to the Leonard P. Zakim Bunker Hill Bridge, should be designated and known as the ''Thomas P. 'Tip' O'Neill, Jr. Tunnel''.

SEC. 1815. CONFORMING AMENDMENT FOR TRANSPORTATION PLANNING SECTIONS.

(a) METROPOLITAN PLANNING.—Section 134 of title 23, United States Code is amended to read as follows:

''§ 134. Metropolitan planning

''Metropolitan transportation planning programs funded under section 104(f) shall be carried out in accordance with the metropolitan planning provisions of chapter 52, title 49, United States Code.''.

(b) STATEWIDE PLANNING.—Section 135 of such title is amended to read as follows:

''§ 135. Statewide planning.

''Statewide transportation planning programs funded under section 104(f) shall be carried out in accordance with the statewide planning provisions of chapter 52, title 49, United States Code.''.

SEC. 1816. DISTRIBUTION OF METROPOLITAN PLANNING FUNDS WITHIN STATES.

Section 104(f)(4) of title 23, United States Code, is amended by adding at the end the following: ''Such distribution of funds to metropolitan planning organizations shall be made within 30 days of the date of receipt of such funds from the Secretary.''.

SEC. 1817. TREATMENT OF OFF RAMP.

The Harbor Boulevard off ramp from Interstate Route 405 in Costa Mesa, California, is deemed to satisfy the requirements of title 23, United States Code, that govern the approval of the placement of ramps off of a Federal-aid highway.

SEC. 1818. LOAN FORGIVENESS.

The right-away revolving fund loan issued for the rail project that extends from Humbolt County to the San Francisco Bay Area and secured by the State of California and that was initiated in 2001 is deemed satisfied.

TITLE II—HIGHWAY SAFETY

SEC. 2001. 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) HIGHWAY SAFETY PROGRAMS.—For carrying out section 402 of title 23, United States Code, $165,000,000 for fiscal year 2004, $201,000,000 for fiscal year 2005, $202,000,000 for fiscal year 2006, $205,000,000 for fiscal year 2007, $209,000,000 for fiscal year 2008, and $212,000,000 for fiscal year 2009.

(2) HIGHWAY SAFETY RESEARCH AND DEVELOPMENT.—For carrying out section 403 of title 23, United States Code, $72,000,000 for fiscal year 2004 and $73,000,000 for each of fiscal years 2005 through 2009.

(3) OCCUPANT PROTECTION INCENTIVE GRANTS.—For carrying out section 405 of title 23, United States Code, $20,000,000 for fiscal year 2004, $117,000,000 for fiscal year 2005, $120,000,000 for fiscal year 2006, $123,000,000 for fiscal year 2007, $125,000,000 for fiscal year 2008, and $130,000,000 for fiscal year 2009.

(4) ALCOHOL-IMPAIRED DRIVING COUNTERMEASURES INCENTIVE GRANT PROGRAM.—For carrying out section 410 of title 23, United States Code, $40,000,000 for fiscal year 2004, $111,000,000 for fiscal year 2005, $114,000,000 for fiscal year 2006, $117,000,000 for fiscal year 2007, $121,000,000 for fiscal year 2008, and $125,000,000 for fiscal year 2009.

(5) STATE TRAFFIC SAFETY INFORMATION IMPROVEMENTS.—For carrying out section 412 of title 23, United States Code, $24,000,000 for fiscal year 2005, $28,000,000 for fiscal year 2006, $32,000,000 for fiscal year 2007, $36,000,000 for fiscal year 2008, and $39,000,000 for fiscal year 2009.

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

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

(b) APPLICABILITY OF TITLE 23.—Except as otherwise provided in chapter 4 of title 23, United States Code, and this title, 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 shall 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 COUNTERMEASURES.

(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'';

(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 shall also become eligible'';

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

(3) in subparagraph (A)—

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

(B) by striking the period at the end of clause (ii) and inserting a semicolon; and

(C) by adding at the end the following:

''(iii) the suspension referred to under clause (i)(I) may allow an individual to operate a motor vehicle, after the 15-day period beginning on the date of the suspension, to and from employment, school, or an alcohol treatment program if an ignition interlock device is installed on each of the motor vehicles owned or operated, or both, by the individual; and

''(iv) the suspension and revocation referred to under clause (i)(II) may allow an individual to operate a motor vehicle, after the 45-day period beginning on the date of the suspension or revocation, to and from employment, school, or an alcohol treatment program if an ignition interlock device is installed on each of the motor vehicles owned or operated, or both, by the individual.'';

(4) in subparagraph (B)—

(A) by striking ''may include the issuance'' and inserting the following: ''may include—

''(i) the issuance''; and

(B) by striking the period at the end and inserting ''; and'' and the following:

''(ii) a program provided by a nonprofit organization for training point of sale personnel concerning, at a minimum, the following:

''(I) the clinical effects of alcohol;

''(II) methods of preventing second party sales of alcohol;

''(III) recognizing signs of intoxication;

''(IV) methods to prevent underage drinking;

''(V) Federal, State, and local laws that are relevant to such personnel.'';

(5) 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

(6) 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(c) of title 23, United States Code, is amended to read as follows:

''(c) ALLOCATION FOR BASIC GRANTS B.—Not more than $16,000,000 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 agreements with the Secretary as the Secretary may require ensuring that the State will maintain its aggregate expenditures from all other sources for highway safety data programs at or above the average level of such expenditures in the 2 fiscal years preceding 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 exceed 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 traffic records coordinating committee with a multidisciplinary 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 addresses existing deficiencies in the State's highway safety data and traffic records system and is approved 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.

''(c) SUCCEEDING-YEAR GRANTS.—

''(1) ELIGIBILITY.—A State shall be eligible for a grant under this section in a fiscal year succeeding 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 efforts and national safety belt mobilization and enforcement, including the purchase of national paid advertisement (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 CHILD BOOSTER SEAT INCENTIVE GRANTS.

(a) GENERAL AUTHORITY.—Subject to the requirements of this section, the Secretary shall make grants to States that enact or have enacted and are enforcing a law requiring that children riding in passenger motor vehicles who are too large to be secured in a child safety seat be secured in a child restraint that meets the requirements prescribed by the Secretary under section 3 of Anton's Law (116 Stat. 2772).

(b) MAINTENANCE OF EFFORT.—No grant may be made to a State under this section in a fiscal year unless the State enters into such agreements with the Secretary as the Secretary may require to ensure that the State will maintain its

aggregate expenditures from all other sources for child safety seat and child booster seat programs at or above the average level of such expenditures in its 2 fiscal years preceding the date of enactment of this Act.

(c) FEDERAL SHARE.—The Federal share of the cost of implementing and enforcing in a fiscal year a law adopted by a State under subsection (a) shall not exceed—

(1) for the first 3 fiscal years for which a State receives a grant under this section, 75 percent; and

(2) for the fourth and fifth fiscal years for which a State receives a grant under this section, 50 percent.

(d) GRANT ELIGIBILITY.—

(1) IN GENERAL.—A State is eligible for a grant under this section if the State has in effect and enforces a law described in subsection (a).

(2) MAXIMUM PERIOD OF ELIGIBILITY.—No State may receive grants under this section in more than 5 fiscal years beginning after September 30, 2004.

(e) ELIGIBLE USES OF FUNDS.—A State may use a grant under this section only to carry out child safety seat and child booster seat programs, including the following:

(1) A program to educate the public concerning the proper use and installation of child safety seats and child booster seats.

(2) A program to train child passenger safety professionals, police officers, fire and emergency medical personnel, and educators concerning all aspects of the use of child safety seats and booster seats.

(3) A program to purchase and distribute child safety seats, child booster seats, and other appropriate passenger motor vehicle child restraints to families that cannot otherwise afford such seats or restraints.

(4) A program to support enforcement of child restraint laws.

(f) GRANT AMOUNT.—The amount of a grant to a State for a fiscal year under this section may not exceed 25 percent of the amount apportioned to the State for fiscal year 2003 under section 402 of title 23, United States Code.

(g) 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 2.5 percent for the necessary costs of administering the provisions of this section.

(h) APPLICABILITY OF CHAPTER 1.—The provisions contained in section 402(d) of title 23, United States Code, apply to this section.

(i) REPORT.—Each State to which a grant is made under this section shall transmit to the Secretary a report documenting the manner in which grant amounts were obligated and expended and identifying the specific programs carried out with or supported by grant funds. The report shall be in a form prescribed by the Secretary and may be combined with other State grant reporting requirements under of chapter 4 of title 23, United States Code.

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

(1) CHILD RESTRAINT.—The term ''child restraint'' means any product designed to provide restraint to a child (including booster seats and other products used with a lap and shoulder belt assembly) that meets applicable Federal motor vehicle safety standards prescribed by the National Highway Traffic Safety Administration.

(2) CHILD SAFETY SEAT.—The term ''child safety seat'' has the meaning such term has in section 405(f) of title 23, United States Code.

(3) PASSENGER MOTOR VEHICLE.—The term ''passenger motor vehicle'' has the meaning such term has in such section 405(f).

(4) STATE.—The term ''State'' has the meaning such term has in section 101 (a) of such title.

(k) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section from the Highway Trust Fund (other than the Mass Transit Account) $5,000,000 for each of fiscal years 2005 through 2009.

SEC. 2008. SAFETY DATA.

(a) IN GENERAL.—Using funds made available to carry out section 403 of title 23, United States Code, for fiscal years 2005 through 2009, the Secretary shall collect data and compile statistics on accidents involving motor vehicles being backed up that result in fatalities and injuries and that occur on public and nonpublic roads and residential and commercial driveways and parking facilities.

(b) REPORT.—Not later than January 1, 2009, the Secretary shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report on accidents described in subsection (a), including the data collected and statistics compiled under subsection (a) and any recommendations regarding measures to be taken to reduce the number of such accidents and the resulting fatalities and injuries.

SEC. 2009. MOTORCYCLIST SAFETY.

(a) MOTORCYCLIST ADVISORY COUNCIL.—

(1) IN GENERAL.—The Secretary, acting through the Administrator of the Federal Highway Administration, in consultation with the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate, shall appoint a Motorcyclist Advisory Council to coordinate with and advise the Administrator on infrastructure issues of concern to motorcyclists, including—

(A) barrier design;

(B) road design, construction, and maintenance practices; and

(C) the architecture and implementation of intelligent transportation system technologies.

(2) COMPOSITION.—The Council shall consist of not more than 10 members of the motorcycling community with professional expertise in national motorcyclist safety advocacy, including—

(A) at least—

(i) 1 member recommended by a national motorcyclist association;

(ii) 1 member recommended by a national motorcycle riders foundation;

(iii) 1 representative of the National Association of State Motorcycle Safety Administrators;

(iv) 2 members of State motorcyclists' organizations;

(v) 1 member recommended by a national organization that represents the builders of highway infrastructure;

(vi) 1 member recommended by a national association that represents the traffic safety systems industry; and

(vii) 1 member of a national safety organization; and

(B) at least 1, and not more than 2, motorcyclists who are traffic system design engineers or State transportation department officials.

(b) 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 reduce the number of single- and multi-vehicle crashes involving motorcyclists.

(c) MAINTENANCE OF EFFORT.—No grant may be made to a State under this section in a fiscal year unless the State enters into such agreements with the Secretary as the Secretary may require to ensure that the State will maintain its aggregate expenditures from all the other sources for motorcyclist safety training programs and motorcyclist awareness programs at or above the average level of such expenditures in its 2 fiscal years preceding the date of enactment of this Act.

(d) MAXIMUM PERIOD OF ELIGIBILITY.—No State may receive grants under this section in more than 5 fiscal years beginning after September 30, 2004.

(e) FEDERAL SHARE.—The Federal share of the cost of implementing and enforcing, as appropriate, in a fiscal year a program adopted by a State in accordance with subsection (a) shall not exceed—

(1) for the first 3 years for which a State receives a grant under this section, 75 percent; and

(2) for the next 2 years for which a State receives a grant under this section, 50 percent.

(f) GRANT ELIGIBILITY.—

(1) IN GENERAL.—A State becomes eligible for a grant under this section by adopting or demonstrating to the satisfaction of the Secretary—

(A) for the first fiscal year for which the State will receive a grant under this section, at least 1 of the 6 criteria listed in paragraph (2);

(B) for the second, third, and fourth fiscal years for which the State will receive a grant under this section, at least 2 of the 6 criteria listed in paragraph (2); and

(C) for any subsequent fiscal years for which the State will receive a grant under this section, at least 3 of the 6 criteria listed in paragraph (2).

(2) CRITERIA.—The criteria for eligibility for a grant under this section are the following:

(A) MOTORCYCLE RIDER TRAINING COURSES.—An effective motorcycle rider training course that is offered throughout the State, provides a formal program of instruction in accident avoidance and other safety-oriented operational skills to motorcyclists, and may include innovative training opportunities to meet unique regional needs.

(B) MOTORCYCLISTS AWARENESS PROGRAM.—An effective statewide program to enhance motorist awareness of the presence of motorcyclists on or near roadways and safe driving practices that avoid injuries to motorcyclists.

(C) REDUCTION OF FATALITIES AND CRASHES INVOLVING MOTORCYCLES.—A reduction for the preceding calendar year in the number of motorcycle fatalities and the rate of motor vehicle crashes involving motorcycles in the State (expressed as a function of 10,000 motorcycle registrations).

(D) IMPAIRED DRIVING PROGRAM.—Implementation of a statewide program to reduce impaired driving, including specific measures to reduce impaired motorcycle operation.

(E) REDUCTION OF FATALITIES AND ACCIDENTS INVOLVING IMPAIRED MOTORCYCLISTS.—A reduction for the preceding calendar year in the number of fatalities and the rate of reported crashes involving alcohol- or drug-impaired motorcycle operators (expressed as a function of 10,000 motorcycle registrations).

(F) FEES COLLECTED FROM MOTORCYCLISTS.—All licensing and registration fees collected by the State from motorcyclist are used for motorcycle safety programs.

(g) ELIGIBLE USES.—

(1) IN GENERAL.—A State may use funds from a grant under this section only for motorcyclist safety training and motorcyclist awareness programs, including—

(A) improvements to motorcyclist safety training curricula;

(B) improvements in program delivery of motorcycle training to both urban and rural areas, including—

(i) procurement or repair of practice motorcycles;

(ii) instructional materials;

(iii) mobile training units; and

(iv) leasing or purchase of facilities for classroom instruction and closed-course skill training;

(C) measures designed to increase the recruitment or retention of motorcyclist safety training instructors; and

(D) public awareness, public service announcements, and other outreach programs to enhance motorcyclist awareness.

(2) SUBALLOCATIONS OF FUNDS.—An agency that receives a grant under this subsection may suballocate funds from the grant to a nonprofit organization to carry out under this section.

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

(1) MOTORCYCLIST SAFETY TRAINING.—The term ''motorcyclist safety training'' means a formal program of instruction that—

(A) provides accident avoidance and other safety-oriented operational skills to motorcyclists; and

(B) is approved for use in a State by the designated State authority having jurisdiction over motorcyclist safety issues.

(2) MOTORCYCLIST AWARENESS.—The term ''motorcyclist awareness'' means individual or collective awareness of—

(A) the presence of motorcycles on or near roadways; and

(B) safe driving practices that avoid injury to motorcyclists.

(3) MOTORCYCLIST AWARENESS PROGRAM.—The term ''motorcyclist awareness program'' means an informational or public awareness program designed to enhance motorcyclist awareness that is developed by or in coordination with the designated State authority having jurisdiction over motorcyclist safety issues.

(4) STATE.—The term ''State'' has the same meaning such term has in section 101(a) of title 23, United States Code.

(i) MAXIMUM GRANT AMOUNT.—The amount of a grant made to a State for a fiscal year under this section may not exceed 25 percent of the amount apportioned to the State for fiscal year 2003 under section 402 of title 23, United States Code.

(j) ADMINISTRATIVE EXPENSES.—Funds authorized to be appropriated to carry out this section in a fiscal year shall be subject to a deduction by the Secretary not to exceed 5 percent for the necessary costs of administering the provisions of this section.

(k) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section from the Highway Trust Fund (other than the Mass Transit Account) $5,000,000 for each of fiscal years 2005 through 2009.

(l) APPLICABILITY OF TITLE 23.—Funds authorized under 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; except that such funds shall not be transferable.

SEC. 2010. DRIVER FATIGUE.

Section 402(a) of title 23, United States Code, is amended—

(1) by striking ''and'' before ''(6)''; and

(2) by inserting before the period the following: ''; and (7) to reduce deaths and injuries resulting from persons driving motor vehicles while fatigued''.

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, whenever 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''.

(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 transportation agencies and local first response agencies; and

''(IV) security training for public transportation employees; but

''(ii) excluding all expenses related to operations, other than such expenses incurred in conducting activities described in subclauses (III) and (IV);

''(K) establishment of a debt service reserve 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 recipient 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 entered into with a person, including a governmental 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'' in the heading 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 urbanized area by the Secretary of Commerce.''.

(g) AUTHORITY TO MODIFY DEFINITION.—Section 5302(b) is amended—

(1) by striking ''HANDICAPPED INDIVIDUAL'' in the heading 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 organization 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 accordance 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 within 30 days 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:

''5306. Private enterprise participation in planning; relationship to other limitations.''.

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 APRIL 30, 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 5303 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 (2) as paragraph (1);

(3) by inserting ''THIS CHAPTER.—'' before ''Sections 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).

(h) TREATMENT.—At the end of section 5307, add the following:

''(m) TREATMENT.—For purposes of this section, the United States Virgin Islands shall be treated as an urbanized area, as defined in section 5302.''.

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) ELIGIBLE PROJECT.—The term 'eligible project'—

''(A) means a project in a nonattainment or maintenance area described in paragraph (4)(A) 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; or

''(iii) improving existing public transportation facilities to accommodate clean fuel buses; and

''(B) at the discretion of the Secretary, may include a project located in a nonattainment or maintenance area described in paragraph (3)(A) 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.

''(3) MAINTENANCE AREA.—The term 'maintenance area' has the meaning such term has under section 101 of title 23.

''(4) RECIPIENT.—

''(A) IN GENERAL.—The term 'recipient' means a designated recipient (as defined in section 5307(a)(2)) for an area that, and a recipient for an urbanized area with a population of less than 200,000 that—

''(i) is designated as a nonattainment area for ozone or carbon monoxide under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)); or

''(ii) is a maintenance area for ozone or carbon monoxide.

''(B) SMALLER URBANIZED AREAS.—In the case of an urbanized area with a population of less than 200,000, the State in which the area is located shall act as the recipient for the area under this section.

''(b) AUTHORITY.—The Secretary shall make grants in accordance with this section to recipients to finance eligible projects.

''(c) APPORTIONMENT OF FUNDS.—

''(1) FORMULA.—The Secretary shall apportion among recipients amounts made available to carry out this section for a fiscal year. Of such amounts—

''(A) two-thirds shall be apportioned to recipients serving urbanized areas with a population of at least 1,000,000, of which—

''(i) 50 percent shall be apportioned so that each such 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 recipient, weighted by severity of nonattainment for the area served by the recipient; bears to

''(II) the total number of vehicles in the bus fleets of all such recipients, weighted by severity of nonattainment for all areas served by such recipients; and

''(ii) 50 percent shall be apportioned so that each such recipient receives a grant under this section in an amount equal to the ratio that—

''(I) the number of bus passenger miles (as defined in section 5336(c)) of the recipient, weighted by severity of nonattainment of the area served by the recipient; bears to

''(II) the total number of bus passenger miles (as defined in section 5336(c)) of all such recipients, weighted by severity of nonattainment of all areas served by such recipients; and

''(B) one-third shall be apportioned to recipients serving urbanized areas with a population of less than 1,000,000, of which—

''(i) 50 percent shall be apportioned so that each such 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 recipient, weighted by severity of nonattainment for the area served by the recipient; bears to

''(II) the total number of vehicles in the bus fleets of all such recipients, weighted by severity of nonattainment for all areas served by such recipients; and

''(ii) 50 percent shall be apportioned so that each such recipient receives a grant under this section in an amount equal to the ratio that—

''(I) the number of bus passenger miles (as defined in section 5336(c)) of the recipient, weighted by severity of nonattainment of the area served by the recipient; bears to

''(II) the total number of bus passenger miles (as defined in section 5336(c)) of all such recipients, weighted by severity of nonattainment of all areas served by such recipients.

''(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 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 such part; or

''(II) a moderate carbon monoxide nonattainment area under subpart 3 of such part;

''(iv) 1.3 if, at the time of the apportionment, the area is classified as a serious ozone nonattainment area under subpart 2 of such part; 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 such part; 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 such part.

''(B) ADDITIONAL ADJUSTMENT FOR CARBON MONOXIDE AREAS.—If, in addition to being classified as a nonattainment or maintenance area for ozone under subpart 2 of such part, the area was also classified under subpart 3 of such part as a nonattainment area for carbon monoxide, the weighted nonattainment or maintenance area fleet and passenger miles for the recipient, as calculated under subparagraph (A), shall be further multiplied by a factor of 1.2.

''(d) CLEAN DIESEL BUSES.—Not more than 35 percent of the amount made available by or appropriated under section 5338 in each fiscal year to carry out this section may be made available to fund clean diesel buses.

''(e) GRANT REQUIREMENTS.—

''(1) IN GENERAL.—A grant under this section shall be subject to the requirements of section 5307.

''(2) GOVERNMENT'S SHARE OF COSTS FOR CERTAIN PROJECTS.—Section 5323(i) applies to projects carried out under this section.

''(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 (e) 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 subsection. 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 (2)(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 (2)(B), the Secretary shall—

''(A) determine the degree to which the project is consistent with local land use policies and is 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 (2)(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 subsection, the proposed schedule for obligation of future Federal grants, and the sources of funding from other than the Government. The agreement may include a commitment on the part of the Secretary to provide funding for the project in future fiscal years.

''(8) LIMITATION ON ENTRY INTO CONSTRUCTION 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 rating process for proposed projects under this subsection that is based on the results of project justification and local financial commitment, as required 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 financing terms.

''(iv) COMPLETION OF OPERABLE SEGMENT.—The amount stipulated in an agreement under this paragraph for a fixed guideway project shall be sufficient to complete 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 National 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) MAJOR CAPITAL INVESTMENT GRANTS CONTINGENT COMMITMENT AUTHORITY.—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 for major new fixed guideway capital projects may be not more than the greater of the amount authorized under sections 5338(b) and 5338(h)(1) for such projects or an amount equivalent to the last 3 fiscal years of funding allocated under subsections (m)(1)(B) and (m)(2)(B)(ii) for such projects, less an amount the Secretary reasonably estimates is necessary for grants under this section for those of such projects that are not covered by a letter or agreement. The total amount covered by new letters and contingent commitments included in full funding grant agreements and early systems work agreements for such projects may be not more than a limitation specified in law.

''(B) OTHER CONTINGENT COMMITMENT AUTHORITY.—The total estimated amount of future obligations of the Government and contingent commitments to incur obligations covered by all project construction grant agreements and early system work agreements under this subsection for small capital projects described in subsection (d) may be not more than the greater of the amount allocated under subsection (m)(2)(A) for such projects or an amount equivalent to the last fiscal year of funding allocated under subsection (m)(2)(A) for such projects, less an amount the Secretary reasonably estimates is necessary for grants under this section for those of such projects that are not covered by an agreement. The total amount covered by new contingent commitments included in project construction grant agreements and early systems work agreements for such projects may be not more than a limitation specified in law.

''(C) INCLUSION OF CERTAIN COMMITMENTS.—Future obligations of the Government and contingent commitments made against the contingent commitment authority under section 3032(g)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (106 Stat. 2125) for the San Francisco BART to the Airport project for fiscal years 2002, 2003, 2004, 2005, and 2006 shall be charged against section 3032(g)(2) of that Act.

''(D) 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 or project construction grant agreement under this section, 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 proposed 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 information 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 depreciation cash fund or reserve, or new capital.

''(3) LIMITATION ON STATUTORY CONSTRUCTION.—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 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 requirements if—

''(A) the State or local governmental authority 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 interest 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 FACILITIES PROJECTS.—

''(1) CONSIDERATIONS.—In making grants under subsections (m)(1)(C) and (m)(2)(B)(iii), the Secretary shall consider the age of buses, bus fleets, related equipment, and bus-related facilities.

''(2) FUEL CELL BUS PROGRAM.—Of the amounts made available under subsections (m)(1)(C) and (m)(2)(B)(iii) for a fiscal year, the following amounts shall be set aside for the national fuel cell bus technology development program under section 3039 of the Federal Public Transportation Act of 2004:

''(A) $4,849,950 for fiscal year 2004.

''(B) $10,000,000 for fiscal year 2005.

''(C) $11,000,000 for fiscal year 2006.

''(D) $12,000,000 for fiscal year 2007.

''(E) $13,000,000 for fiscal year 2008.

''(F) $14,000,000 for fiscal year 2009.

''(l) AVAILABILITY OF AMOUNTS.—An amount made available or appropriated under section 5338(b), 5338(g), or 5338(h) 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) FISCAL YEAR 2004.—Of the amounts made available by or appropriated under section 5338(b), $85,000,000 shall be allocated to new fixed guideway capital projects under subsection (d). Remaining amounts shall be allocated as follows:

''(A) 40 percent for fixed guideway modernization;

''(B) 40 percent for major new fixed guideway capital projects; and

''(C) 20 percent to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities.

''(2) FISCAL YEARS 2005–2009.—The total amount of funds made available by section 5338(g), and appropriated under section 5338(h), for each of fiscal years 2005 through 2009 shall be allocated in the fiscal year as follows:

''(A) SMALL CAPITAL PROJECTS.—From funds appropriated under section 5338(h) for new fixed guideway capital projects described in subsection (d)—

''(i) $135,000,000 in fiscal year 2005;

''(ii) $175,000,000 in fiscal year 2006;

''(iii) $200,000,000 in fiscal year 2007;

''(iv) $200,000,000 in fiscal year 2008; and

''(v) $225,000,000 in fiscal year 2009.

''(B) REMAINDER.—After the allocation under subparagraph (A), the remainder of such total amount shall be allocated as follows:

''(i) 40 percent for fixed guideway modernization, to be derived from funds made available under section 5338(g).

''(ii) 40 percent for major new fixed capital guideway projects, to be derived from funds appropriated under section 5338(h).

''(iii) 20 percent to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities, to be derived from funds made available under section 5338(g).

''(3) FUNDING FOR FERRY BOAT SYSTEMS.—Of the amounts made available under paragraphs (1)(B) and (2)(B)(ii), $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.

''(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)''; and

(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 coordinate 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 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.—

''(A) 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.

''(B) LOW DENSITY ADJUSTMENT.—In administering the apportionment formula under subparagraph (A)—

''(i) in the case of a State with a population density of 10 or fewer persons per square mile, the Secretary shall multiply by a factor of 2 the number of elderly individuals and individuals with disabilities in the State (as determined using the most recent decennial United States Census); and

''(ii) in the case of a State with a population density of more than 10 but equal to or fewer than 30 persons per square mile, the Secretary shall multiply by a factor of 1.25 the number of elderly individuals and individuals with disabilities in the State (as determined using the most recent decennial United States Census).

''(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 described in section 120(b)(1) of title 23, such percentage shall be increased in accordance with such section.

''(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.

''(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 distributed 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 disabilities that are included in a State program of projects.

''(2) SUBMISSION AND APPROVAL.—A program shall be submitted annually to the Secretary for approval and shall contain an assurance that the program provides for maximum feasible coordination of transportation services assisted under this section with transportation services assisted by other Government sources.

''(f) LEASING VEHICLES.—Vehicles acquired under this section may be leased to local governmental authorities 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, nonprofit 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.''.

(c) APPORTIONMENTS.—Section 5311(c) is amended to read as follows:

''(c) 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) LOW DENSITY ADJUSTMENT.—In administering the apportionment formula under paragraph (1)—

''(A) in the case of a State with a population density of 10 or fewer persons per square mile in other than urbanized areas of the State, the Secretary shall multiply by a factor of 1.5 the population of such other than urbanized areas (as determined using the most recent decennial United States Census); and

''(B) in the case of a State with a population density of more than 10 but equal to or fewer than 12 persons per square mile in other than urbanized areas of the State, the Secretary shall multiply by a factor of 1.25 the population of such other than urbanized areas (as determined using the most recent decennial United States Census).

''(3) 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'';

(3) by striking paragraph (2); and

(4) by striking ''recipient'' and inserting ''subrecipient''.

(e) INTERCITY BUS TRANSPORTATION.—Section 5311(f) is amended—

(1) in paragraph (1) by striking ''after September 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 described in section 120(b)(1) of title 23, such percentage shall be increased in accordance with such section.

''(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)(C)(iv) and (2)(C) 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 PROGRAMS.

(a) IN GENERAL.—Section 5314 is amended—

(1) by striking the section heading and inserting the following:

''§ 5314. National research and technology programs'';

(2) in subsection (a)(1)—

(A) by striking ''subsections (d) and (h)(7) of section 5338 of this title'' and inserting ''section 5338(d)'';

(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 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)) and a 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 urbanized 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 SUBRECIPIENTS.—

''(1) AREAWIDE SOLICITATIONS.—A recipient of funds apportioned under subsection (c)(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 (c)(1)(B) or (c)(1)(C) shall conduct a statewide solicitation for applications for grants to the recipient and subrecipients under this section.

''(3) APPLICATION.—Recipients and subrecipients seeking to receive a grant from funds apportioned under subsection (c) 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) TRANSFERS.—

''(1) IN GENERAL.—A State may transfer any funds apportioned to it under subsection (c)(1)(B) or (c)(1)(C), or both, to an apportionment 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 subsection (d)(4).

''(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 subrecipients 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)) and a 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 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 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 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 apportioned among the States in the ratio that—

''(i) the number of individuals with disabilities in urbanized areas with a population 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) LOW DENSITY ADJUSTMENT.—

''(A) SMALLER URBANIZED AREAS.—In administering the apportionment formula under paragraph (1)(B)—

''(i) in the case of a State with a population density of 10 persons per square mile or fewer, the Secretary shall multiply by a factor of 2 the number of individuals with disabilities in urbanized areas of the State with a population of less than 200,000 (as determined using the most recent decennial United States Census); and

''(ii) in the case of a State with a population density of more than 10 but equal to or fewer than 30 persons per square mile, the Secretary shall multiply by a factor of 1.25 the number of individuals with disabilities in urbanized areas of the State with a population of less than 200,000 (as determined using the most recent decennial United States Census).

''(B) OTHER THAN URBANIZED AREAS.—In administering the apportionment formula under paragraph (1)(C)—

''(i) in the case of a State with a population density of 10 persons per square mile or fewer, the Secretary shall multiply by a factor of 1.5 the number of individuals with disabilities in other than urbanized areas of the State (as determined using the most recent decennial United States Census); and

''(ii) in the case of a State with a population density of more than 10 but equal to or fewer than 12 persons per square mile in other than urbanized areas of the State, the Secretary shall multiply by a factor of 1.25 the number of individuals with disabilities in other than urbanized areas of the State (as determined using the most recent decennial United States Census).

''(4) TRANSFERS.—

''(A) IN GENERAL.—A State may transfer any funds apportioned to it under paragraph (1)(B) or (1)(C), or both, to an apportionment under section 5311(c) 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 subsection (d)(4).

''(d) COMPETITIVE PROCESS FOR GRANTS TO SUBRECIPIENTS.—

''(1) AREAWIDE SOLICITATIONS.—A recipient of funds apportioned under subsection (c)(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 (c)(1)(B) or (c)(1)(C) shall conduct a statewide solicitation for applications for grants to the recipient and subrecipients under this section.

''(3) APPLICATION.—Recipients and subrecipients seeking to receive a grant from funds apportioned under subsection (c) 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 (as in effect on the date of enactment of the Federal Public Transportation Act of 2004), 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 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.''.

(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.'';

(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 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 sightseeing transportation.

''(b) ESTABLISHMENT.—Not later than 90 days after the date of enactment of the Federal Public Transportation Act of 2004, the Secretary of Transportation and the Secretary of the Interior shall enter into a memorandum 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 mobility 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 understanding under subsection (b) shall include transportation planning procedures that are consistent with the metropolitan and statewide planning processes required under chapter 52.

''(2) PROGRAMS.—The memorandum of understanding shall include descriptions of programs and activities eligible for assistance under the pilot program.

''(3) EXCEPTIONS.—The memorandum of understanding shall limit or modify the applicability of the provisions referred to in subsection (f) to the extent necessary to carry out the objectives of this section and to be compatible with the laws and regulations 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 following 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 studies, 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'S 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 striking the item relating to section 5320 and inserting 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.—

(1) PUBLIC INTEREST WAIVER.—Section 5323(j) is amended—

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

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

''(3) WRITTEN JUSTIFICATION FOR PUBLIC INTEREST WAIVER.—When issuing a waiver based on a public interest determination under paragraph (2)(A), the Secretary shall issue a detailed written justification as to why the waiver is in the public interest. The Secretary shall publish such justification in the Federal Register and provide the public with a reasonable period of time for notice and comment.''.

(2) INELIGIBILITY FOR CONTRACTS.—Section 5323(j)(6) (as so redesignated) is amended by striking ''Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240, 105 Stat. 1914)'' and inserting ''Federal Public Transportation Act of 2004''.

(3) ADMINISTRATIVE REVIEW.—Section 5323(j) is amended by adding at the end the following:

''(9) ADMINISTRATIVE REVIEW.—A party adversely affected by an agency action under this subsection shall have the right to seek review under section 702 of title 5, United States Code.''.

(4) REPEAL OF GENERAL WAIVER.—Subsections (b) and (c) of Appendix A of section 661.7 of title 49, Code of Federal Regulations, shall cease to be in effect beginning on the date of enactment of this Act.

(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) 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 financial 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.—Financial 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 following:

''§ 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 guideway public transportation systems that will not be subject to regulation by the Federal Railroad Administration.'';

(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 striking the period at the end and inserting 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, 5338(b), 5338(g), and 5338(h)''.

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''; 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 (c) 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 prescribed by any provider of public transportation.

''(2) LIMITATION ON STATUTORY CONSTRUCTION.—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 agreement.'';

(5) in subsection (c)(4) (as redesignated by paragraph (3) of this section)—

(A) by striking ''subsections (h) and (i)'' and inserting ''subsection (i)''; and

(B) by striking ''5323(c), 5323(e), 5324(c),''; and

(6) by adding at the end of subsection (c) (as redesignated by paragraph (3) of this section) the following:

''(5) NONREGULATORY SUBSTANTIVE POLICY STATEMENTS.—The Secretary shall provide notice and an opportunity for public comment at least 60 days before issuing any nonregulatory substantive policy statements (regardless of the form of issuance), including guidance, policy statements, and regulatory interpretations.''.

SEC. 3032. NATIONAL TRANSIT DATABASE.

(a) IN GENERAL.—Section 5335 is amended—

(1) by striking the section heading and inserting the following:

''§ 5335. National transit database'';

(2) by striking subsection (b); and

(3) in subsection (a)—

(A) by striking ''(1) To help'' and inserting ''To help''; and

(B) by striking ''(2) The Secretary'' and inserting ''(b) REPORTING AND UNIFORM SYSTEMS.—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—

(1) by striking the section designation and all that follows before paragraph (1) of subsection (a) and inserting the following:

''§ 5337. Apportionment based on fixed guideway factors

''(a) DISTRIBUTION.—The Secretary shall apportion amounts made available for fixed guideway modernization under sections 5338(b) and 5338(g) as follows:'';

(2) in subsection (a) by striking ''(e)(1)'' each place it appears and inserting ''(e)''; and

(3) in subsection (a) by striking ''(e)(2)'' each place it appears and inserting ''(e)''.

(b) ROUTE SEGMENTS TO BE INCLUDED IN APPORTIONMENT 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.''.

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, 5308, 5310, 5311, 5316, 5317, 5318, and 5320 of this chapter, 1118(b) 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) $3,132,304,000 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, 5308, 5310, 5311, 5316, 5317, and 5318 of this chapter, 1118(b) 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) $783,076,000 for fiscal year 2004.

''(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) $125,000,000 shall be available to provide job access and reverse commute formula grants under section 5316;

''(iii) $50,000,000 shall be available to carry out the New Freedom program under section 5317;

''(iv) $50,000,000 shall be available to provide clean fuels formula grants under section 5308;

''(v) $8,000,000 shall be available to carry out the transit in the parks pilot program under section 5320;

''(vi) $4,000,000 shall be available to carry out the nonmotorized transportation pilot program under section 1118(b) of the Transportation Equity Act: A Legacy for Users;

''(vii) $8,000,000 shall be available to provide over-the-road bus accessibility grants under section 3038 of the Transportation Equity Act for the 21st Century (49 U.S.C. 5310 note);

''(viii) $3,100,000 shall be available to carry out bus testing under section 5318;

''(ix) $91,560,751 shall be available to provide transportation services to elderly individuals and individuals with disabilities under section 5310;

''(x) $292,994,404 shall be available to provide financial assistance for other than urbanized areas under section 5311; and

''(xi) $3,277,874,895 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.

''(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(b) of the Transportation Equity Act: A Legacy for Users (relating to the nonmotorized transportation pilot program)—

''(i) $4,181,125,000 for fiscal year 2005;

''(ii) $4,464,295,000 for fiscal year 2006;

''(iii) $4,766,420,000 for fiscal year 2007;

''(iv) $5,089,172,500 for fiscal year 2008; and

''(v) $5,433,667,500 for fiscal year 2009.

''(B) ALLOCATION OF FUNDS FOR BUS TESTING AND OVER-THE-ROAD BUS ACCESSIBILITY.—Of the aggregate of amounts made available by this paragraph for a fiscal year—

''(i) $3,100,000 shall be available to carry out section 5318; and

''(ii) $8,000,000 shall be available to carry out section 3038 of the Transportation Equity Act for the 21st Century (49 U.S.C. 5310 note).

''(C) ALLOCATION OF FUNDS FOR CLEAN FUELS FORMULA GRANT PROGRAM.—Of the aggregate of amounts made available by this paragraph, $75,000,000 for fiscal year 2005 and $100,000,000 for each of fiscal years 2006, 2007, 2008, and 2009 shall be available to carry out section 5308.

''(D) ALLOCATION OF FUNDS FOR JOB ACCESS AND REVERSE COMMUTE FORMULA GRANT PROGRAM.—Of the aggregate of amounts made available by this paragraph, $150,000,000 for fiscal year 2005, $175,000,000 for fiscal year 2006, $200,000,000 for fiscal year 2007, $200,000,000 for fiscal year 2008, and $200,000,000 for fiscal year 2009 shall be available to carry out section 5316.

''(E) ALLOCATION OF FUNDS FOR NEW FREEDOM PROGRAM.—Of the aggregate of amounts made available by this paragraph, $95,000,000 for fiscal year 2005, $100,000,000 for fiscal year 2006, $105,000,000 for fiscal year 2007, $115,000,000 for fiscal year 2008, and $125,000,000 for fiscal year 2009 shall be available to carry out section 5317.

''(F) ALLOCATION OF FUNDS FOR TRANSIT IN THE PARKS PILOT PROGRAM.—Of the aggregate of amounts made available by this paragraph, $8,000,000 for fiscal year 2005, $16,000,000 for fiscal year 2006, $16,000,000 for fiscal year 2007, $16,000,000 for fiscal year 2008, and $16,000,000 for fiscal year 2009 shall be available to carry out section 5320.

''(G) ALLOCATION OF FUNDS FOR NONMOTORIZED TRANSPORTATION PILOT PROGRAM.—Of the aggregate of amounts made available by this paragraph, $4,000,000 for fiscal year 2005, $4,000,000 for fiscal year 2006, $4,000,000 for fiscal year 2007, $8,000,000 for fiscal year 2008, and $8,000,000 for fiscal year 2009 shall be available to carry out section 1118(b) of the Transportation Equity Act: A Legacy for Users (relating to the nonmotorized transportation pilot program).

''(H) ALLOCATION OF FUNDS FOR THE ALASKA RAILROAD.—Of the aggregate of amounts made available by this paragraph, $10,000,000 for fiscal year 2005, $11,000,000 for fiscal year 2006, $12,000,000 for fiscal year 2007, $13,000,000 for fiscal year 2008, and $14,000,000 for fiscal year 2009 shall be available to the Alaska Railroad for improvements to its passenger operations under section 5307.

''(I) REMAINDER.—Of the remainder of the aggregate amounts made available by this paragraph for a fiscal year after the allocations under subparagraphs (B) through (H) 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 IN FISCAL YEAR 2004.—

''(1) FROM TRUST FUND.—There shall be available from the Mass Transit Account of the Highway Trust Fund to carry out section 5309, $2,499,504,000 for fiscal year 2004.

''(2) FROM GENERAL FUND.—In addition to amounts made available by paragraph (1), there is authorized to be appropriated to carry out section 5309, $624,876,200 for fiscal year 2004.

''(c) 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, $72,660,000 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, $18,165,000 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) $96,875,000 for fiscal year 2005;

''(ii) $103,325,000 for fiscal year 2006;

''(iii) $110,200,000 for fiscal year 2007;

''(iv) $117,537,500 for fiscal year 2008; and

''(v) $125,362,500 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, 5322, and 5335, $41,888,000 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, 5322, and 5335, $10,472,000 for fiscal year 2004.

''(C) ALLOCATION OF FUNDS.—Of the funds made available by or appropriated pursuant to this paragraph for fiscal year 2004—

''(i) not less than $4,500,000 shall be available to carry out programs under the National Transit Institute under section 5315;

''(ii) not less than $3,500,000 shall be available to carry out section 5335;

''(iii) not less than $3,500,000 shall be available to carry out section 5314(a)(2); and

''(iv) not less than $8,860,000 shall be available to carry out section 5313(a).

''(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, 5322, and 5335—

''(i) $54,500,000 for fiscal year 2005;

''(ii) $57,000,000 for fiscal year 2006;

''(iii) $59,500,000 for fiscal year 2007;

''(iv) $62,000,000 for fiscal year 2008; and

''(v) $64,500,000 for fiscal year 2009.

''(B) ALLOCATION OF FUNDS.—Of the funds appropriated pursuant to this paragraph for a fiscal year—

''(i) not less than $4,500,000 shall be available to carry out programs under the National Transit Institute under section 5315;

''(ii) not less than $3,500,000 shall be available to carry out section 5335; and

''(iii) not less than $3,500,000 shall be available to carry out section 5314(a)(2).

''(C) TRANSIT COOPERATIVE RESEARCH PROGRAM.—Of the funds appropriated pursuant to this paragraph, $9,000,000 for fiscal year 2005, $9,500,000 for fiscal year 2006, $10,000,000 for fiscal year 2007, $10,500,000 for fiscal year 2008, and $11,000,000 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, $6,400,000 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, $1,600,000 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, $8,000,000 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) $2,000,000 for each of fiscal years 2004, 2005, and 2006 shall be available for the institution identified in section 5505(j)(3)(E), as so in effect.

''(B) USE OF FUNDS.—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, $60,044,000 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, $15,011,000 for fiscal year 2004.

''(2) FISCAL YEARS 2005 THROUGH 2009.—There are authorized to be appropriated to carry out section 5334—

''(A) $77,000,000 for fiscal year 2005;

''(B) $79,000,000 for fiscal year 2006;

''(C) $81,000,000 for fiscal year 2007;

''(D) $83,000,000 for fiscal year 2008; and

''(E) $85,000,000 for fiscal year 2009.

''(g) TRUST FUND CAPITAL PROGRAM GRANTS.—There shall be available from the Mass Transit Account of the Highway Trust Fund to carry out sections 5309(m)(2)(B)(i) and 5309(m)(2)(B)(iii)—

''(1) $1,918,500,000 for fiscal year 2005;

''(2) $2,027,628,000 for fiscal year 2006;

''(3) $2,154,528,000 for fiscal year 2007;

''(4) $2,305,974,000 for fiscal year 2008; and

''(5) $2,452,482,000 for fiscal year 2009.

''(h) GENERAL FUND CAPITAL PROGRAM GRANTS.—There are authorized to be appropriated to carry out sections 5309(m)(2)(A) and 5309(m)(2)(B)(ii)—

''(1) $1,414,000,000 for fiscal year 2005;

''(2) $1,526,752,000 for fiscal year 2006;

''(3) $1,636,352,000 for fiscal year 2007;

''(4) $1,737,316,000 for fiscal year 2008; and

''(5) $1,859,998,000 for fiscal year 2009.

''(i) 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)(l)(A), (a)(2), (b)(1), (c)(2), (d)(1)(A), (e)(1)(A), (f)(1)(A), or (g) 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)(l)(B), (b)(2), (c)(1)(B), (d)(1)(B), (d)(2), (e)(1)(B), (e)(2), (f)(1)(B), (f)(2), or (h) 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.

''(j) AVAILABILITY OF AMOUNTS.—Amounts made available by or appropriated under subsections (a) through (h) 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 80 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.

(a) AMENDMENTS TO CHAPTER 53.—Chapter 53 is amended—

(1) in the chapter heading by striking ''**MASS**'' and inserting ''**PUBLIC**'';

(2) in section 5310(h) by striking ''Mass'' and inserting ''Public'';

(3) in the subsection heading for section 5331(b) by striking ''MASS'' and inserting ''PUBLIC''; and

(4) by striking ''mass'' each place it appears in such chapter before ''transportation'' and inserting ''public'', except in sections 5301(f), 5302(a)(7), 5315, 5323(a)(1), and 5323(a)(1)(B).

(b) TABLE OF CHAPTERS.—The table of chapters for subtitle III is amended in the item relating to chapter 53 by striking ''MASS'' and inserting ''PUBLIC''.

SEC. 3037. PROJECT AUTHORIZATIONS FOR NEW FIXED GUIDEWAY CAPITAL PROJECTS.

(a) EXISTING FULL FUNDING GRANT AGREEMENTS.—The following projects are authorized for final design and construction for existing full funding grant agreements in not less than the amount specified for each fiscal year:

(1) Baltimore—Central LRT Double Tracking $39,367,154 for fiscal year 2004, $29,009,003 for fiscal year 2005, and $12,424,581 for fiscal year 2006.

(2) Chicago—Chicago Transit Authority Douglas Branch Reconstruction $83,655,202 for fiscal year 2004, $85,000,000 for fiscal year 2005, and $45,145,190 for fiscal year 2006.

(3) Chicago—Chicago Transit Authority Ravenswood Expansion Project $9,841,789 for fiscal year 2004, $40,000,000 for fiscal year 2005, $40,000,000 for fiscal year 2006, $40,000,000 for fiscal year 2007, $40,000,000 for fiscal year 2008, and $64,832,615 for fiscal year 2009.

(4) Dallas—North Central LRT Extension $29,684,097 for fiscal year 2004.

(5) Denver Southeast Corridor LRT $78,734,308 for fiscal year 2004, $80,000,000 for fiscal year 2005, $80,000,000 for fiscal year 2006, $80,000,000 for fiscal year 2007, and $76,552,758 for fiscal year 2008.

(6) Fort Lauderdale—Tri-Rail Commuter Rail Upgrade $18,118,733 for fiscal year 2004 and $11,210,695 for fiscal year 2005.

(7) Memphis—Medical Center Extension $9,101,281 for fiscal year 2004.

(8) Metra North Central Corridor Commuter Rail $19,177,300 for fiscal year 2004, $20,000,000 for fiscal year 2005, and $20,613,452 for fiscal year 2006.

(9) Metra Southwest Corridor Commuter Rail $15,000,000 for fiscal year 2004, $20,000,000 for fiscal year 2005, and $7,281,395 for fiscal year 2006.

(10) Metra Union Pacific West Line Extension $17,000,000 for fiscal year 2004, $12,000,000 for fiscal year 2005, and $14,285,749 for fiscal year 2006.

(11) Minneapolis—Hiawatha Corridor LRT $73,793,730 for fiscal year 2004 and $33,111,257 for fiscal year 2005.

(12) New Jersey Urban Core—Hudson-Bergen LRT MOS–2 $98,417,885 for fiscal year 2004, $100,000,000 for fiscal year 2005, $100,000,000 for fiscal year 2006, $100,000,000 for fiscal year 2007, and $52,402,995 for fiscal year 2008.

(13) New Jersey Urban Core—Newark-Elizabeth Rail Link MOS–1 $22,209,000 for fiscal year 2004 and $1,342,076 for fiscal year 2005.

(14) New Orleans MOS–1 Canal Street $22,922,877 for fiscal year 2004 and $16,455,206 for fiscal year 2005.

(15) Pittsburgh—Stage II LRT Reconstruction $31,733,314 for fiscal year 2004 and $1,120,914 for fiscal year 2005.

(16) Portland—Interstate MAX LRT Extension $76,273,861 for fiscal year 2004, $23,480,000 fiscal year 2005, and $18,104,710 for fiscal year 2006.

(17) Salt Lake City—Medical Center $30,178,231 for fiscal year 2004 and $8,682,141 for fiscal year 2005.

(18) San Diego—Mission Valley East LRT Extension $63,971,625 for fiscal year 2004, $81,640,000 fiscal year 2005, and $7,700,304 for fiscal year 2006.

(19) San Diego—Oceanside Escondido Rail Corridor $47,240,585 for fiscal year 2004, $55,000,000 fiscal year 2005, and $12,211,061 for fiscal year 2006.

(20) San Francisco—BART Extension to San Francisco Airport $98,417,890 for fiscal year 2004, $100,000,000 fiscal year 2005, and $81,855,680 for fiscal year 2006.

(21) San Juan—Tren Urbano $19,683,577 for fiscal year 2004 and $54,818,940 fiscal year 2005.

(22) Seattle—Central Link Initial Segment LRT $73,813,414 for fiscal year 2004, $80,00,000 for fiscal year 2005, $80,000,000 for fiscal year 2006, $80,000,000 for fiscal year 2007, $70,000,000 for fiscal year 2008, and $24,028,149 for fiscal year 2009.

(23) Washington DC/MD—Largo Metrorail Extension $63,971,625 for fiscal year 2004 and $75,432,887 fiscal year 2005.

(b) FINAL DESIGN AND CONSTRUCTION.—The following projects are authorized for final design and construction for fiscal years 2004 through 2009 under paragraphs (1)(B), (2)(A), and (2)(B)(ii) of section 5309(m) of title 49, United States Code:

(1) Baltimore—MARC Commuter Rail Improvements.

(2) Boston—Silver Line BRT Phase III.

(3) Bridgeport—Intermodal Corridor.

(4) Central Phoenix—East Valley Corridor LRT extensions.

(5) Charlotte—South Corridor LRT.

(6) Cleveland—Euclid Corridor Bus Rapid Transit.

(7) Dallas Area Rapid Transit—Northwest-Southeast Extension, Pleasant Grove to Farmers Branch.

(8) Delaware—I–95 Corridor Commuter Rail.

(9) Denver—West Corridor LRT.

(10) El Paso-Juarez—International Fixed Guideway.

(11) Harrisburg—Corridor One Commuter Rail (MOS–1), East Mechanicsburg-Lancaster, Pennsylvania.

(12) Kansas City, Kansas—Southtown Commuter Rail.

(13) Las Vegas—Monorail Transit Corridor Project, Phase II.

(14) Los Angeles—Gold Line Phase 1 Eastside Extension.

(15) Los Angeles—Gold Line Phase II Extension, Pasadena to Claremont.

(16) Los Angeles MTA—Exposition LRT.

(17) Miami-Dade Transit—North Corridor.

(18) Minneapolis—North Star Corridor.

(19) Missouri/Kansas—Interstate 35 Commuter Rail.

(20) Nashua—Commuter Rail.

(21) Nashville-Franklin, Tennessee Commuter Rail.

(22) New Britain-Hartford Busway Project.

(23) New Jersey Urban Core.

(24) New Orleans—Desire Corridor Streetcar.

(25) New York—Long Island Railroad East Side Access Project.

(26) New York—Second Avenue Subway.

(27) Norfolk Regional Light Rail.

(28) Northern Virginia—Dulles Corridor Extension.

(29) Orange County, California—Center Line LRT.

(30) Philadelphia—Schuylkill Valley Metro-Rail.

(31) Pittsburgh—North Shore Connector.

(32) Portland, Oregon—Interstate MAX South LRT Extensions.

(33) Sacramento—South Corridor (Phase 3), Downtown to Elk Grove.

(34) Salt Lake City—Airport to University LRT.

(35) Salt Lake City—Ogden-Provo Commuter Rail.

(36) Salt Lake City—West Jordan LRT extension.

(37) San Francisco MUNI—Third Street LRT-Phase I/II.

(38) Santa Clara Valley Transit Authority—BART Extension to Santa Clara County.

(39) Triangle Transit Authority, North Carolina—Regional Rail Project.

(40) Washington County, Oregon—Commuter Rail.

(41) Wasilla-Girdwood, Alaska—Commuter Rail.

(c) ALTERNATIVES ANALYSIS AND PRELIMINARY ENGINEERING.—The following projects are authorized for alternatives analysis and preliminary engineering for fiscal years 2004 through 2009 under paragraphs (1)(B), (2)(A), and (2)(B)(ii) of section 5309(m) of title 49, United States Code:

(1) Albuquerque—High Capacity Corridor.

(2) Alburquerque-Santa Fe—New Mexico Commuter Rail.

(3) Ann Arbor/Detroit—Commuter Rail.

(4) Atlanta—GRTA I–75 Corridor, Wade Green Road-Akers Mill Road BRT/HOV.

(5) Atlanta—North Line Corridor expansion project.

(6) Atlanta—Belt Line C–Loop.

(7) Atlanta—West Line Corridor.

(8) Austin—San Antonio I–35 Commuter Rail.

(9) Austin—Central LRT Line.

(10) Baltimore Light Rail System Extensions.

(11) Baton Rouge Bus Rapid Transit.

(12) Birmingham, Alabama—Transit Corridor.

(13) Boise—Downtown Circulator.

(14) Boston—North Shore Corridor and Blue Line Extension.

(15) Boston—North/South Rail Link.

(16) Boston—Urban Ring BRT.

(17) Broward County, Florida—Bus Rapid Transit.

(18) Buffalo—Niagara Frontier Transit Authority Improvements.

(19) Burlington-Clemmons, North Carolina—Piedmont Authority Regional Rail.

(20) Charles Town-Ranson, West Virginia—MARC Commuter Rail Spur.

(21) Charlotte—North Corridor Project.

(22) Charlotte—Northeast Corridor Project.

(23) Charlotte—Southeast-West Corridor Project.

(24) Charlotte—Streetcar Loop Project.

(25) Chicago CTA—Red Line Extension (95th Street to 130th Street/Stony Island).

(26) Chicago CTA—Chicago Transit Hub (Circle Line-Ogden Streetcar).

(27) Chicago CTA—Orange Line Extension (Midway Airport to Ford City).

(28) Chicago CTA—Southeast Service-La Salle Street Station to Baltimore Race Track.

(29) Chicago CTA—Yellow Line Extension (Dempster-Old Orchard).

(30) Chula Vista, California—Bus Rapid Transit.

(31) Cleveland-Akron-Canton (Northeast Ohio) Commuter Rail.

(32) Coachella Valley—Indio-Palm Desert Bus Rapid Transit Connector.

(33) Columbia, South Carolina—Light Rail.

(34) Corpus Christi—Downtown Rail Trolley.

(35) Dallas Area Rapid Transit—Rowlett LRT Extension.

(36) Dallas Area Rapid Transit—Beltline to DFW Airport.

(37) Denton County Transportation Authority, Texas—Fixed Guideway Project.

(38) Denver—Gold Line Extension to Arvada.

(39) Detroit—Center City Loop.

(40) District of Columbia—Light Rail Starter Line.

(41) Fairfax County, Virginia—Bus Rapid Transit/HOV.

(42) Fitchburg, Massachusetts—Commuter Rail Extensions and Improvements.

(43) Fort Lauderdale—Downtown Rail Link.

(44) Fort Worth—Trinity Railway Express Commuter Rail Extension.

(45) Fresno—Transit Corridor.

(46) Galveston—Rail Trolley Extension.

(47) Grand Rapids—Fixed Guideway Corridor Project.

(48) Guam—Tumon Bay-Airport Light Rail.

(49) Harrisburg—Corridor One Commuter Rail (MOS–2), East Mechanicsburg-Carlisle, Pennsylvania.

(50) Honolulu—Downtown BRT.

(51) Houston Advanced Transit Program Light Rail.

(52) Indianapolis—System of Metropolitan Area Rapid Transit.

(53) Kansas City, Missouri-Lawrence, Kansas—Commuter Rail.

(54) Kansas City, Missouri—Regional BRT.

(55) Kenosha-Racine-Milwaukee Metra Commuter Rail Extension (Wisconsin).

(56) King County, Washington—I–405 Corridor Bus Rapid Transit.

(57) Lakeview, Minnesota—Cedar Avenue Corridor Bus Rapid Transit.

(58) Lane County, Oregon—Bus Rapid Transit, Phase 2.

(59) Little Rock—River Rail Streetcar Extensions.

(60) Little Rock—West Little Rock Commuter Rail.

(61) Long Island Railroad—Nassau Hub.

(62) Lorain-Cleveland Commuter Rail.

(63) Los Angeles—Metrolink San Bernardino Line Improvements.

(64) LOSSAN Del Mar-San Diego—Rail Corridor Improvements.

(65) Madison and Dane Counties, Wisconsin—Transport 2020 Commuter Rail.

(66) Maryland—I–270 Corridor Cities Transitway.

(67) Maryland—Route 5 Corridor to Waldorf.

(68) Memphis Regional Rail Plan.

(69) Memphis, Medical Center Rail Extension to Airport.

(70) Metra BNSF Naperville to Aurora Corridor Extension and Improvements.

(71) Metra SouthEast Service Line Commuter Rail.

(72) Metra STAR Line Inter-Suburban Commuter Rail.

(73) Metra UP Northwest Line Core Capacity Upgrades.

(74) Metra UP West Line Core Capacity Upgrades.

(75) Miami-Dade Transit—Douglas Road Extension.

(76) Miami-Dade Transit—East-West Corridor.

(77) Miami-Dade Transit—Kendall Corridor.

(78) Miami-Dade Transit—Northeast Corridor.

(79) Miami-Dade Transit—Rail Extension to Florida City.

(80) Middletown-South Fallsburg, New York, Passenger Rail.

(81) Monterey County, California—Commuter Rail.

(82) Montgomery and Prince George's Counties, Maryland—Purple Line.

(83) Nassau and Queens Counties, New York—LIRR Main Line Third Track Project.

(84) New Haven, Connecticut-Hartford, Connecticut-Springfield, Massachusetts Commuter Line.

(85) New Jersey Trans-Hudson Midtown Corridor.

(86) New Jersey Transit—Northeast Corridor Trans-Hudson Commuter Rail Improvements.

(87) New Jersey Transit—Morris/Essex/Boonton Trans-Hudson Commuter Rail Improvements.

(88) New Jersey Transit—New York Susquehanna and Western RR Commuter Extension.

(89) New Jersey Transit—West Trenton Line Commuter Line Service Extension.

(90) New Orleans—Airport-CBD Commuter Rail.

(91) New York—Rockaway-Brooklyn Army Terminal-Manhattan Ferry Service.

(92) New York—Staten Island to Manhattan High-Speed Ferry Service Extension.

(93) New York—Stewart Airport Rail Access.

(94) Newburg, New York—LRT System.

(95) Northern Indiana—Commuter District Line.

(96) Northern Indiana—West Lake Commuter Rail Link (South Shore Commuter Rail).

(97) Norfolk—Naval Station Corridor.

(98) Northern Virginia—Jefferson Davis Transitway (Columbia Pike to Pentagon).

(99) Pittsburgh—Martin Luther King, Jr. Busway Extension.

(100) Orlando—I–4 Central Florida Commuter Rail System.

(101) Pawtucket, Rhode Island Commuter Rail Improvement Program.

(102) Philadelphia—Route 100 Rapid Trolley Extension to King of Prussia.

(103) Philadelphia—Broad Street Subway Line Extension.

(104) Pittsburgh—East-West Corridor Rapid Transit.

(105) Pittsburgh—Martin Luther King, Jr. Busway Extension.

(106) Portland Streetcar Extension to City of Lake Oswego.

(107) Quakertown-Stoney Creek, Pennsylvania—Rail Restoration.

(108) Raritan Valley, New Jersey—Commuter Rail.

(109) Reno, Nevada—Virginia Street Bus Rapid Transit Project.

(110) Riverside-Perris, California—Rail Passenger Service.

(111) Roaring Fork Valley, Colorado—Bus Rapid Transit.

(112) Rock Island, Illinois—Quad Cities Rapid Transit System.

(113) Sacramento—Regional Rail, Dixon to Bowman.

(114) Sacramento—Downtown/Natomas Airport Transit Corridor.

(115) San Antonio—Bus Rapid Transit.

(116) San Francisco—BART Extension, Pittsburg to Tracy.

(117) San Francisco—BART Extension to Livermore.

(118) San Francisco—BART Extension to Oakland International Airport.

(119) San Francisco—Geary Boulevard Bus Rapid Transit.

(120) San Joaquin Regional Rail Commission Commuter Rail (Altamont Commuter Express).

(121) San Juan Tren Urbano—Extension from Rio Piedras to Carolina.

(122) Santa Fe—El Dorado Rail Link.

(123) Seattle—Monorail Project.

(124) Sevierville to Pigeon Ford, Tennessee—Bus Rapid Transit.

(125) Sonoma/Marin (SMART) Commuter Rail, California.

(126) South Carolina High Speed Rail Corridor.

(127) Southern California High Speed Regional Transit.

(128) St. Louis Metro Link—Scott AFB to Mid America Airport.

(129) St. Louis—East/West Gateway.

(130) St. Louis—Metro Link Northside Daniel Boone Project.

(131) St. Louis—Metro South Corridor.

(132) St. Louis—University Downtown Trolley.

(133) Stamford, Connecticut—Urban Transitway Phase II.

(134) Toledo, Ohio—CBD to Zoo.

(135) Toledo, Ohio—University Corridor.

(136) Trenton Trolley.

(137) Tri-Rail Dolphin Extension.

(138) Tri-Rail Florida East Coast Commuter Rail Extension.

(139) Tucson—Old Pueblo Trolley Expansion.

(140) Tulsa, Oklahoma, Light Rail.

(141) Vancouver—Interstate MAX Extension to Clark County, Washington.

(142) Virginia Railway Express Capacity Improvements.

(143) Williamsburg-Newport News—Peninsula Rail Transit.

(d) OTHER PROJECT AUTHORIZATIONS.—Of the amount authorized under section 5338(h) in fiscal year 2005 to carry out section 5309(m)(2)(B)(ii), the Secretary shall make funds available to the following projects for final design and construction in an amount not to exceed the amount specified:

(1) Atlanta—North Springs Extension, $260,785.

(2) Los Angeles—North Hollywood MOS–3, $663,339.

(3) New Jersey Urban Core—Hudson Bergen LRT Phase I, $313,896.

(4) Salt Lake City—CBD to University LRT, $1,127,405.

(5) St. Louis-St. Clair—MetroLink Extension Phase IIa, $59,383.

(e) RULES RELATING TO FUNDING.—

(1) SUBSECTION (a) PROJECTS.—

(A) IN GENERAL.—The Secretary is authorized to expend funds made available under section 5309(m) of title 49, United States Code, for final design and construction of projects authorized by subsection (a) as existing full funding grant agreements.

(B) MINIMUM FUNDING LEVELS.—The Secretary shall make available not less than the following amounts for projects authorized by subsection (a): $1,042,307,000 for fiscal year 2004, $928,303,000 for fiscal year 2005, $519,622,000 for fiscal year 2006, $300,000,000 for fiscal year 2007, $238,956,000 for fiscal year 2008, and $88,861,000 for fiscal year 2009.

(2) SUBSECTION (b) PROJECTS.—

(A) IN GENERAL.—Projects authorized by subsection (b) for final design and construction are also authorized for alternatives analysis and preliminary engineering.

(B) MINIMUM FUNDING LEVELS.—The Secretary shall make available not less than the following amounts for projects authorized by subsection (b): $132,850,000 for fiscal year 2004, $350,000,000 for fiscal year 2005, $861,376,000 for fiscal year 2006, $1,180,821,000 for fiscal year 2007, $1,333,823,000 for fiscal year 2008, and $1,595,648,000 for fiscal year 2009.

(C) PRIORITY.—In making funds available under subparagraph (B), the Secretary shall first make such funds available for any full funding grant agreement executed by the Secretary in fiscal year 2004 after the date of enactment of this Act and for any full funding grant agreement executed by the Secretary in the amount indicated in fiscal years 2005 through 2009 in the amount indicated in the ''Schedule of Federal Funds for the Project'' included in such agreement.

(3) SUBSECTION (c) PROJECTS.—

(A) IN GENERAL.—Effective October 1, 2006, projects authorized by subsection (c) for alternatives analysis and preliminary engineering are also authorized for final design and construction.

(B) MAXIMUM FUNDING LEVELS.—The Secretary shall make available not more than the following amounts for projects authorized by subsection (c): $102,188,000 for fiscal year 2004, $111,157,000 for fiscal year 2005, and $120,087,000 for fiscal year 2006.

(C) MAXIMUM FUNDING LEVELS FOR ALTERNATIVES ANALYSIS AND PRELIMINARY ENGINEERING.—In fiscal years 2007, 2008, and 2009, the Secretary shall make available not more than the following amounts for projects authorized by subsection (b), and projects authorized by subsection (c), to conduct alternatives analysis and preliminary engineering activities: $128,767,000 in fiscal year 2007, $136,763,000 in fiscal year 2008, and $146,479,000 in fiscal year 2009.

(f) NEW JERSEY URBAN CORE PROJECT.—Section 3031(d) of the Intermodal Surface Transportation Efficiency Act of 1991 (112 Stat. 380; 105 Stat. 2122) is amended—

(1) by striking ''associated components to and at the contiguous New Jersey Meadowlands Sports Complex),'' and inserting ''to and at the contiguous New Jersey Meadowlands Sports Complex), including a connection to the Hudson River Waterfront Transportation System, the Lackawanna Cutoff,''; and

(2) by striking ''in Lakewood to Freehold to Matawan or Jamesburg, New Jersey, as described in section 3035(p) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2131)'' and inserting ''from Lakehurst to the Northeast Corridor or the New Jersey Coast Line''.

(g) NEW JERSEY TRANS-HUDSON MIDTOWN CORRIDOR.—Project elements of the New Jersey Trans-Hudson Midtown Corridor advanced with 100 percent non-Federal funds shall be given consideration by the Federal Transit Administration when evaluating the local share and mobility improvements of the project in the new starts rating process, including the purchase of bilevel rail equipment.

SEC. 3038. PROJECTS FOR BUS AND BUS-RELATED FACILITIES.

Of the amounts made available to carry out section 5309(m)(2)(B)(iii) of title 49, United States Code, for each of fiscal years 2005 through 2007, the Secretary shall make funds available for the following projects in not less than the amounts specified for the fiscal year:

Project	FY 05	FY 06	FY 07
1. Hillsborough County, FL - Replacement buses and vans	$320,000.00	$330,000.00	$350,000.00
2. Winston-Salem, NC - Union Station Intermodal Transfer Center, Martin Luther King Drive	$480,000.00	$495,000.00	$525,000.00
3. Purchase of Buses; North Carolina Statewide Request (NCDOT)	$32,000.00	$33,000.00	$35,000.00
4. Geneva Parking Deck: Construction of a 3-tier commuter Parking deck for metra service	$1,280,000.00	$1,320,000.00	$1,400,000.00
5. St. Charles, IL Intermodal Parking Structures	$1,440,000.00	$1,485,000.00	$1,575,000.00
6. Clinton, NJ Construct an intermodal bus terminal and rail station at the Intersection of I–78, Route 22 and the NJ Transit Raritan Valley Line in Clinton, NJ (Hunterdon County)	$320,000.00	$330,000.00	$350,000.00
7. Knoxville, TN intermodal facility	$3,264,000.00	$3,366,000.00	$3,570,000.00
8. Miami, FL Miami-Dade County Buses	$1,600,000.00	$1,650,000.00	$1,750,000.00
9. Pittburgh, PA - Purchase of new buses for Pittsburgh Port Authority	$160,000.00	$165,000.00	$175,000.00
10. Lake Success, NY intermodal facility	$544,000.00	$561,000.00	$595,000.00
11. Charlotte, NC West Trade Street intermodal center	$1,600,000.00	$1,650,000.00	$1,750,000.00
12. Corning, NY Transit Center	$1,280,000.00	$1,320,000.00	$1,400,000.00
13. Burlington County, NJ New Jersey Transit buses	$1,008,000.00	$1,039,500.00	$1,102,500.00
14. Hamilton County, OH - Metro Bus Service Enhancements – Neighborhood Transit Centers and Hubs	$544,000.00	$561,000.00	$595,000.00
15. Adams County Transit Authority, PA - Gettysburt transit transfer center or other related projects	$287,680.00	$296,670.00	$314,650.00
16. Oneida County, NY - buses and facilities	$640,000.00	$660,000.00	$700,000.00
17. Utica, NY - Utica Union Station track improvements	$32,000.00	$33,000.00	$35,000.00
18. Utica and Thendara, NY - Install Two Handicap Lifts	$32,000.00	$33,000.00	$35,000.00
19. Myrtle Beach, SC - Regional Multimodal Transit Center	$320,000.00	$330,000.00	$350,000.00
20. Buffalo, NY intermodal facility	$1,280,000.00	$1,320,000.00	$1,400,000.00
21. Buffalo Niagara Medical Campus intermodal facility roadway, streetscape, pedestrian, transit, and parking improvements	$640,000.00	$660,000.00	$700,000.00
22. Juneau, AK transit bus acquisition and transit center	$800,000.00	$825,000.00	$875,000.00
23. Roanoke, VA - Improve buses at Commonwealth Coach and Trolley Museum	$80,000.00	$82,500.00	$87,500.00
24. Roanoke, VA - Improve Virginian Railway Intermodal Station	$80,000.00	$82,500.00	$87,500.00
25. City of Flagstaff, AZ Purchase of buses and bus related facilities	$240,000.00	$247,500.00	$262,500.00
26. City of Sedona, AZ Purchase of buses and bus related facilities	$240,000.00	$247,500.00	$262,500.00
27. Parking garage at SEPTA Market Street Elevated Line	$1,280,000.00	$1,320,000.00	$1,400,000.00
28. Normal, IL Multimodal center that will provide for eight transportation modes and help to redevelop Normal downtown area	$640,000.00	$660,000.00	$700,000.00
29. San Joaquin, CA Altamont Commuter Express Corridor intermodal centers	$1,280,000.00	$1,320,000.00	$1,400,000.00
30. Cleveland Clinic Intermodal Center and Parking Facility	$2,720,000.00	$2,805,000.00	$2,975,000.00
31. Cuyahoga County, OH University Hospital Intermodal Center and related improvements	$1,328,000.00	$1,369,500.00	$1,452,500.00
32. Akron Art Museum, OH enhancements & transit improvements/safety	$208,000.00	$214,500.00	$227,500.00
33. Coffman Cove, AK IFA ferry terminal	$1,024,000.00	$1,056,000.00	$1,120,000.00
34. Unalaska, AK Construction of AMHW ferry terminal including approach, staging, and upland improvements	$2,400,000.00	$2,475,000.00	$2,625,000.00
35. St. Johns, MI buses	$32,000.00	$33,000.00	$35,000.00

Project	FY 05	FY 06	FY 07
36. Eastlake Stadium, OH Transit Improvements	$1,280,000.00	$1,320,000.00	$1,400,000.00
37. Cleveland Art Museum Intermodal Center and Parking Facility	$2,560,000.00	$2,640,000.00	$2,800,000.00
38. Joliet, IL For the construction of 1,000 commuter car parking structure parking at Joliet Union station	$800,000.00	$825,000.00	$875,000.00
39. Grand Rapids, MI Bus replacement expansion	$4,797,760.00	$4,947,690.00	$5,247,550.00
40. Ionia County, MI - Vehicle replacement	$83,840.00	$86,460.00	$91,700.00
41. Barry County, MI bus maintenance equipment	$11,200.00	$11,550.00	$12,250.00
42. Sevierville to Pigeon Forge, TN BRT	$160,000.00	$165,000.00	$175,000.00
43. Lower Merion Township, PA relocate the SEPTA/AMTRAK Ardmore Station	$2,329,600.00	$2,402,400.00	$2,548,000.00
44. Mammoth Lakes, CA expanded transit service	$160,000.00	$165,000.00	$175,000.00
45. Westmoreland County, PA Buses	$320,000.00	$330,000.00	$350,000.00
46. Warwick, NY Bus Depot and Shelters	$160,000.00	$165,000.00	$175,000.00
47. Tempe/Scottsdale, AZ East Valley Bus Facility	$1,600,000.00	$1,650,000.00	$1,750,000.00
48. Lancaster, PA Job Access buses and services	$128,000.00	$132,000.00	$140,000.00
49. I–80/Howard Blvd New Jersey Transit Park and Ride	$320,000.00	$330,000.00	$350,000.00
50. Calstart fuel cell buses	$320,000.00	$330,000.00	$350,000.00
51. Coachella Valley, CA - Bus rapid transit, Cities of Indio/ Palm Desert	$160,000.00	$165,000.00	$175,000.00
52. Spring Valley, CA Multi-Modal Center	$384,000.00	$396,000.00	$420,000.00
53. Escondido, CA Compressed Natural Gas (CNG) operation and maintenance facility	$160,000.00	$165,000.00	$175,000.00
54. San Diego, CA Off-street multimodal center and service facility	$160,000.00	$165,000.00	$175,000.00
55. Roanoke, VA - Improve Link Passenger Rail Intermodal Facility	$160,000.00	$165,000.00	$175,000.00
56. Zanesville, OH bus system signage and shelters	$20,800.00	$21,450.00	$22,750.00
57. Allegheny County, PA Clean Fuel Buses	$320,000.00	$330,000.00	$350,000.00
58. Mariposa, CA CNG-Hydrogen transit system with fueling stations and buses for Yosemite National Park	$800,000.00	$825,000.00	$875,000.00
59. Northern Neck and Middle Peninsula, VA multi-modal bus facilities	$1,040,000.00	$1,072,500.00	$1,137,500.00
60. Improvements to Metro North Railroad's Beacon Train Station	$160,000.00	$165,000.00	$175,000.00
61. Faquier County, VA Bealeton Station depot rehabilitation	$88,000.00	$90,750.00	$96,250.00
62. Kearney, NE RYDE transit Bus and maintenance facility	$608,000.00	$627,000.00	$665,000.00
63. Statewide, NE - Statewide rural transit needs assessment for the state of Nebraska	$96,000.00	$99,000.00	$105,000.00
64. Trenton, NJ Intermodal Train Station reconstruction	$800,000.00	$825,000.00	$875,000.00
65. York, PA Rabbittransit transit hubs and communications equipment	$886,560.00	$914,265.00	$969,675.00
66. Harrison, AR Trolley Barn	$12,800.00	$13,200.00	$14,000.00
67. Dakota County, MN - Lakeview - Cedar Avenue Corridor BRT	$1,600,000.00	$1,650,000.00	$1,750,000.00
68. Miami, FL Miami-Dade County Buses	$1,600,000.00	$1,650,000.00	$1,750,000.00
69. Monrovia, CA multi-modal regional transit center	$960,000.00	$990,000.00	$1,050,000.00
70. Cleveland, OH Transit Improvements for the upcoming International Children's Games	$48,000.00	$49,500.00	$52,500.00
71. Hampton Roads, VA Southside Bus Facility	$640,000.00	$660,000.00	$700,000.00
72. Denver, CO - Regional Transportation District Bus Replacement	$1,280,000.00	$1,320,000.00	$1,400,000.00
73. Foothill Transit, CA commuter park and ride facilities	$3,040,000.00	$3,135,000.00	$3,325,000.00
74. Salt Lake Community Collage, UT - Intermodal Hub	$560,000.00	$577,500.00	$612,500.00
75. Fresno, CA low-emission transit vehicles	$800,000.00	$825,000.00	$875,000.00
76. Fredericksburg, VA VRE station restoration	$320,000.00	$330,000.00	$350,000.00
77. Lakewood, NJ bus route	$240,000.00	$247,500.00	$262,500.00
78. Elmira, NY buses and related transit systems	$160,000.00	$165,000.00	$175,000.00
79. South Bend, IN Operations Center / Mishawaka Transfer Facility	$320,000.00	$330,000.00	$350,000.00
80. Atlanta, GA - BRT/HOV project; I–75 from Wade Green road to Akers Mill Road	$3,200,000.00	$3,300,000.00	$3,500,000.00
81. Kodiak, AK Construction of AMHW ferry terminal and approach	$2,400,000.00	$2,475,000.00	$2,625,000.00
82. Utica, NY - Union Station canopy	$240,000.00	$247,500.00	$262,500.00
83. Shreveport, LA Intermodal Transit Facility	$1,072,000.00	$1,105,500.00	$1,172,500.00
84. Bend, Oregon Replacement of the city's 22 person vans	$320,000.00	$330,000.00	$350,000.00
85. Pasadena to Claremont, CA Gold Line Light Rail Phase II intermodal centers	$4,800,000.00	$4,950,000.00	$5,250,000.00
86. NC - North Carolina Statewide Bus and Bus Facilities	$5,952,000.00	$6,138,000.00	$6,510,000.00
87. Triad, NC - Multimodal facility to serve as the central facility for the PART routes throughout the Triad region	$3,712,000.00	$3,828,000.00	$4,060,000.00
88. High Point, NC - Home Funishings Market terminals/parking	$1,600,000.00	$1,650,000.00	$1,750,000.00
89. Cincinnati Zoo/Uptown Crossing, OH - Intermodal bus facility/commuter parking garage	$416,000.00	$429,000.00	$455,000.00
90. Florida Keys Bus System Facility Improvements	$160,000.00	$165,000.00	$175,000.00
91. Florida Keys Bus System Improvements, Job Access Reverse Commute	$160,000.00	$165,000.00	$175,000.00
92. Rome, NY - VIP bus system	$80,000.00	$82,500.00	$87,500.00
93. Geneva, NY - Intermodal Facility renovations	$345,600.00	$356,400.00	$378,000.00
94. Oneonta, NY - Heavy Duty Buses	$80,000.00	$82,500.00	$87,500.00
95. Cooperstown, NY - Construct Cooperstown Intermodal Facility	$1,600,000.00	$1,650,000.00	$1,750,000.00
96. Seneca City Public Transit, NY - Develop a transportation service plan for the county	$48,000.00	$49,500.00	$52,500.00
97. Columbus, OH Paratransit and Small Bus Service Facility	$1,600,000.00	$1,650,000.00	$1,750,000.00
98. Erie County, NY Niagara Frontier Transportation Authority rehabilitation	$960,000.00	$990,000.00	$1,050,000.00
99. Jamestown, NY intermodal facility	$480,000.00	$495,000.00	$525,000.00
100. Dunkirk, NY intermodal facility	$320,000.00	$330,000.00	$350,000.00
101. Tinley Park, IL - Commuter rail intermodal station at 80th Avenue	$160,000.00	$165,000.00	$175,000.00
102. Londonderry, NH - Park and Ride Bus Facility at Exit 5	$640,000.00	$660,000.00	$700,000.00
103. Enfield, CT - Enfield Intermodal Station on New Haven CT – Springfield, MA Commuter Rail Line	$640,000.00	$660,000.00	$700,000.00
104. Atlanta, GA Atlanta Transportation Trolley Link clean fuel transit vehicles	$1,600,000.00	$1,650,000.00	$1,750,000.00

Project	FY 05	FY 06	FY 07
105. Stonington and Mystic, CT - Construct Stonington-Mystic Village Intermodal Center Parking facility and Improve streetscapes	$640,000.00	$660,000.00	$700,000.00
106. Atlanta, GA MARTA low- floor clean fuel buses	$3,200,000.00	$3,300,000.00	$3,500,000.00
107. Glenwood Park, PA Transit Center and adjacent park & ride facility	$1,600,000.00	$1,650,000.00	$1,750,000.00
108. Beaver, PA - Expand and improve 2 park and ride facilities in Beaver County, PA	$160,000.00	$165,000.00	$175,000.00
109. Vernon, CT - Construct Vernon Intermodal Center, Parking and Streetscapes	$1,920,000.00	$1,980,000.00	$2,100,000.00
110. New London, CT - Improve New London Intermodal Transportation Center Streetscapes and Traffic Flow	$480,000.00	$495,000.00	$525,000.00
111. Warren, PA intermodal transportation center	$960,000.00	$990,000.00	$1,050,000.00
112. Sharon, PA bus facilities, parking lots and bus stops	$320,000.00	$330,000.00	$350,000.00
113. New Orleans, LA Multimodal Riverfront Center	$160,000.00	$165,000.00	$175,000.00
114. Manchester, NH North River Road Intermodal Facility and streetscape improvements	$288,000.00	$297,000.00	$315,000.00
115. River parishes, LA South Central Planning and Development Commission, bus and bus facilities	$320,000.00	$330,000.00	$350,000.00
116. Regional Planning Commission, New Orleans, LA bus and bus facilities	$160,000.00	$165,000.00	$175,000.00
117. St. Bernard Parish, LA Intermodal facility improvements	$320,000.00	$330,000.00	$350,000.00
118. Rockville, MD Maryland Avenue and Market Street Intermodal Access Project	$1,280,000.00	$1,320,000.00	$1,400,000.00
119. Detroit, MI Replacement bus facility	$240,000.00	$247,500.00	$262,500.00
120. Detroit, MI Replacement buses	$240,000.00	$247,500.00	$262,500.00
121. Oakland, CA San Francisco Bay Trail, Oakland Coliseum - Martin Luther King Jr. Regional Shoreline	$288,000.00	$297,000.00	$315,000.00
122. Covina/El Monte/Baldwin Park/Upland, CA Improve parking and station access at Metrolink stations	$1,184,000.00	$1,221,000.00	$1,295,000.00
123. Bronx, NY Complete Penn Station/East Side Access Programs. Upgrade Metro North stations in the Bronx and construct station at Yankee Stadium	$960,000.00	$990,000.00	$1,050,000.00
124. Nashville, TN Downtown Transit Transfer Facility	$160,000.00	$165,000.00	$175,000.00
125. Sandy Hook National Park, NJ Connect passengers from lower Manhattan & other NY/NJ ferry terminals through construction of a fixed & floating pier	$640,000.00	$660,000.00	$700,000.00
126. Long Beach, CA Acquire property and construct a park and ride structure in Downtown Long Beach	$320,000.00	$330,000.00	$350,000.00
127. Camden County, NJ Intermodal facility serving critical bus and rail lines to East and North Camden Neighborhoods	$320,000.00	$330,000.00	$350,000.00
128. New York City, NY Purchase Handicapped-Accessible Livery Vehicles	$320,000.00	$330,000.00	$350,000.00
129. Glendale, CA CNG Buses	$224,000.00	$231,000.00	$245,000.00
130. Las Vegas, NV Construct Las Vegas Center City Intermodal Transportation Terminal	$960,000.00	$990,000.00	$1,050,000.00
131. Middletown, CT Construct intermodal facility	$160,000.00	$165,000.00	$175,000.00
132. Los Angeles County, CA Develop intermodal centers along the Gold Line phase II rail project	$256,000.00	$264,000.00	$280,000.00
133. Los Angeles, CA Implement parking and electronic signage improvements on the Metrolink commuter rail system	$640,000.00	$660,000.00	$700,000.00
134. Corvallis, OR Bus Replacement	$396,800.00	$409,200.00	$434,000.00
135. Eugene, OR Purchase new buses for Lane Transit District's Bus Rapid Transit service	$1,280,000.00	$1,320,000.00	$1,400,000.00
136. Detroit, MI Mid-Life Vehicle Overhaul	$4,608,000.00	$4,752,000.00	$5,040,000.00
137. Torrington, CT Construct bus-related facility (Northwestern Connecticut Central Transit District)	$640,000.00	$660,000.00	$700,000.00
138. Bronx, NY For the acquisition of buses to provide service from the Jacobi Intermodal Center to North Central Bronx Hospital	$128,000.00	$132,000.00	$140,000.00
139. Columbia County, OR Purchase buses	$44,800.00	$46,200.00	$49,000.00
140. Yamhill County, OR Construction of bus shelters and park and ride facilities in Yamhill County	$21,440.00	$22,110.00	$23,450.00
141. Albany, OR Construct pathway at Multimodal Transit Station	$128,000.00	$132,000.00	$140,000.00
142. Miami-Dade County, FL County Buses	$1,888,000.00	$1,947,000.00	$2,065,000.00
143. Brownsville, TX Brownsville Urban System City-Wide Transit Improvement project	$640,000.00	$660,000.00	$700,000.00
144. Sandy City, UT Intermodal Hub and Station	$640,000.00	$660,000.00	$700,000.00
145. Howard County, MD Design and construct Howard County Bus Operation Repair Facility	$832,000.00	$858,000.00	$910,000.00
146. Carson, CA Purchase one bus	$80,000.00	$82,500.00	$87,500.00
147. Carson, CA Purchase two tripper buses	$160,000.00	$165,000.00	$175,000.00
148. Carson, CA Purchase one trolley-bus vehicle	$80,000.00	$82,500.00	$87,500.00
149. Des Moines, IA Purchase currently leased 40-foot heavy-duty buses	$640,000.00	$660,000.00	$700,000.00
150. Bellflower, CA Conversion of an historic train depot into an intermodal center	$88,000.00	$90,750.00	$96,250.00
151. Bellflower, CA Bus shelter improvements	$80,000.00	$82,500.00	$87,500.00
152. Albany, GA Bus replacement program	$160,000.00	$165,000.00	$175,000.00
153. Sylvester, GA Intermodal Facility: Construction/restoration of Train Depot for train, intercity bus, local transit, taxi	$96,000.00	$99,000.00	$105,000.00
154. Thomasville, GA Bus Replacement program	$64,000.00	$66,000.00	$70,000.00
155. Quitman County / Clay County / Randolph County / Stewart County, GA Regional Rural Transit Bus Project (initiate joint/cooperative rural transit program)	$160,000.00	$165,000.00	$175,000.00
156. Albany, GA Multi-modal facility (Construction of local transit transfer station/ garage/office headquarters, intercity bus, taxi)	$320,000.00	$330,000.00	$350,000.00
157. North Carolina expand bus facilities and buses statewide	$1,680,000.00	$1,732,500.00	$1,837,500.00

Project	FY 05	FY 06	FY 07
158. Charlotte, NC Design and construct new intermodal facility housing intra-city buses, inter-city rail and commuter rail. (West Trade)	$160,000.00	$165,000.00	$175,000.00
159. Carson/South Bay, CA Construct a transit center to serve existing routes and additional MTA lines	$480,000.00	$495,000.00	$525,000.00
160. Compton, CA Construct fuel dispensing facility for the transit CNG bus fleet	$480,000.00	$495,000.00	$525,000.00
161. Compton, CA Expand existing transit center in to a multi modal transportation building	$992,000.00	$1,023,000.00	$1,085,000.00
162. Los Angeles County, CA Construct commuter park-and-ride facilities in the San Gabriel Valley	$256,000.00	$264,000.00	$280,000.00
163. Akron, OH Construct Downtown Multi-modal Transportation Center	$1,280,000.00	$1,320,000.00	$1,400,000.00
164. Elyria, OH Construct the New York Central Train Station into an intermodal transportation hub	$655,360.00	$675,840.00	$716,800.00
165. Long Beach, CA Purchase ten clean fuel busses	$1,440,000.00	$1,485,000.00	$1,575,000.00
166. Los Angeles, CA Mission College Transit Center construction	$160,000.00	$165,000.00	$175,000.00
167. Windfall, NC Purchase of buses	$40,000.00	$41,250.00	$43,750.00
168. Montgomery County, MD intermodal access programs in the Silver Spring and Wheaton Central Business Districts	$320,000.00	$330,000.00	$350,000.00
169. Compton, CA Improve 33 bus stops in the local transit system and purchase 7 CNG buses	$518,400.00	$534,600.00	$567,000.00
170. St. Lucie County, FL Acquisition of Americans with Disabilities Act compliant buses	$320,000.00	$330,000.00	$350,000.00
171. Los Angeles, CA California State University Northridge propane-powered tram service project	$104,000.00	$107,250.00	$113,750.00
172. Jacksonville, FL Bus Facility Expansion	$640,000.00	$660,000.00	$700,000.00
173. Hampton Roads, VA Develop, design and build new Hampton Roads Transit Southside Bus Facility to house bus fleet, maintenance, warehouse, and administrative functions	$640,000.00	$660,000.00	$700,000.00
174. Phoenix, AZ West Phoenix Bus Facility	$1,920,000.00	$1,980,000.00	$2,100,000.00
175. Phoenix, AZ Phoenix Heavy Bus Facility	$320,000.00	$330,000.00	$350,000.00
176. Phoenix, AZ Phoenix Dial-a-Ride Operating Facility	$320,000.00	$330,000.00	$350,000.00
177. Trenton, NJ Reconstruction and rehabilitation of the Trenton Train Station	$2,352,000.00	$2,425,500.00	$2,572,500.00
178. La Crosse, WI Transit Center and Bus Replacement	$160,000.00	$165,000.00	$175,000.00
179. Eau Claire, WI Transfer Center and Vehicle Replacement	$160,000.00	$165,000.00	$175,000.00
180. Lowell, MA Lowell Regional Transit Authority transit buses	$864,000.00	$891,000.00	$945,000.00
181. Calexico, CA Purchase new buses for the Calexico Transit System	$160,000.00	$165,000.00	$175,000.00
182. San Francisco, CA Redesign and renovate intermodal facility at Glen Park Community	$1,056,000.00	$1,089,000.00	$1,155,000.00
183. Cleveland, OH Buses and bus-related facilities	$64,000.00	$66,000.00	$70,000.00
184. Cleveland, OH Construct intermodal facility	$288,000.00	$297,000.00	$315,000.00
185. Cleveland, OH Construct intermodal facility on Euclid Avenue	$160,000.00	$165,000.00	$175,000.00
186. Berkeley/Oakland, CA AC Transit Bus Rapid Transit, bus shelters & intelligent systems, Berkeley-Oakland corridor project	$640,000.00	$660,000.00	$700,000.00
187. Gardena, CA Purchase of alternate fuel buses for service expansion, on-board security system and bus facility training equipment	$1,565,571.84	$1,614,495.96	$1,712,344.20
188. Wilmington, NC A multi-modal center for rail station and downtown hub for city and intercity bus services	$240,000.00	$247,500.00	$262,500.00
189. Westchester County, NY Acquisition of clean fuel buses	$80,000.00	$82,500.00	$87,500.00
190. Pleasant Hill, CA Construct Diablo Valley College Bus Transit Center	$480,000.00	$495,000.00	$525,000.00
191. Rock Island, IL Construct bus and bus-related facilities	$160,000.00	$165,000.00	$175,000.00
192. Beckley, WV Beckley Intermodal Gateway, pursuant to the eligibility provisions for projects listed under section 3030(d)(3) of P.L. 105–178	$7,680,000.00	$7,920,000.00	$8,400,000.00
193. Newark, NJ Newark Penn Station Intermodal Improvements including the rehabilitation of boarding areas	$320,000.00	$330,000.00	$350,000.00
194. San Francisco, CA Construct Transbay Terminal	$4,480,000.00	$4,620,000.00	$4,900,000.00
195. Bronx, NY Conduct a study to construct an intermodal facility in Riverdale/Kingsbridge	$112,000.00	$115,500.00	$122,500.00
196. Philadelphia, PA Philadelphia Zoo Intermodal Transportation project entailing parking consolidation, pedestrian walkways, public transportation complements, and landscape improvements to surface parking lots	$2,211,672.00	$2,280,786.75	$2,419,016.25
197. Thurston County, WA Purchase buses to replace existing equipment and expand service	$288,000.00	$297,000.00	$315,000.00
198. Gresham, OR Construction of a light rail station, bus, bicycle and parking plaza facilities, and in support of transit-oriented development	$480,000.00	$495,000.00	$525,000.00
199. New Jersey, Passaic Valley Intermodal and Parking Facilities	$1,600,000.00	$1,650,000.00	$1,750,000.00
200. Denver, CO Construct intermodal center at Denver Union Station	$3,200,000.00	$3,300,000.00	$3,500,000.00
201. Corpus Christi, TX Corpus Regional Transit Authority for maintenance facility improvements	$640,000.00	$660,000.00	$700,000.00
202. Albany, OR Rehabilitate building at Multimodal Transit Station	$281,600.00	$290,400.00	$308,000.00
203. Alameda, CA Planning, design, construction of an aerial tramway at the former Naval Air Station on Alameda Point to Oakland BART	$640,000.00	$660,000.00	$700,000.00
204. Union City, CA Grade separation to provide new vehicle, pedestrian, and bike access to BART	$800,000.00	$825,000.00	$875,000.00
205. Westchester County, NY Replacement of buses in Westchester's Beeline fleet	$1,200,000.00	$1,237,500.00	$1,312,500.00
206. Livermore, CA Construct Bus Facility for Livermore Amador Valley Transit Authority	$720,000.00	$742,500.00	$787,500.00
207. Martinez, CA Martinez Intermodal Facility Depot restoration	$320,000.00	$330,000.00	$350,000.00

Project	FY 05	FY 06	FY 07
208. San Juan, PR Purchase of 27 new buses for replacement and service expansion	$960,000.00	$990,000.00	$1,050,000.00
209. San Juan, PR Purchase of security cameras on board 404 buses	$320,000.00	$330,000.00	$350,000.00
210. Flint, MI Purchase new and replacement vehicles for expanded job related service. Flint MTA	$160,000.00	$165,000.00	$175,000.00
211. Sonoma County, CA Purchase CNG buses	$160,000.00	$165,000.00	$175,000.00
212. Arlington, VA Improve pedestrian access, construct shelters, and purchase buses to improve service along Columbia Pike corridor	$1,600,000.00	$1,650,000.00	$1,750,000.00
213. Santa Clara County, CA Purchase 6 hydrogen fuel-cell buses, installation of fuel station, and modification of existing facilities for the new technology	$1,024,000.00	$1,056,000.00	$1,120,000.00
214. Los Angeles, CA Improve Wilshire Vermont transit station to provide improved pedestrian and intermodal access	$320,000.00	$330,000.00	$350,000.00
215. Indianapolis, IN Create downtown transit center for the intra-city bus system	$5,192,000.00	$5,354,250.00	$5,678,750.00
216. Fairfax, VA Construct transit center and improve service and pedestrian and passenger access on Richmond Highway	$640,000.00	$660,000.00	$700,000.00
217. Alexandria, VA Purchase buses and relocate WMATA's 58-year old Royal Street garage	$640,000.00	$660,000.00	$700,000.00
218. Bar Harbor, ME Purchase new buses to enhance commuting near the Jackson Labs	$96,000.00	$99,000.00	$105,000.00
219. Los Angeles, CA Los Angeles City College Red Line Pedestrian Connector Project to improve pedestrian access	$400,000.00	$412,500.00	$437,500.00
220. Stanwood, WA Terry's Corner Park and Ride	$336,000.00	$346,500.00	$367,500.00
221. Denver, CO Construct intermodal facility at Stapleton as part of FasTracks project	$640,000.00	$660,000.00	$700,000.00
222. Alexandria, VA Construct shelters, walkways and traffic light signals in Eisenhower Avenue area to increase bus ridership and improve connectivity to Metrorail stations	$800,000.00	$825,000.00	$875,000.00
223. Island County, WA Island Transit Capital Improvements	$768,000.00	$792,000.00	$840,000.00
224. Kansas City, MO Regional Bus rapid transit system	$640,000.00	$660,000.00	$700,000.00
225. Pittsburgh, PA For the purchase of clean fuel buses	$160,000.00	$165,000.00	$175,000.00
226. Burbank, CA Construction of the Empire Area Transit Center near the Burbank/Pasadena/Glendale Airport	$320,000.00	$330,000.00	$350,000.00
227. New Orleans, LA Plan and construct New Orleans Union Passenger Terminal intermodal facilities	$320,000.00	$330,000.00	$350,000.00
228. Kansas City, MO Bus transit infrastructure	$160,000.00	$165,000.00	$175,000.00
229. Dallas, TX Bus Passenger Facilities for Dallas Area Rapid Transit: shelters, benches, and bus stop improvements	$3,200,000.00	$3,300,000.00	$3,500,000.00
230. Los Angeles, CA Reseda Blvd. Bus Rapid Transit Route, a small-start project already begun by the LA MTA	$320,640.00	$330,660.00	$350,700.00
231. Monterey Park, CA Safety improvements at a bus stop including creation of bus loading areas and street improvements	$544,000.00	$561,000.00	$595,000.00
232. Washington, DC Purchase of clean fuel transit buses and improved passenger facilities including bus system maps, dynamic bus arrival indicators and improved bus stop signage	$6,400,000.00	$6,600,000.00	$7,000,000.00
233. Cheltenham Township, PA Glenside Rail Station Parking Garage project involving the construction of a 300–400 space parking lot @ Easton Road and Glenside Avenue	$544,000.00	$561,000.00	$595,000.00
234. San Mateo County, CA Install security cameras for buses and passenger stations	$384,000.00	$396,000.00	$420,000.00
235. Torrance, CA Acquisition of EPA and CARB-certified, low emission replacement buses	$1,280,000.00	$1,320,000.00	$1,400,000.00
236. Portland, OR Renovation of Union Station, including structural reinforcement and public safety upgrades	$32,000.00	$33,000.00	$35,000.00
237. Long Beach, CA Install security cameras on busses	$320,000.00	$330,000.00	$350,000.00
238. Pittsburgh, PA North Shore improvements. Funding for the West End Bridge improvements, Intermodal Transportation Center, Brighton Road, Canal and Market Streets	$320,000.00	$330,000.00	$350,000.00
239. Los Angeles, CA Expand intermodal center at California State University to accommodate additional buses, ADA improvements, upgrade lighting	$320,000.00	$330,000.00	$350,000.00
240. Cleveland, OH Construct intermodal center and bus facilities at Euclid Avenue and East 96th Street	$640,000.00	$660,000.00	$700,000.00
241. Brockton, MA Bus replacement for the Brockton Area Transit Authority (BA4T)	$480,000.00	$495,000.00	$525,000.00
242. Sacramento, CA Improvements to bus facilities	$1,600,000.00	$1,650,000.00	$1,750,000.00
243. Orange County, CA Purchase inter-county express buses for Orange County Transportation Authority	$320,000.00	$330,000.00	$350,000.00
244. New Jersey, Community Shuttle Buses	$640,000.00	$660,000.00	$700,000.00
245. Nacogdoches, TX Bus fleet vehicle replacement for the Brazos Transit District	$320,000.00	$330,000.00	$350,000.00
246. Lufkin, TX Bus fleet vehicle replacement for the Brazos Transit District	$320,000.00	$330,000.00	$350,000.00
247. Burbank, CA Burbank Regional Intermodal Transportation Center – Chandler Bikeway Extension	$252,800.00	$260,700.00	$276,500.00
248. Miramar, FL Miramar Transit Hub	$320,000.00	$330,000.00	$350,000.00
249. Atlanta, GA Redevelopment of the Metro Atlanta Rapid Transit Authority Hamilton bus facility to support clean fuel buses	$1,894,400.00	$1,953,600.00	$2,072,000.00
250. Rockport, MA Improvements to Rockport Station including station renovations, barrier free access, and expanded parking	$768,000.00	$792,000.00	$840,000.00
251. Cleveland, OH Construct intermodal facility, East Side Transit Authority	$1,920,000.00	$1,980,000.00	$2,100,000.00
252. Grants Pass, OR Purchase vehicles for use by Josephine Community Transit	$54,720.00	$56,430.00	$59,850.00
253. Plantation, FL Construction of the Central Plantation Transit Greenway System	$512,000.00	$528,000.00	$560,000.00

Project	FY 05	FY 06	FY 07
254. Oakland, CA Pedestrian and bicycle-oriented improvements at four BART Transit Villages	$320,000.00	$330,000.00	$350,000.00
255. Santa Monica, CA Purchase and service Liquid Natural Gas buses for Santa Monica Big Blue Bus to service increased ridership and reduce emissions	$1,280,000.00	$1,320,000.00	$1,400,000.00
256. Broward County, FL Buses and bus facilities	$3,760,000.00	$3,877,500.00	$4,112,500.00
257. Glendale, CA Glendale Beeline Bus/Trolley System	$416,000.00	$429,000.00	$455,000.00
258. Baldwin Park, CA Construct vehicle and bicycle parking lot at and pedestrian rest area at transit center	$96,000.00	$99,000.00	$105,000.00
259. Baldwin Park, CA Construct new sidewalks, lighting, and curbs between Metrolink station and downtown	$160,000.00	$165,000.00	$175,000.00
260. Buses and bus related facilities throughout the state of Connecticut	$1,920,000.00	$1,980,000.00	$2,100,000.00
261. Hartford, CT Buses and bus-related facilities	$1,280,000.00	$1,320,000.00	$1,400,000.00
262. New Jersey, Intermodal passenger transportation deployment initiative for Passaic-Bergen DMU demonstration program	$3,200,000.00	$3,300,000.00	$3,500,000.00
263. Santa Monica, CA Construction of intermodal facility and purchase and service of buses for joint Santa Monica College and community transit service	$720,000.00	$742,500.00	$787,500.00
264. Los Angeles, CA Improve transit shelters, sidewalks and landscaping around Cedar's-Sinai Medical Center	$240,000.00	$247,500.00	$262,500.00
265. Nassau County, NY Intermodal transportation improvements for the Nassau HUB	$2,240,000.00	$2,310,000.00	$2,450,000.00
266. Memphis, TN Memphis South Intermodal Center will be a major connection point for local bus, intercity bus, automobiles and airport transportation	$960,000.00	$990,000.00	$1,050,000.00
267. Tampa, FL Purchase replacement buses and vanpools	$160,000.00	$165,000.00	$175,000.00
268. San Jose, CA Reconstruct Santa Clara Valley Transportation Authority's Cerone Operating Division Facilities	$1,600,000.00	$1,650,000.00	$1,750,000.00
269. Belle Glade, FL Construction and Land Acquisition of a Combined Passenger Transfer and Maintenance/Operations Facility	$960,000.00	$990,000.00	$1,050,000.00
270. Denver, CO Construct bus maintenance facility	$320,000.00	$330,000.00	$350,000.00
271. Rhode Island Bus purchase and park & ride facilities	$320,000.00	$330,000.00	$350,000.00
272. Monterey Park, CA Monterey Park Busline Intelligent Transit Information system	$192,000.00	$198,000.00	$210,000.00
273. Providence, RI Expansion of RIPTA Elmwood Facility for Paratransit Maintenance	$960,000.00	$990,000.00	$1,050,000.00
274. Johnson County, KS Bus and bus-related facilities (I–35 Corridor)	$640,000.00	$660,000.00	$700,000.00
275. Santa Fe, NM Purchase Santa Fe Trails Downtown Transit Center buses, support vehicles, paratransit vehicles, and six trolley buses for downtown shuttle service	$320,000.00	$330,000.00	$350,000.00
276. Milwaukee County, WI Milwaukee County bus replacements	$1,280,000.00	$1,320,000.00	$1,400,000.00
277. South San Francisco, CA Construct ferry terminal at Oyster Point to provide ferry service from San Francisco by Water Transit Authority	$1,920,000.00	$1,980,000.00	$2,100,000.00
278. Niles, OH Bus and bus-related facilities	$240,000.00	$247,500.00	$262,500.00
279. Rhode Island Bus Replacement	$1,280,000.00	$1,320,000.00	$1,400,000.00
280. San Diego, CA Construct intermodal transportation management center to improve coordination, efficiency and security	$960,000.00	$990,000.00	$1,050,000.00
281. Las Vegas, NV Construct North Las Vegas Boulevard Intermodal Transportation Terminal	$960,000.00	$990,000.00	$1,050,000.00
282. Lawrence, MA Parking and drainage related to a Regional Intermodal Center	$1,920,000.00	$1,980,000.00	$2,100,000.00
283. Richmond, VA Bus Operation and Maintenance Facility for Greater Richmond Transit Company	$480,000.00	$495,000.00	$525,000.00
284. Attleboro, MA Multimodal transit hub, including central bus terminal, commuter park-and-ride garage, and improved access to commuter rail	$640,000.00	$660,000.00	$700,000.00
285. Miami Dade County, FL N.W. 7th Avenue Transit Hub	$1,440,000.00	$1,485,000.00	$1,575,000.00
286. Haverhill, MA Commuter rail parking	$320,000.00	$330,000.00	$350,000.00
287. Los Angeles, CA Install permanent irrigation system and enhanced landscaping on San Fernando Valley bus rapid transitway	$960,000.00	$990,000.00	$1,050,000.00
288. St. Paul, MN Union Depot Multimodal Transportation Hub	$2,240,000.00	$2,310,000.00	$2,450,000.00
289. Gainesville, FL Bus Replacement	$2,560,000.00	$2,640,000.00	$2,800,000.00
290. Salem, MA Design and Construction of station with 700–1000 parking spaces, bus layover facility, including pedestrian-vehicle access	$640,000.00	$660,000.00	$700,000.00
291. Richmond, VA Main Street Station project	$352,000.00	$363,000.00	$385,000.00
292. Jacksonville, FL Bus Replacement	$2,240,000.00	$2,310,000.00	$2,450,000.00
293. Monmouth County, NJ Construction of main bus facility for Freehold Township, including a terminal and repair shop	$640,000.00	$660,000.00	$700,000.00
294. Falls Church, VA Design and build an intermodal transit center in downtown Falls Church	$640,000.00	$660,000.00	$700,000.00
295. Beverly, MA Construction of a 500 space parking garage adjacent to the Beverly depot	$640,000.00	$660,000.00	$700,000.00
296. San Fernando, CA Construct CNG fueling station and other related infrastructure	$416,000.00	$429,000.00	$455,000.00
297. Rialto, CA Expansion parking lot at Metrolink station in Rialto	$224,000.00	$231,000.00	$245,000.00
298. El Paso, TX Purchase of buses for the SMART Starter service	$800,000.00	$825,000.00	$875,000.00
299. Luzerne County, PA For the acquisition of new public transportation vehicles, includes buses and trolleys	$160,000.00	$165,000.00	$175,000.00
300. San Antonio, TX VIA Metropolitan Transit - Purchase of new buses to replace the aging bus fleet and paratransit vans and upgrade of the bus maintenance facility	$2,240,000.00	$2,310,000.00	$2,450,000.00
301. New York City, NY New Urban Center – Broadway Junction Intermodal Facility	$307,200.00	$316,800.00	$336,000.00
302. Jacksonville, FL Paratransit Program	$1,600,000.00	$1,650,000.00	$1,750,000.00

Project	FY 05	FY 06	FY 07
303. Las Vegas, NV Construct Las Vegas WestCare Intermodal Facility	$160,000.00	$165,000.00	$175,000.00
304. Chicago, IL Construct intermodal facility at 35th Street at Metra Red Line	$1,536,000.00	$1,584,000.00	$1,680,000.00
305. San Diego, CA Widen sidewalks and bus stop entrance, and provide diagonal parking, in the Skyline-Paradise Hills neighborhood	$64,000.00	$66,000.00	$70,000.00
306. Culver City, CA Expand natural gas fuel facility, purchase CNG buses	$1,204,049.28	$1,241,675.82	$1,316,928.90
307. Mukilteo, WA Mukilteo Multimodal Terminal	$1,856,000.00	$1,914,000.00	$2,030,000.00
308. S. Amboy, NJ Improvements to the rail, bus passenger, parking facilities at S. Amboy station	$2,560,000.00	$2,640,000.00	$2,800,000.00
309. Detroit, MI Two new garage and fuel facilities for Compressed Natural Gas buses	$160,000.00	$165,000.00	$175,000.00
310. Chicago, IL Feasibility study for intermodal station on the Metra Rock Island near Kennedy-King College	$160,000.00	$165,000.00	$175,000.00
311. Detroit, MI Timed Transfer Center, providing child care centers at transit transfer facilities	$3,008,000.00	$3,102,000.00	$3,290,000.00
312. Pottsville, PA Union Street Trade and Transfer Center Intermodal Facility	$640,000.00	$660,000.00	$700,000.00
313. Detroit, MI Bus Purchase	$416,000.00	$429,000.00	$455,000.00
314. Atlanta, GA Multi Modal Terminal for Amtrak, high speed trains, and commuter buses in downtown Atlanta	$1,280,000.00	$1,320,000.00	$1,400,000.00
315. Richmond, CA Design and construct transit structure for Richmond BART station	$1,280,000.00	$1,320,000.00	$1,400,000.00
316. Baltimore, MD Studies, planning and construction of Intermodal Terminal	$1,600,000.00	$1,650,000.00	$1,750,000.00
317. City of Norwalk, CA EPA and CARB certified low emission replacement & expansion buses; develop parking facility for users of LAX airport	$224,000.00	$231,000.00	$245,000.00
318. Los Angeles, CA Expand Bus Rapid Transit on Crenshaw Blvd	$2,185,390.72	$2,253,684.18	$2,390,271.10
319. City of Montebello, CA Replace 16 eighteen-year-old diesel fueled bus with hybrid gas fueled bus	$320,000.00	$330,000.00	$350,000.00
320. Tidewater, VA Eastern Seaboard Intermodal Transportation Application Center at Hampton University	$448,000.00	$462,000.00	$490,000.00
321. Los Angeles, CA Purchase of clean fuel buses to improve bus service in South Los Angeles	$837,628.16	$863,804.04	$916,155.80
322. Revere, MA Design and construction of an MBTA commuter rail stop and parking garage	$1,280,000.00	$1,320,000.00	$1,400,000.00
323. Woburn, MA Expansion of commuter parking spaces at the MBTA Transit Facility	$480,000.00	$495,000.00	$525,000.00
324. Charlotte, NC Design and construct new bus garage to support expansion of regional bus system	$416,000.00	$429,000.00	$455,000.00
325. Salem, OR Keizer Transit, bus and bus facilities	$640,000.00	$660,000.00	$700,000.00
326. Tillamook County, OR Construction of a transit facility	$32,000.00	$33,000.00	$35,000.00
327. Canby, OR bus replacement and bus facilities	$48,000.00	$49,500.00	$52,500.00
328. Wilsonville, OR South Metro Area Regional Transit, bus and bus facilities	$80,000.00	$82,500.00	$87,500.00
329. Lincoln County, OR bus replacement	$80,000.00	$82,500.00	$87,500.00
330. Molalla, OR South Clackamas Transportation District, bus replacement and expansion of service	$32,000.00	$33,000.00	$35,000.00
331. Chicago, IL Construct intermodal facility at Sheridan Road and Loyola Avenue	$96,000.00	$99,000.00	$105,000.00
332. Philadelphia, PA PCDC Pedestrian facilities, safety improvements, and motor vehicle access along Market St. Elevated Rail project	$608,000.00	$627,000.00	$665,000.00
333. Davis, CA Provide additional parking and enhancement to entrance of the Davis Multi-modal station	$480,000.00	$495,000.00	$525,000.00
334. Woodland, CA Improve Yolobus Administration and Maintenance Facilities	$800,000.00	$825,000.00	$875,000.00
335. Albany/Schenectady, NY Bus Facility Improvements in NY–5 Corridor	$320,000.00	$330,000.00	$350,000.00
336. Jersey City, NJ Newport Station Intermodal Improvements	$640,000.00	$660,000.00	$700,000.00
337. Galveston County, TX Intermodal facility to include bus and car parking	$320,000.00	$330,000.00	$350,000.00
338. Maywood, IL Purchase buses	$14,400.00	$14,850.00	$15,750.00
339. Galveston, TX Galveston Intermodal facility	$1,440,000.00	$1,485,000.00	$1,575,000.00
340. Elizabeth, NJ Bus Shelters	$320,000.00	$330,000.00	$350,000.00
341. Hingham, MA Hingham Marine Intermodal Center Improvements: Enhance public transportation infrastructure/parking	$2,880,000.00	$2,970,000.00	$3,150,000.00
342. New York City, NY First Phase Implementation of Bus Rapid Transit System	$320,000.00	$330,000.00	$350,000.00
343. Galveston, TX Relocation of rail facilities	$480,000.00	$495,000.00	$525,000.00
344. Bronx, NY Establishment of a new intermodal facility near Exit 6 of the Bronx River Parkway	$80,000.00	$82,500.00	$87,500.00
345. Berkeley, CA Ed Roberts Campus: Intermodal transit center above Ashby BART station providing multiple services for disabled people	$960,000.00	$990,000.00	$1,050,000.00
346. Niagara Falls, NY Relocation and Development of Niagara Falls International Railway Station/Intermodal Transportation Center	$960,000.00	$990,000.00	$1,050,000.00
347. Mountlake Terrace, WA Community Transit's Snohomish County Park and Ride Expansion Program	$960,000.00	$990,000.00	$1,050,000.00
348. Town of North Hempstead, NY Acquisition and expansion of commuter parking field adjacent to Albertson train station	$320,000.00	$330,000.00	$350,000.00
349. Babylon, NY Design and construction of intermodal transit facility in Wyandanch	$1,040,000.00	$1,072,500.00	$1,137,500.00
350. Suffolk County, NY Purchase four handicapped accessible vans in Northport	$83,200.00	$85,800.00	$91,000.00
351. Piti, GU Construct Cabras Island Intermodal Facility	$1,600,000.00	$1,650,000.00	$1,750,000.00
352. Lake Charles, LA Bus and bus related facilities	$320,000.00	$330,000.00	$350,000.00
353. Normal, IL - Multimodal Transportation Center	$1,600,000.00	$1,650,000.00	$1,750,000.00
354. Champaign, IL - University of Illinois Research Park park and ride/daycare facility	$480,000.00	$495,000.00	$525,000.00

Project	FY 05	FY 06	FY 07
355. Mattoon, IL - historic railroad depot/intermodal center	$480,000.00	$495,000.00	$525,000.00

SEC. 3039. NATIONAL FUEL CELL BUS TECHNOLOGY DEVELOPMENT PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish a national fuel cell bus technology development program (in this section referred to as the ''program'') to facilitate the development of commercially viable fuel cell bus technology and related infrastructure.

(b) GENERAL AUTHORITY.—The Secretary may enter into grants, contracts, and cooperative agreements with no more than 4 nonprofit organizations and recipients under chapter 53 of title 49, United States Code, to conduct fuel cell bus technology and infrastructure projects under the program.

(c) GRANT CRITERIA.—In selecting applicants for grants under the program, the Secretary shall consider the applicant's—

(1) ability to contribute significantly to furthering fuel cell technology as it relates to transit operations, including hydrogen production, energy storage, fuel cell technologies, vehicle systems integration, and power electronics technologies;

(2) financing plan and cost share potential;

(3) fuel cell technology to ensure that the program advances different fuel cell technologies, including hydrogen-fueled and methanol-powered liquid-fueled fuel cell technologies, that may be viable for public transportation systems; and

(4) other criteria that the Secretary determines are necessary to carry out the program.

(d) COMPETITIVE GRANT SELECTION.—The Secretary shall conduct a national solicitation for applications for grants under the program. Grant recipients shall be selected on a competitive basis. The Secretary shall give priority consideration to applicants that have successfully managed advanced transportation technology projects, including projects related to hydrogen and fuel cell public transportation operations for a period of not less than 10 years.

(e) FEDERAL SHARE.—The Federal share of costs of the program shall be provided from funds made available to carry out this section. The Federal share of the cost of a project carried out under the program shall not exceed 50 percent of such cost.

(f) GRANT REQUIREMENTS.—A grant under this section shall be subject to—

(1) all terms and conditions applicable to a grant made under section 5309 of title 49, United States Code; and

(2) such other terms and conditions as are determined by the Secretary.

SEC. 3040. EXTENSION OF PUBLIC TRANSIT VEHICLE EXEMPTION FROM AXLE WEIGHT RESTRICTIONS.

Section 1023(h)(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 127 note; 106 Stat. 1552) is amended by striking ''2003'' and inserting ''2009''.

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.

(e) 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 apportioned. 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, United States Code, apply to this section and to a grant made under this section.

(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)—

(A) by striking ''of this title'' and inserting ''to carry out section 5307''; and

(B) in paragraph (2) by inserting before the period at the end the following: '', except that the amount apportioned to the Anchorage urbanized area under subsection (b) shall be available to the Alaska Railroad for any costs related to its passenger operations'';

(2) in subsection (b)(1) by inserting ''and the Alaska Railroad passenger operations'' after ''recipient'';

(3) in subsection (j) by striking ''a grant made under'' each place it appears and inserting ''a grant made with funds apportioned under''; and

(4) 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 by the Secretary 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) $6,500,000 for fiscal year 2004;

(B) $7,000,000 for fiscal year 2005;

(C) $7,400,000 for fiscal year 2006;

(D) $7,800,000 for fiscal year 2007;

(E) $8,200,000 for fiscal year 2008; and

(F) $8,700,000 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) $5,450,000 for fiscal year 2004;

(B) $5,700,000 for fiscal year 2005;

(C) $6,200,000 for fiscal year 2006;

(D) $6,550,000 for fiscal year 2007;

(E) $6,900,000 for fiscal year 2008; and

(F) $7,200,000 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) $4,350,000 for fiscal year 2004;

(B) $4,700,000 for fiscal year 2005;

(C) $4,900,000 for fiscal year 2006;

(D) $5,200,000 for fiscal year 2007;

(E) $5,500,000 for fiscal year 2008; and

(F) $5,800,000 for fiscal year 2009.

(4) ENERGY INDEPENDENCE AND ENVIRONMENTAL PROTECTION.—

(A) IN GENERAL.—For carrying out energy independence and environmental protection research activities on improved public transportation energy use and propulsion systems and public transportation oriented development—

(i) $3,450,000 for fiscal year 2004;

(ii) $3,700,000 for fiscal year 2005;

(iii) $3,900,000 for fiscal year 2006;

(iv) $4,150,000 for fiscal year 2007;

(v) $4,300,000 for fiscal year 2008; and

(vi) $4,300,000 for fiscal year 2009.

(B) TRANSIT-ORIENTED DEVELOPMENT CENTER.—Of the funds allocated for each of fiscal years 2005 through 2009 under subparagraph (A), not less than $1,000,000 shall be made available by the Secretary for establishment and operation of a national center for transit-oriented development—

(i) to develop standards and definitions for transit-oriented development adjacent to public transportation facilities;

(ii) to develop system planning guidance, performance criteria, and modeling techniques for metropolitan planning agencies and public

transportation agencies to maximize ridership through land use planning and adjacent development; and

(iii) to provide research support and technical assistance to public transportation agencies, metropolitan planning agencies, and other persons regarding transit-oriented development.

(5) MOBILITY MANAGEMENT.——

(A) IN GENERAL.—or carrying out research activities on mobility management, as described in section 5302(a)(1) of title 49, United States Code—

(i) $6,500,000 for fiscal year 2004;
(ii) $7,000,000 for fiscal year 2005;
(iii) $7,400,000 for fiscal year 2006;
(iv) $7,800,000 for fiscal year 2007;
(v) $8,200,000 for fiscal year 2008; and
(vi) $8,700,000 for fiscal year 2009.

(B) TRANSPORTATION EQUITY RESEARCH PROGRAM.—Of the funds allocated for each of fiscal years 2005 through 2009 under subparagraph (A), not less than $1,000,000 shall be made available by the Secretary for research and demonstration activities that focus on the impacts that transportation planning, investment, and operations have on low-income and minority populations that are transit dependent. Such activities shall include the development of strategies to advance economic and community development in low-income and minority communities and the development of training programs that promote the employment of low-income and minority community residents on Federal-aid transportation projects constructed in their communities.

(6) PUBLIC TRANSPORTATION CAPACITY BUILDING.—

(A) IN GENERAL.—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—

(i) $2,300,000 for fiscal year 2004;
(ii) $2,400,000 for fiscal year 2005;
(iii) $2,500,000 for fiscal year 2006;
(iv) $2,600,000 for fiscal year 2007;
(v) $2,700,000 for fiscal year 2008; and
(vi) $3,000,000 for fiscal year 2009.

(B) TRANSIT CAREER LADDER TRAINING PROGRAM.—Of the funds allocated for each fiscal year under subparagraph (A), not less than $1,000,000 shall be available for a nationwide career ladder job training partnership program for public transportation employees to respond to technological changes in the public transportation industry, especially in the area of maintenance. Such program shall be carried out by the Secretary through a contract with a national nonprofit organization with a demonstrated capacity to develop and provide such programs.

(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) $3,450,000 for fiscal year 2004;
(B) $3,500,000 for fiscal year 2005;
(C) $3,700,000 for fiscal year 2006;
(D) $4,000,000 for fiscal year 2007;
(E) $4,200,000 for fiscal year 2008; and
(F) $4,300,000 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) $7,266,000,000 for fiscal year 2004;
(2) $7,750,000,000 for fiscal year 2005;
(3) $8,266,000,000 for fiscal year 2006;
(4) $8,816,000,000 for fiscal year 2007;
(5) $9,403,000,000 for fiscal year 2008; and
(6) $10,029,000,000 for fiscal year 2009.

SEC. 3044. ADJUSTMENTS FOR THE SURFACE TRANSPORTATION EXTENSION ACT OF 2004.

(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 9 of the Surface Transportation Extension Act of 2004.

(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 TRANSPORTATION AND SAFETY

Subtitle A—Commercial Motor Vehicle Safety

SEC. 4101. 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) $196,000,000 for fiscal year 2004;
''(B) $208,000,000 for fiscal year 2005;
''(C) $215,000,000 for fiscal year 2006;
''(D) $221,000,000 for fiscal year 2007;
''(E) $226,000,000 for fiscal year 2008; and
''(F) $232,000,000 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 (including a medical review board), the administration of the performance and registration information system 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 funded from other sources.

''(3) PERIOD OF AVAILABILITY.—The amounts made available under this section shall remain available until expended.

''(4) INITIAL DATE OF AVAILABILITY.—Authorizations 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 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.

''(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 2005;
(B) $23,000,000 for each of fiscal years 2006 and 2007;
(C) $24,000,000 for fiscal year 2008; and
(D) $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 2005;
(B) $32,000,000 for fiscal year 2006;
(C) $32,000,000 for fiscal year 2007;
(D) $32,000,000 for fiscal year 2008; and
(E) $32,000,000 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 2005;
(B) $4,000,000 for fiscal year 2006;
(C) $4,000,000 for fiscal year 2007;
(D) $4,000,000 for fiscal year 2008; and
(E) $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, $22,000,000 for each of fiscal years 2005 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. 4102. 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 that the State will participate in a national motor carrier safety data correction system prescribed by the Secretary;'';

(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) $168,000,000 for fiscal year 2004;

''(2) $183,000,000 for fiscal year 2005;

''(3) $185,000,000 for fiscal year 2006;

''(4) $190,000,000 for fiscal year 2007;

''(5) $195,000,000 for fiscal year 2008; and

''(6) $200,000,000 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 accuracy of data provided by the State'';

(3) in paragraph (2)—

(A) by striking ''AND BORDER ACTIVITIES.—'' and all that follows through ''5 percent'' and inserting ''ACTIVITIES.—The Secretary 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 $15,000,000 of the amounts available under subsection (a) for a fiscal year for audits of new entrant motor carriers under section 31144(g).''.

(e) TECHNICAL AMENDMENTS.—Sections 31102(b)(3) and 31103(a) of such title are amended by striking ''(1)(D)'' and inserting ''(1)(E)''.

SEC. 4103. 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:

''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) GOVERNMENT'S 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. 4104. 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. 4105. 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: '', subchapter 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 TRANSFERRED 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. 4106. 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 OPERATORS.—

''(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 subtitle 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, buildings, and other property in accordance with section 504(c), 5121(c), 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 equipment, 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 expense 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. 4107. 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. 4108. 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'';

(3) in subparagraph (B)—

(A) by striking ''one year'' and inserting ''2 years''; and

(B) by striking ''$1,000; and'' and inserting ''$5,000;'';

(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. 4109. COMMERCIAL VEHICLE INFORMATION SYSTEMS AND NETWORKS DEPLOYMENT.

(a) IN GENERAL.—The Secretary shall carry out a commercial vehicle information systems and networks program to—

(1) improve the safety and productivity of commercial vehicles and drivers; and

(2) reduce costs associated with commercial vehicle operations and Federal and State commercial vehicle regulatory requirements.

(b) PURPOSE.—The program shall advance the technological capability and promote the deployment of intelligent 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 networks.

(2) AMOUNT OF GRANTS.—The maximum aggregate amount the Secretary may grant to a State for the core deployment of commercial vehicle 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 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, includes the issuance of operating credentials, the administration of motor vehicle and fuel taxes, and roadside safety and border crossing inspection and regulatory compliance operations.

(3) CORE DEPLOYMENT.—The term ''core deployment'' means the deployment of systems in a State necessary to provide the State with the following capabilities:

(A) Safety information exchange to—

(i) electronically collect and transmit commercial motor vehicle and driver inspection 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 performance, and commercial motor vehicle credentials information; and

(iii) exchange carrier data and commercial motor vehicle safety and credentials information within the State and connect 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. 4110. SAFETY FITNESS.

(a) IN GENERAL.—Section 31144(a) 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 (c) 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.''.

(c) 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 (c) 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 Secretary 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 commerce 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 paragraph (1) of this subsection) by adding at the end the following:

''(5) GRANTS FOR AUDITS.—From amounts deducted under section 31104(f)(3), the Secretary may make grants to States and local governments for new entrant motor carrier audits under this subsection without requiring a matching contribution from such States or local governments.

''(6) DOT AUDITS.—If the Secretary determines 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. 4111. 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. 4112. 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 departments, 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, administer, communicate, and promote the use of products of research, technology, and technology transfer programs under this section.

''(b) COLLABORATIVE RESEARCH AND DEVELOPMENT.—

''(1) IN GENERAL.—To advance innovative solutions to problems involving commercial motor vehicle and motor carrier safety, security, and efficiency, and to stimulate the deployment of emerging technology, 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, institutions, 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 cooperative research and development agreements (as defined in section 12 of the Stevenson-Wydler Technology 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 agreement 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 approve a greater Federal share.

''(B) TREATMENT OF DIRECTLY INCURRED NON-FEDERAL COSTS.—All costs directly incurred by the non-Federal partners, including personnel, travel, and hardware or software development 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, development, or use of a technology under a cooperative 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 subject to the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.).''.

(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. 4113. INTERNATIONAL COOPERATION.

(a) IN GENERAL.—Chapter 311 of title 49, United States Code, is amended by adding at the end the following:

''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:

''SUBCHAPTER IV—MISCELLANEOUS

''31161. International cooperation.''.

SEC. 4114. 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 performance and registration information system management requirements of section 31106(b).

''(b) AVAILABILITY OF AMOUNTS.—Amounts made available to a State under this section shall remain available 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. 4115. DATA QUALITY IMPROVEMENT.

Section 31106(a)(3) of title 49, United States Code, is amended—

(1) by striking ''and'' at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting a semicolon; and

(3) by adding at the end the following:

''(F) ensure, to the maximum extent practical, all the data is complete, timely, and accurate across all information systems and initiatives; and

''(G) establish and implement a national motor carrier safety data correction system.''.

SEC. 4116. DRIVEAWAY SADDLEMOUNT VEHICLES.

(a) DEFINITION.—Section 31111(a) of tile 49, United States Code, is amended by adding at the end of the following:

''(4) DRIVE-AWAY SADDLEMOUNT WITH FULLMOUNT VEHICLE TRANSPORTER COMBINATION.—The term 'drive-away saddlemount with fullmount vehicle transporter combination' means a vehicle combination designed and specifically used to tow up to 3 trucks or truck tractors, each connected by a saddle to the frame or fifth-wheel of the forward vehicle of the truck or truck tractor in front of it.''.

(b) GENERAL LIMITATIONS.—Section 31111(b)(1) of such title is amended—

(1) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and

(2) by inserting after subparagraph (C) the following:

''(D) imposes a vehicle length limitation of not less than or more than 97 feet on a driveaway saddlemount with fullmount vehicle transporter combinations;''.

SEC. 4117. COMPLETION OF UNIFORM CARRIER REGISTRATION.

(a) IN GENERAL.—Section 14504 of title 49, United States Code, and the item relating to such section in analysis 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. 4118. 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. 4119. 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)''.

SEC. 4120. 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 brochures, videos, paid and public advertisements, the Internet, and other media.

(c) FEDERAL SHARE.—The Federal share of a program or activity for which a grant is made under this section 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 programs and activities carried out under this section.

(e) FUNDING.—From amounts made available under section 31104(i) of title 49, United States Code, the Secretary shall make available $1,000,000 to the Federal Motor Carrier Safety Administration, and $3,000,000 to the National Highway Traffic Safety Administration, for each of fiscal years 2004, 2005, 2006, 2007, 2008, and 2009 to carry out this section.

SEC. 4121. 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 commerce.

(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. 4122. 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. 4123. 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 consideration by the Department of Transportation. Representatives of a single interest group may not constitute a majority of the members of the advisory committee.

(c) TERMINATION DATE.—The advisory committee shall remain in effect until September 30, 2009.

SEC. 4124. SAFETY DATA IMPROVEMENT PROGRAM.

(a) IN GENERAL.—The Secretary shall make grants to States for projects and activities to improve the accuracy, 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 commercial 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.

(c) 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 2005 through 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. 4125. COMMERCIAL DRIVER'S LICENSE INFORMATION SYSTEM MODERNIZATION.

(a) GENERAL AUTHORITY.—The Secretary may make a grant to a State or organization representing agencies and officials of a State in a fiscal year to modernize its commercial driver's license information system in accordance with subsection (c) if the State is in substantial compliance with the requirements of section 31311 of title 49, United States Code, and this section, as determined by the Secretary. The Secretary shall establish criteria for the distribution of grants and notify each State annually of such criteria.

(b) MODERNIZATION PLAN.—No later than 120 days after the date of enactment of this Act, the Secretary shall publish a comprehensive national plan to modernize the commercial driver's license information system. The plan shall be developed in consultation with representatives of the motor carrier industry, State safety enforcement agencies, and State licensing agencies designated by the Secretary.

(c) USE OF GRANT.—A State may use a grant under this section only to implement improvements that are consistent with the modernization plan developed by the Secretary.

(d) PILOT PROGRAM.—

(1) IN GENERAL.—The Secretary may conduct with grants under this section a 3-year pilot program in no more than 3 States to evaluate a system for sharing driver's license information on all commercial and noncommercial driver's licenses issued in each participating State.

(2) FUNDING.—The Secretary may use no more than 50 percent of the funds available to carry out this section for the pilot program in any fiscal year.

(3) REPORT.—Not later than 1 year after the last day of the pilot program, the Secretary shall transmit to Congress a report on the results of the pilot program.

(e) GOVERNMENT SHARE.—A grant under this section to a State or organization may not be for more than 80 percent of the costs incurred by the State or organization in a fiscal year in implementing the modernization program developed by the Secretary. In determining these costs, the Secretary shall include in-kind contributions of the State.

(f) FUNDING.—There are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section—

(1) $6,000,000 for fiscal year 2005;
(2) $6,000,000 for fiscal year 2006;
(3) $6,000,000 for fiscal year 2007;
(4) $6,000,000 for fiscal year 2008; and
(5) $6,000,000 for fiscal year 2009.

(g) CONTRACT AUTHORITY AND AVAILABILITY.—

(1) PERIOD OF AVAILABILITY.—The amounts made available under subsection (f) shall remain available until expended.

(2) INITIAL DATE OF AVAILABILITY.—Amounts authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) by subsection (f) 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.

(3) CONTRACT AUTHORITY.—Approval by the Secretary of a grant with funds made available under subsection (f) 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. 4126. MAXIMUM HOURS OF SERVICE FOR OPERATORS OF GROUND WATER WELL DRILLING RIGS.

Section 345(a)(2) of the National Highway System Designation Act of 1995 (49 U.S.C. 31136 note; 109 Stat 613) is amended by adding at the end the following: ''Except as required in section 395.3 of title 49, Code of Federal Regulations, as in effect on the date of enactment of this sentence, no additional off-duty time shall be required in order to operate such vehicle.''.

SEC. 4127. SAFETY PERFORMANCE HISTORY SCREENING.

(a) IN GENERAL.—The Secretary shall provide persons conducting preemployment screening services for the motor carrier industry electronic access to the following reports contained in the Motor Carrier Management Information System:

(1) Commercial motor vehicle accident reports.

(2) Inspection reports that contain no driver-related safety violations.

(3) Serious driver-related safety violation inspection reports.

(b) CONDITIONS ON PROVIDING ACCESS.—Before providing a person access to the Motor Carrier Management Information System under subsection (a), the Secretary shall—

(1) ensure that any information that is released to such person will be in accordance with the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) and all other applicable Federal law;

(2) ensure that such person will not conduct a screening without the operator-applicant's written consent;

(3) ensure that any information that is released to such person will not be released to any person or entity, other than the motor carrier requesting the screening services or the operator-applicant, unless expressly authorized or required by law; and

(4) provide a procedure for the operator-applicant to correct inaccurate information in the System in a timely manner.

(c) DESIGN.—The process for providing access to the Motor Carrier Management Information System under subsection (a) shall be designed to assist the motor carrier industry in assessing an individual operator's crash and serious safety violation inspection history as a preemployment condition. Use of the process shall not be mandatory and may only be used during the preemployment assessment of an operator-applicant.

(d) SERIOUS OPERATOR-RELATED SAFETY VIOLATION DEFINED.—In this section, the term ''serious operator-related violation'' means a violation by an operator of a commercial motor vehicle (as defined in section 31102 of title 49, United States Code) that the Secretary determines will result in the operator being prohibited from continuing to operate a commercial motor vehicle until the violation is corrected.

SEC. 4128. INTERMODAL CHASSIS ROADABILITY RULE-MAKING.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary, after providing notice and opportunity for comment, shall issue regulations establishing a program to ensure that intermodal equipment used to transport intermodal containers are safe.

(b) MOTOR CARRIER SAFETY REGULATIONS.—The regulations under this section shall be issued as part of the Federal motor carrier safety regulations of the Department of Transportation.

(c) CONTENTS.—The regulations issued under this section shall include, at a minimum—

(1) a requirement to identify providers of intermodal equipment that is interchanged or intended for interchange to motor carriers in intermodal transportation;

(2) a requirement to match such intermodal equipment readily to the intermodal equipment provider through a unique identifying number;

(3) a requirement to ensure that each intermodal equipment provider maintains a system of maintenance and repair records for such equipment;

(4) a requirement to evaluate the compliance of intermodal equipment providers with the applicable Federal motor carrier safety regulations;

(5) a provision that—

(A) establishes a civil penalty structure consistent with section 521(b) of title 49, United States Code, for intermodal equipment providers that fail to attain satisfactory compliance with applicable Federal motor carrier safety regulations; and

(B) prohibits intermodal equipment providers from placing intermodal equipment on the public highways if such providers are found to pose an imminent hazard;

(6) a process by which motor carriers and agents of motor carriers may petition the Federal Motor Carrier Safety Administration to undertake an investigation of a noncompliant intermodal equipment provider; and

(7) an inspection and audit program of intermodal equipment providers.

(d) DEADLINE FOR RULEMAKING PROCEEDING.—The regulations under this section shall be issued pursuant to a rulemaking proceeding initiated not later than 90 days after the date of enactment of this Act.

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

(1) INTERMODAL EQUIPMENT.—The term ''intermodal equipment'' means equipment that is commonly used in the intermodal transportation of freight over public highways in interstate commerce (as defined in section 31132 of title 49, United States Code), including trailers, chassis, and any associated devices.

(2) INTERMODAL EQUIPMENT PROVIDER.—The term ''intermodal equipment provider'' means any person with any legal right, title, or interest in intermodal equipment that interchanges such equipment to a motor carrier.

(3) INTERCHANGE.—The term ''interchange'' means the act of providing intermodal equipment to a motor carrier for the purpose of transporting the equipment for loading or unloading by any person or repositioning the equipment for the benefit of the equipment provider. Such term does not include the leasing of equipment to a motor carrier for use in the motor carrier's over-the-road freight hauling operations.

SEC. 4129. SUBSTANCE ABUSE PROFESSIONALS.

The Secretary shall conduct a rulemaking to permit State licensed or certified mental health counselors or addiction specialists certified by the American Academy of Health Care Providers in the Addictive Disorders to act as substance abuse professionals under subpart O of part 40 of title 49, Code of Federal Regulations.

SEC. 4130. INTERSTATE VAN OPERATIONS.

The Federal motor carrier safety regulations (other than regulations relating to commercial drivers license and drug and alcohol testing requirements) shall apply to all interstate operations of commercial motor vehicles used to transport between 9 and 15 passengers (including the driver), regardless of the distance traveled.

SEC. 4131. HOURS OF SERVICE FOR OPERATORS OF UTILITY SERVICE VEHICLES.

Section 345 of the National Highway System Designation Act of 1995 (49 U.S.C. 31136 note; 109 sTAT. 613) is amended—

(1) in subsection (a) by striking paragraph (4) and inserting the following:

''(4) OPERATORS OF UTILITY SERVICE VEHICLES.—

''(A) INAPPLICABILITY OF FEDERAL REGULATIONS .—Such regulations shall not apply to a driver of a utility service vehicle.

''(B) PROHIBITION ON STATE REGULATIONS.—A State, a political subdivision of a State, an interstate agency, or other entity consisting of 2 or more States, shall not enact or enforce any law, rule, regulation, or standard that imposes requirements on a driver of a utility service vehicle that are similar to the requirements contained in such regulations.''.

(2) in subsection (b) by striking ''Nothing'' and inserting ''Except as provided in subsection (a)(4), nothing''; and

(3) in the first sentence of subsection (c) by striking ''paragraph (2)'' and inserting ''an exemption under paragraph (2) or (4)''.

SEC. 4132. 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(e) 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''.

Subtitle B—Household Goods Transportation

SEC. 4201. FEDERAL-STATE RELATIONS RELATING TO TRANSPORTATION OF HOUSEHOLD GOODS.

(a) NONPREEMPTION OF INTRASTATE TRANSPORTATION OF HOUSEHOLD GOODS.—Section 14501(c)(2)(B) of title 49, United States Code, is amended by inserting ''intrastate'' before ''transportation''.

(b) ENFORCEMENT OF CONSUMER PROTECTION WITH RESPECT TO INTERSTATE HOUSEHOLD GOODS CARRIERS.—Chapter 145 of such title is amended by adding at the end the following:

''§ 14506. Enforcement of Federal regulations by State attorneys general

''(a) IN GENERAL.—A State, as parens patriae, may bring a civil action on behalf of a resident of the State in an appropriate district court of the United States to enforce a regulation or order of the Secretary or Board—

''(1) to protect an individual shipper of household goods if such regulation or order governs the delivery of the shipper's household goods; or

''(2) to impose a civil penalty under section 14915 whenever the attorney general of the State has reason to believe that the interests of the residents of the State have been or are being threatened or adversely affected by—

''(A) a carrier or broker providing transportation of household goods subject to jurisdiction under subchapter I or III of chapter 135 who is committing repeat violations of section 14915; or

''(B) a foreign motor carrier providing transportation of household goods who is registered under section 13902 and who is committing repeat violations of section 14915.

''(b) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section shall be construed—

''(1) as preventing an attorney general from exercising the powers conferred on the attorney general by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence;

''(2) as prohibiting a State official from proceeding in State court to enforce a criminal statute of the State;

''(3) as authorizing a State or political subdivision of a State to bring an enforcement action under a consumer protection law, regulation, or other provision of the State relating to interstate transportation of household goods (as defined in section 13102(10)(A)) with respect to an activity that is inconsistent with Federal laws and regulations relating to interstate transportation of household goods; or

''(4) as authorizing a State, as parens patriae, to bring a class civil action on behalf of its residents to enforce a regulation or order of the Secretary or Board.

''(c) ACTIONS BY THE SECRETARY OR BOARD.—Whenever a civil action has been instituted by or on behalf of the Secretary or Board for violation of section 14915, no State may, during the pendency of such action, institute a civil action under subsection (a) against any defendant named in the complaint relating to such violation.

''(d) VENUE; SERVICE OF PROCESS.—Any civil action to be brought under subsection (a) in a district court of the United States may be brought in the district in which the defendant is found, is an inhabitant, or transacts business or wherever venue is proper under section 1391 of title 28. Process in such an action may be served in any district in which the defendant is an inhabitant or in which the defendant may be found.''.

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

''14506. Enforcement of Federal regulations by State attorneys general.''.

SEC. 4202. ARBITRATION REQUIREMENTS.

(a) OFFERING SHIPPERS ARBITRATION.—Section 14708(a) of title 49, United States Code, is amended by inserting before the period at the end the following: ''and to determine whether carrier charges, in addition to those collected at delivery, must be paid by the shipper for transportation and services related to the transportation of household goods''.

(b) THRESHOLD FOR BINDING ARBITRATION.—Section 14708(b)(6) of such title is amended by striking ''$5,000'' each place it appears and inserting ''$10,000''.

(c) DEADLINE FOR DECISION.—Section 14708(b)(8) of such title is amended—

(1) by striking ''and''; and

(2) by inserting after ''for damages'' the following: '', and an order requiring the payment of additional carrier charges''.

(d) ATTORNEY'S FEES TO SHIPPERS.—Section 14708(d)(3) of such title is amended—

(1) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively; and

(2) by inserting before subparagraph (B) (as so redesignated) the following:

''(A) the shipper was not advised by the carrier during the claim settlement process that a dispute settlement program was available to resolve the dispute;''.

SEC. 4203. CIVIL PENALTIES RELATING TO HOUSEHOLD GOODS BROKERS AND UNAUTHORIZED TRANSPORTATION.

Section 14901(d) of title 49, United States Code, is amended—

(1) by striking ''If a carrier'' and inserting the following:

''(1) IN GENERAL.—If a carrier''; and

(2) by adding at the end the following:

''(2) ESTIMATE OF BROKER WITHOUT CARRIER AGREEMENT.—If a broker for transportation of household goods subject to jurisdiction under subchapter I of chapter 135 makes an estimate of the cost of transporting any such goods before entering into an agreement with a carrier to provide transportation of household goods subject to such jurisdiction, the broker is liable to the United States for a civil penalty of not less than $10,000 for each violation.

''(3) UNAUTHORIZED TRANSPORTATION.—If a person provides transportation of household goods subject to jurisdiction under subchapter I of chapter 135 or provides broker services for such transportation without being registered under chapter 139 to provide such transportation or services as a motor carrier or broker, as the case may be, such person is liable to the United States for a civil penalty of not less than $25,000 for each violation.''.

SEC. 4204. PENALTIES FOR HOLDING HOUSEHOLD GOODS HOSTAGE.

(a) IN GENERAL.—Chapter 149 of title 49, United States Code, is amended by adding at the end the following:

''§ 14915. Holding household goods hostage

''(a) HOLDING HOUSEHOLD GOODS HOSTAGE DEFINED.—For purposes of this section, the term 'holding household goods hostage' means the knowing and willful refusal to relinquish possession of a shipment of household goods described in section 13102(10)(A) upon payment of not more than 100 percent of a binding estimate (or, in the case of a nonbinding estimate, not more than 110 percent of the estimated charges for such shipment).

''(b) CIVIL PENALTY.—Whoever is found holding a household goods shipment hostage is liable to the United States for a civil penalty of not less than $10,000 for each violation. If such person is a carrier or broker, the Secretary may suspend for a period of not less than 6 months the registration of such carrier or broker under chapter 139.

''(c) CRIMINAL PENALTY.—A motor carrier that has been convicted of knowingly and willfully holding household goods hostage by falsifying documents or demanding the payment of charges for services that were not performed or were not necessary in the safe and adequate movement of a shipment of household goods shall be fined under title 18, or imprisoned not more than 2 years, or both.''.

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

''14915. Holding household goods hostage.''.

SEC. 4205. WORKING GROUP FOR DEVELOPMENT OF PRACTICES AND PROCEDURES TO ENHANCE FEDERAL-STATE RELATIONS.

(a) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary shall establish a working group of State attorneys general, State consumer protection administrators, and Federal and local law enforcement officials for the purpose of developing

practices and procedures to enhance the Federal-State partnership in enforcement efforts, exchange of information, and coordination of enforcement efforts with respect to interstate transportation of household goods and of making legislative and regulatory recommendations to the Secretary concerning such enforcement efforts.

(b) CONSULTATION.—In carrying out subsection (a), the working group shall consult with industries involved in the transportation of household goods.

(c) FEDERAL ADVISORY COMMITTEE ACT EXEMPTION.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the working group established under subsection (a).

(d) TERMINATION DATE.—The working group shall remain in effect until September 30, 2009.

SEC. 4206. CONSUMER HANDBOOK ON DOT WEB SITE.

Not later than 1 year after the date of enactment of this Act, the Secretary shall take such action as may be necessary to ensure that publication ESA 03005 of the Federal Motor Carrier Safety Administration entitled ''Your Rights and Responsibilities When You Move'', is prominently displayed, and available in language that is readily understandable by the general public, on the Web site of the Department of Transportation.

SEC. 4207. RELEASE OF HOUSEHOLD GOODS BROKER INFORMATION.

Not later than 1 year after the date of enactment of this Act, the Secretary shall modify the regulations contained in part 375 of title 49, Code of Federal Regulations, to require a broker that is subject to such regulations to provide shippers with the following information whenever they have contact with a shipper or potential shipper:

(1) The Department of Transportation number of the broker.

(2) The ESA 03005 publication referred to in section 4206 of this Act.

(3) A list of all motor carriers providing transportation of household goods used by the broker and a statement that the broker is not a motor carrier providing transportation of household goods.

SEC. 4208. CONSUMER COMPLAINT INFORMATION.

(a) ESTABLISHMENT OF SYSTEM.—Not later than 1 year after the date of enactment of this Act, the Secretary shall—

(1) establish a system for filing and logging consumer complaints relating to motor carriers providing transportation of household goods and for compiling complaint information gathered by the Department of Transportation and the States with regard to such carriers, a database of the complaints, and a procedure for the public to have access to aggregated information and for carriers to challenge information in the database; and

(2) issue regulations requiring each motor carrier of household goods to submit on a quarterly basis a report summarizing—

(A) the number of shipments that originate and are delivered for individual shippers during the reporting period by the carrier;

(B) the number and general category of complaints lodged by consumers with the carrier;

(C) the number of claims filed with the carrier for loss and damage in excess of $500;

(D) the number of such claims resolved during the reporting period;

(E) the number of such claims declined in the reporting period; and

(F) the number of such claims that are pending at the close of the reporting period.

(b) USE OF INFORMATION.—The Secretary shall consider information in the data base established under subsection (a) in its household goods compliance and enforcement program.

SEC. 4209. INSURANCE REGULATIONS.

(a) REVIEW.—Not later than 1 year after the date of enactment of this Act, the Secretary shall undertake a review of the current Federal regulations regarding insurance coverage provided by motor carriers providing transportation of household goods and revise such regulations in order to provide enhanced protection for shippers in the case of loss or damage as determined necessary.

(b) DETERMINATIONS.—The review shall include, but not be limited to, a determination of—

(1) whether the current regulations provide adequate protection for shippers;

(2) whether an individual shipper should purchase insurance as opposed to the carrier; and

(3) whether there are abuses of the current regulations that leave the shipper unprotected in loss and damage claims.

SEC. 4210. ESTIMATING REQUIREMENTS.

Section 14104(b)(1) of title 49, United States Code, is amended to read as follows:

''(1) REQUIRED TO BE IN WRITING.—

''(A) IN GENERAL.—Except as otherwise provided in this subsection, every motor carrier providing transportation of household goods described in section 13102(10)(A) subject to jurisdiction under subchapter I of chapter 135 shall conduct a physical survey of the household goods to be transported on behalf of a prospective individual shipper and shall provide the shipper with a written estimate of charges for the transportation and all related services.

''(B) WAIVER.—A shipper may elect to waive a physical survey under this paragraph by written agreement signed by the shipper before the shipment is loaded. A copy of the waiver agreement must be retained as an addendum to the bill of lading and shall be subject to the same record inspection and preservation requirements of the Secretary as are applicable to bills of lading.

''(C) ESTIMATE.—

''(i) IN GENERAL.—Notwithstanding a waiver under subparagraph (B), a carrier's statement of charges for transportation must be submitted to the shipper in writing and must indicate whether it is binding or nonbinding.

''(ii) BINDING.—A binding estimate under this paragraph must indicate that the carrier and shipper are bound by such charges. The carrier may impose a charge for providing a written binding estimate.

''(iii) NONBINDING.—A nonbinding estimate under this paragraph must indicate that the actual charges will be based upon the actual weight of the individual shipper's shipment and the carrier's lawful tariff charges. The carrier may not impose a charge for providing a nonbinding estimate.''.

SEC. 4211. APPLICATION OF STATE CONSUMER PROTECTION LAWS TO CERTAIN HOUSEHOLD GOODS CARRIERS.

(a) STUDY.—The Comptroller General shall conduct a study on the current consumer protection authorities and actions of the Department of Transportation and the impact on shippers and carriers of houshold goods involved in interstate transportation of allowing State attorneys general to apply State consumer protection laws to such transportation.

(b) MATTERS TO BE CONSIDERED.—In conducting the study, the Comptroller General shall consider, at a minimum—

(1) the level of consumer protection being provided to consumers through Federal household goods regulations and how household goods regulations relating to consumer protection compare to regulations relating to consumer protection for other modes of transportation regulated by the Department of Transportation;

(2) the history and background of State enforcement of State consumer protection laws on household goods carriers providing intrastate transportation and what effects such laws have on the ability of intrastate household goods carriers to operate;

(3) what operational impacts, if any, would result on household goods carriers engaged in interstate commerce being subject to the State consumer protection laws; and

(4) the potential for States to regulate rates or other business operations if State consumer protection laws applied to interstate household goods movements.

(c) CONSULTATION.—In conducting the study, the Comptroller General shall consult with the Secretary, State attorneys general, consumer protection agencies, and the household goods industry.

(d) REPORT.—Not later than 18 months after the date of enactment of this Act, the Comptroller General shall transmit to the Committee of Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science and Transportation of the Senate a report on the results of the study.

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) $169,000,000 for fiscal year 2004;

(B) $239,500,000 for fiscal year 2005;

(C) $239,500,000 for fiscal year 2006;

(D) $239,500,000 for fiscal year 2007;

(E) $239,500,000 for fiscal year 2008; and

(F) $239,500,000 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, $24,500,000 for fiscal year 2004 and $33,500,000 for each of fiscal years 2005 through 2009.

(3) BUREAU OF TRANSPORTATION STATISTICS.—For the Bureau of Transportation Statistics to carry out section 111 of title 49, United States Code, $31,000,000 for fiscal year 2004 and $33,000,000 for each of fiscal years 2005 through 2009.

(4) UNIVERSITY TRANSPORTATION RESEARCH.—To carry out sections 5505 and 5506 of title 49, United States Code, $54,500,000 for fiscal year 2004 and $71,000,000 for each of fiscal years 2005 through 2009.

(5) INTELLIGENT TRANSPORTATION SYSTEMS (ITS) RESEARCH.—To carry out subtitle F of this title, $115,000,000 for each of fiscal years 2004 through 2009.

(6) ITS DEPLOYMENT.—To carry out sections 5208 and 5209 of the Transportation Equity Act for the 21st Century (112 Stat. 458; 112 Stat. 460), $100,000,000 for fiscal year 2004.

(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 and shall not be transferable.

SEC. 5102. 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 sections 5101(a) and 5401 of this Act shall not exceed $483,000,000 for fiscal year 2004, $484,000,000 for fiscal year 2005, $485,000,000 for fiscal year 2006, $485,000,000 for fiscal year 2007, $486,000,000 for fiscal year 2008, and $487,000,000 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''.

(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 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 a State and an appropriate agency 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)(B) (as redesignated by subsection (b) of this section) by inserting ''transportation system management and operations,'' after ''operation,''.

(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 Technology Innovation Act of 1980 (15 U.S.C. 3710a)), and other transactions to fund, and accept funds from, the Transportation Research Board of the National Research Council of the National Academy of Sciences, State departments of transportation, cities, counties, and their agents to conduct joint transportation research and technology efforts.''.

(g) EXPLORATORY ADVANCED RESEARCH PROGRAM.—Section 502(e) of such title (as redesignated by subsection (b) of this section) is amended to read as follows:

''(e) EXPLORATORY ADVANCED RESEARCH.—

''(1) IN GENERAL.—The Secretary shall establish an exploratory advanced research program, consistent 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 understanding of problems and develop innovative solutions. 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 technology as the Secretary determines appropriate, including 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 transportation decisions on human health.

''(C) Development of surrogate measures of safety.

''(D) Environmental research.

''(E) Data acquisition techniques for system condition and performance monitoring.

''(F) System performance data and information 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 PROGRAM.—

(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, $10,000,000 for fiscal year 2004 and $21,000,000 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.''.

(j) UNIVERSITY FUNDING.—Except as otherwise provided in this title and any amendments made by this title, the Secretary may not provide financial assistance to a university under section 5101 unless the university is selected to receive such funds through a competitive process that incorporates merit-based peer review and the selection is based on a proposal submitted to the

Secretary by the university in response to a request for proposals issued by the Secretary.

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, $5,000,000 for fiscal year 2004 and $15,000,000 for each of fiscal years 2005 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.—

(A) IN GENERAL.—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; and

(B) HIGH PERFORMANCE CONCRETE BRIDGE TECHNOLOGY RESEARCH AND DEPLOYMENT.—The Secretary shall obligate $2,000,000 of the amount described in subparagraph (A) for each of fiscal years 2004 through 2009 to conduct research and deploy technology related to high-performance concrete bridges.

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 parties, 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 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, 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 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 remain available until expended.

''(2) USE OF NON-FEDERAL FUNDS.—In addition 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 private 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.''.

(c) FUNDING.—Of the amounts made available by section 5101(a)(1) of this Act, $5,000,000 for fiscal year 2004 and $15,000,000 for each of fiscal years 2005 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 Secretary 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 (7) 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 customer satisfaction;

''(G) effective technology transfer and information dissemination to accelerate implementation of innovative technologies and to improve life, performance, cost effectiveness, safety, and customer satisfaction; and

''(H) the development of designs and materials to reduce storm water runoff.

''(3) RESEARCH TO IMPROVE NHS PAVEMENT.—The Secretary shall obligate not less than $2,000,000 for fiscal year 2004 and $6,000,000 for each of fiscal years 2005 through 2009 from funds made available 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, $5,000,000 for fiscal year 2004 and $15,000,000 for each of fiscal years 2005 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 Secretary 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 TRANSFER.—The Secretary shall take such action as is necessary to 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.''.

(2) FUNDING.—Of the amounts made available by section 5101(a)(1) of this Act, $5,000,000 for fiscal year 2004 and $15,000,000 for each of fiscal years 2005 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 administration 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.''.

(e) WOOD COMPOSITE MATERIALS DEMONSTRATION PROJECT.—

(1) FUNDING.—Of the funds made available to carry out section 5101(a)(1), $1,000,000 shall be made available by the Secretary for each of fiscal years 2005 and 2006 for conducting a demonstration of the durability and potential effectiveness of wood composite materials in multimodal transportation facilities.

(2) FEDERAL SHARE.—The Federal share of the cost of the demonstration under paragraph (1) shall be 100 percent.

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 fiscal year 2004 and $10,000,000 for each of fiscal years 2005 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, $12,000,000 for fiscal year 2004 and $14,000,000 for each of fiscal years 2005 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, $2,000,000 for fiscal year 2004 and $2,500,000 for each of fiscal years 2005 through 2009 shall be available to carry out section 504(c)(2) of title 23, United States Code.

(d) GARRETT A. MORGAN TECHNOLOGY AND TRANSPORTATION FUTURES PROGRAM.—

(1) IN GENERAL.—Section 504 of such title is amended by adding at the end the following:

''(d) GARRETT A. MORGAN TECHNOLOGY AND TRANSPORTATION FUTURES PROGRAM.—The Secretary shall carry out a program, to be known as the 'Garrett A. Morgan Technology and Transportation Futures Program', for the following purposes:

''(1) To attract young people in all levels of education, from elementary school through college, to careers in transportation, with a special emphasis on attracting minorities, women, and other underrepresented groups.

''(2) To enhance the math, science, and technology skills of young people to prepare them for careers in transportation.''.

(2) FUNDING.—Of the amounts made available by section 5101(a)(2) of this Act, $500,000 for 2004 and $1,000,000 for each of fiscal years 2005 through 2009 shall be available to carry out section 504(d) of title 23, United States Code.

(e) SURFACE TRANSPORTATION WORKFORCE DEVELOPMENT, TRAINING, AND EDUCATION.—Section 504 of such title is further amended by adding at the end the following:

''(e) 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''; and

(3) by adding at the end the following:

''(I) surface transportation workforce development, training, and education.''.

(g) TRANSPORTATION TECHNOLOGY INNOVATIONS.—

(1) FUNDAMENTAL PROPERTIES OF ASPHALTS AND MODIFIED ASPHALTS.—The Secretary shall continue to carry out section 5117(b)(5) of the Transportation Equity Act for the 21st Century (112 Stat. 450).

(2) TRANSPORTATION, ECONOMIC, AND LAND USE SYSTEM.—The Secretary shall continue to carry out section 5117(b)(7) of the Transportation Equity Act for the 21st Century (112 Stat. 450).

(3) FUNDING.—Of the amounts made available for each of fiscal years 2004 through 2009 by section 5101(a)(1) of this Act, $3,000,000 shall be available to carry out paragraph (1) and $1,000,000 shall be available to carry out paragraph (2).

(4) USE OF RIGHTS-OF-WAY.—Section 5117(b)(3) of the Transportation Equity Act for the 21st Century (112 Stat. 449; 112 Stat. 864; 115 Stat. 2330) is amended—

(A) by redesignating subparagraphs (E) through (G) as subparagraphs (F) through (H), respectively; and

(B) by inserting after subparagraph (D) the following:

''(E) USE OF RIGHTS-OF-WAY.—

''(i) IN GENERAL.—An intelligent transportation system project described in paragraph (3), and an intelligent transportation system project described in paragraph (6), that involves privately owned intelligent transportation system components and is carried out using funds made available from the Highway Trust Fund (other than the Mass Transit Account) shall not be subject to any law or regulation of a State or political subdivision of a State prohibiting or regulating commercial activities in the rights-of-way of a highway for which funds from the Highway Trust Fund (other than the Mass Transit Account) have been used for planning, design, construction, or maintenance if the Secretary determines that such use is in the public interest.

''(ii) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this subparagraph shall be construed to affect the authority of a State, or political subdivision of a State, to regulate highway safety.''.

SEC. 5206. FREIGHT PLANNING CAPACITY BUILDING.

(a) IN GENERAL.—Section 504 of title 23, United States Code, is amended further by adding at the end the following:

''(f) 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, $1,500,000 for fiscal year 2004 and $5,000,000 for each of fiscal years 2005 through 2009 shall be available to carry out section 504(f) of title 23, United States Code.

(c) TECHNICAL AMENDMENT.—Section 508(c)(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 accelerate 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 implementation 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 transportation 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, $1,000,000 for fiscal year 2004 and $3,000,000 for each of fiscal years 2005 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:

"§ 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, 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, $1,500,000 for fiscal year 2004 and $4,000,000 for each of fiscal years 2005 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 consultation with the American Association of State Highway and Transportation Officials, shall establish and carry out, acting through the National Research Council of the National Academy of Sciences, the future strategic highway research program.

''(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 overall 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, personal injury, or death caused by any negligent or wrongful act or omission by employees and individuals described in paragraph (3) arising from activities conducted under or in connection with this section. Any such claim shall be subject to the limitations and exceptions which would be applicable to such claim if such claim were against the United States. With respect to any such claim, the Secretary shall be treated as the head of the appropriate Federal agency for purposes of sections 2672 and 2675 of title 28.

''(2) EXCLUSIVENESS OF REMEDY.—The remedy referred to in paragraph (1) shall be exclusive of any other civil action or proceeding for the purpose 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 Government 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 proceeding 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

limitations 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 paragraph (1) shall be paid first out of insurance maintained 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 payable 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 payments under this paragraph.

''(h) 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, $17,000,000 for fiscal year 2004, $60,000,000 for fiscal year 2005, and $63,000,000 for each of fiscal years 2006 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 management 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, $1,000,000 for fiscal year 2004 and $3,000,000 for fiscal year 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 Administration, 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 organizations 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 purposes 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 decisionmakers; 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, $4,000,000 for fiscal year 2004 and $11,000,000 for each of fiscal years 2005 through 2009 shall be available to carry out subsections (a) and (b). Of the amounts made available by section 5101(a)(2), $500,000 for fiscal year 2004 and $1,000,000 for each of fiscal years 2005 through 2009 shall be available to carry out subsection (c).

SEC. 5212. MOTOR CARRIER EFFICIENCY STUDY.

(a) IN GENERAL.—The Secretary, in coordination with the motor carrier and wireless technology industry, shall conduct a study to—

(1) identify inefficiencies in the transportation of freight;

(2) evaluate the safety, productivity, and reduced cost improvements that may be achieved through the use of wireless technologies to address the inefficiencies identified in paragraph (1); and

(3) conduct, as appropriate, field tests demonstrating the technologies identified in paragraph (2).

(b) PROGRAM ELEMENTS.—The program shall include, at a minimum, the following:

(1) Fuel monitoring and management systems.

(2) Electronic document imaging.

(3) Border pre-clearance systems.

(4) Radio Frequency Identification technology.

(5) Electronic manifest systems.

(6) Cargo theft prevention.

(c) FEDERAL SHARE.—The Federal share of the cost of the study under this section shall be 100 percent.

(d) ANNUAL REPORT.—The Secretary shall prepare and transmit to Congress an annual report on the programs and activities carried out under this section.

(e) FUNDING.—From funds made available under section 5101(a)(1), the Secretary shall make available $1,000,000 to the Federal Motor Carrier Safety Administration for each of fiscal years 2005 through 2009 to carry out this section.

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 $3,500,000.''.

(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 institutions of higher learning to establish and operate university transportation centers.

''(b) OBJECTIVES.—Grants received under this section shall be used by nonprofit institutions of higher learning to advance significantly the state-of-the-art in transportation research and expand the workforce of transportation 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 relating to transportation that includes multidisciplinary course work and participation in research.

''(3) TECHNOLOGY TRANSFER.—An ongoing program of technology transfer that makes transportation research results available to potential users in a form that can be implemented, utilized, or otherwise 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; and

''(B) 10 Tier I university transportation centers.

''(2) TIER II CENTERS.—For each of fiscal years 2005 through 2009, the Secretary shall make grants under subsection (a) to nonprofit institutions of higher learning to establish and operate 10 Tier II university transportation centers.

''(3) 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 Regional Boundary System.

''(4) 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 statewide 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 10 regional university transportation centers referred to in subsection (c)(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 each 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 for 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 $3,500,000.

''(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 (c)(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 each year for each of the preceding 5 years or not less than $6,000,000 in such expenditures during the 5 preceding years;

''(ii) not less than 5 graduate degrees awarded in professional fields closely related to highways and public transportation each 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.—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 $1,000,000 for fiscal year 2004 and $1,500,000 for each of fiscal years 2005 through 2009.

''(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 (c)(2).

''(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 2005 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 2005 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 research, 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 developed under section 508 of title 23, the Secretary shall review and evaluate programs of grant recipients.

''(3) MANAGEMENT AND OVERSIGHT.—The Secretary shall expend $1,500,000 for each of fiscal years 2005 through 2009 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 Administrator of the Research and Special Programs Administration.

''(m) LIMITATION ON AVAILABILITY OF FUNDS.—Funds made available to carry out this section shall remain 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) $1,000,000 for fiscal year 2004 and $3,000,000 for each of fiscal years 2005 through 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, $3,000,000 for fiscal year 2004 and $9,000,000 for each of fiscal years 2005 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 DECISIONMAKING.—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, compiling, 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 authority of subsection (c)(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 individual authorized by the Director to examine any individual report provided under subsection (c).

''(2) COPIES OF REPORTS.—

''(A) IN GENERAL.—No department, bureau, 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 individual 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 nonstatistical 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, 1 member shall have expertise in statistics, and 1 member shall have expertise in transportation safety. 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 transportation systems that increase the safety and efficiency 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 systems.

SEC. 5603. GENERAL AUTHORITIES AND REQUIREMENTS.

(a) SCOPE.—Subject to the provisions of this subtitle, the Secretary shall conduct an ongoing intelligent transportation system program to research, develop, and operationally test intelligent transportation systems and advance nationwide deployment of such systems as a component of the surface transportation systems of the United States.

(b) POLICY.—Intelligent transportation system research projects and operational tests funded pursuant to this subtitle shall encourage and not displace public-private partnerships or private sector investment in such tests and projects.

(c) COOPERATION WITH GOVERNMENTAL, PRIVATE, AND EDUCATIONAL ENTITIES.—The Secretary shall carry out the intelligent transportation system program in cooperation 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 subtitle (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 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 conformity 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 system research, development, and operational tests of intelligent vehicles and intelligent infrastructure systems and other similar activities that are necessary to carry out this subtitle.

(b) PRIORITY AREAS.—Under the program, the Secretary 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 information, 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 public transportation 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. RURAL INTERSTATE CORRIDOR COMMUNICATIONS STUDY.

(a) STUDY.—The Secretary, in cooperation with the Secretary of Commerce, State departments of transportation, and other appropriate State, regional, and local officials, shall conduct a study on feasibility of installing fiber optic cabling and wireless communication infrastructure along multistate Interstate System route corridors for improved communications services to rural communities along such corridors.

(b) CONTENTS OF STUDY.—In conducting the study, the Secretary shall identify—

(1) impediments to installation of the infrastructure described in subsection (a) along multistate Interstate System route corridors and to connecting such infrastructure to the rural communities along such corridors;

(2) the effective geographic range of such infrastructure;

(3) potential opportunities for the private sector to fund, wholly or partially, the installation of such infrastructure;

(4) potential benefits fiber optic cabling and wireless communication infrastructure may provide to rural communities along such corridors, including the effects of the installation of such infrastructure on economic development, deployment of intelligent transportation systems technologies and applications, homeland security precaution and response, and education and health systems in those communities;

(5) rural broadband access points for such infrastructure;

(6) areas of environmental conflict with such installation;

(7) real estate ownership issues relating to such installation;

(8) preliminary design for placement of fiber optic cable and wireless towers;

(9) monetary value of the rights-of-way necessary for such installation;

(10) applicability and transferability of the benefits of such installation to other rural corridors; and

(11) safety and other operational issues associated with the installation and maintenance of fiber optic cabling and wire infrastructure within Interstate System rights-of-way and other publicly owned rights-of-way.

(c) CORRIDOR LOCATIONS.—The study required under subsection (a) shall be conducted for corridors along—

(1) Interstate Route I–90 through rural Wisconsin, southern Minnesota, northern Iowa, and South Dakota;

(2) Interstate Route I–20 through Alabama, Mississippi, and northern Louisiana;

(3) Interstate Route I–91 through Vermont, New Hampshire, and Massachusetts; and

(4) any other rural corridor the Secretary considers appropriate.

(d) FEDERAL SHARE.—The Federal share of the cost of the study shall be 100 percent.

(e) REPORT TO CONGRESS.—Not later than September 30, 2006, the Secretary shall transmit to Congress a report on the results of the study, including any recommendations of the Secretary.

(f) FUNDING.—Of the amounts made available under section 5101(a)(5), $1,000,000 shall be

available for fiscal year 2005, and $2,000,000 for fiscal year 2006, to carry out this section.

SEC. 5609. REPEAL.

Subtitle C of title V of The Transportation Equity Act for the 21st Century (23 U.S.C. 502 note; 112 Stat. 452–463) is repealed.

TITLE VI—TRANSPORTATION PLANNING AND PROJECT DELIVERY

SEC. 6001. TRANSPORTATION PLANNING.

(a) IN GENERAL.—Subtitle III of title 49, United States Code, is amended by inserting after chapter 51 the following:

"CHAPTER 52—TRANSPORTATION PLANNING AND PROJECT DELIVERY

''SUBCHAPTER A—GENERAL PROVISIONS

''Sec.

''5201. Definitions.

''SUBCHAPTER B—TRANSPORTATION PLANNING AND PROJECT DELIVERY

''5211. Policy.

''5212. Definitions.

''5213. Metropolitan transportation planning.

''5214. Statewide transportation planning.

''SUBCHAPTER C—EFFICIENT ENVIRONMENTAL REVIEWS FOR PROJECT DECISIONMAKING

''5251. Definitions and applicability.

''5252. Project development procedures.

''SUBCHAPTER A—GENERAL PROVISIONS

"§ 5201. Definitions

''In this chapter, the following definitions apply:

''(1) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

''(2) STATE.—The term 'State' means a State of the United States, the District of Columbia, and Puerto Rico.

''SUBCHAPTER B—TRANSPORTATION PLANNING AND PROJECT DELIVERY

"§ 5211. Policy

''(a) IN GENERAL.—It is in the national interest to—

''(1) encourage and promote the safe and efficient management, operation, and development of surface transportation systems that will serve the mobility needs of people and freight and foster economic growth and development within and between States and urbanized areas, while minimizing transportation-related fuel consumption and air pollution through metropolitan and statewide transportation planning processes identified in this chapter; and

''(2) encourage the continued improvement and evolution of the metropolitan and statewide transportation planning processes by metropolitan planning organizations, State departments of transportation, and public transit operators as guided by the planning factors identified in sections 5213(f) and 5214(d).

''(b) COMMON TRANSPORTATION PLANNING PROGRAM.—This subchapter provides a common transportation planning program to be administered by the Federal Highway Administration and the Federal Transit Administration.

"§ 5212. Definitions

''(a) APPLICABILITY BY REFERENCE.—Unless otherwise specified in subsection (b), the definitions in section 101(a) of title 23 and section 5302 are applicable to this subchapter.

''(b) ADDITIONAL DEFINITIONS.—In this subchapter, the following definitions apply:

''(1) METROPOLITAN PLANNING AREA.—The term 'metropolitan planning area' means the geographic area determined by agreement between the metropolitan planning organization for the area and the Governor under section 5213(c).

''(2) METROPOLITAN PLANNING ORGANIZATION.—The term 'metropolitan planning organization' means the policy board of an organization created as a result of the designation process in section 5213(b).

''(3) NONMETROPOLITAN AREA.—The term 'nonmetropolitan area' means a geographic area outside designated metropolitan planning areas.

''(4) NONMETROPOLITAN LOCAL OFFICIAL.—The term 'nonmetropolitan local official' means elected and appointed officials of general purpose local government in a nonmetropolitan area with responsibility for transportation.

''(5) TIP.—The term 'TIP' means a transportation improvement program developed by a metropolitan planning organization under section 5213.

''(6) URBANIZED AREA.—The term 'urbanized area' means a geographic area with a population of 50,000 or more, as designated by the Bureau of the Census.

"§ 5213. Metropolitan transportation planning

''(a) GENERAL REQUIREMENTS.—

''(1) DEVELOPMENT OF LONG-RANGE PLANS AND TIPS.—To accomplish the objectives in section 5211, metropolitan planning organizations designated under subsection (b), in cooperation with the State and public transportation operators, shall develop long-range transportation plans and transportation improvement programs for metropolitan planning areas of the State.

''(2) CONTENTS.—The plans and TIPs for each metropolitan area shall provide for the development and integrated management and operation of transportation systems and facilities (including accessible pedestrian walkways and bicycle transportation facilities) that will function as an intermodal transportation system for the metropolitan planning area and as an integral part of an intermodal transportation system for the State and the United States.

''(3) PROCESS OF DEVELOPMENT.—The process for developing the plans and TIPs shall provide for consideration of all modes of transportation and shall be continuing, cooperative, and comprehensive to the degree appropriate, based on the complexity of the transportation problems to be addressed.

''(b) DESIGNATION OF METROPOLITAN PLANNING ORGANIZATIONS.—

''(1) IN GENERAL.—To carry out the transportation planning process required by this section, a metropolitan planning organization shall be designated for each urbanized area with a population of more than 50,000 individuals—

''(A) by agreement between the Governor and units of general purpose local government that together represent at least 75 percent of the affected population (including the largest incorporated city (based on population) as named by the Bureau of the Census); or

''(B) in accordance with procedures established by applicable State or local law.

''(2) STRUCTURE.—Each metropolitan planning organization that serves an area designated as a transportation management area, when designated or redesignated under this subsection, shall consist of—

''(A) local elected officials;

''(B) officials of public agencies that administer or operate major modes of transportation in the metropolitan area; and

''(C) appropriate State officials.

''(3) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this subsection shall be construed to interfere with the authority, under any State law in effect on December 18, 1991, of a public agency with multimodal transportation responsibilities to—

''(A) develop the plans and TIPs for adoption by a metropolitan planning organization; and

''(B) develop long-range capital plans, coordinate transit services and projects, and carry out other activities pursuant to State law.

''(4) CONTINUING DESIGNATION.—A designation of a metropolitan planning organization under this subsection or any other provision of law shall remain in effect until the metropolitan planning organization is redesignated under paragraph (5).

''(5) REDESIGNATION PROCEDURES.—A metropolitan planning organization may be redesignated by agreement between the Governor and units of general purpose local government that together represent at least 75 percent of the existing planning area population (including the largest incorporated city (based on population) as named by the Bureau of the Census) as appropriate to carry out this section.

''(6) DESIGNATION OF MORE THAN 1 METROPOLITAN PLANNING ORGANIZATION.—More than 1 metropolitan planning organization may be designated within an existing metropolitan planning area only if the Governor and the existing metropolitan planning organization determine that the size and complexity of the existing metropolitan planning area make designation of more than 1 metropolitan planning organization for the area appropriate.

''(c) METROPOLITAN PLANNING AREA BOUNDARIES.—

''(1) IN GENERAL.—For the purposes of this section, the boundaries of a metropolitan planning area shall be determined by agreement between the metropolitan planning organization and the Governor.

''(2) INCLUDED AREA.—Each metropolitan planning area—

''(A) shall encompass at least the existing urbanized area and the contiguous area expected to become urbanized within a 20-year forecast period for the transportation plan; and

''(B) may encompass the entire metropolitan statistical area or consolidated metropolitan statistical area, as defined by the Bureau of the Census.

''(3) IDENTIFICATION OF NEW URBANIZED AREAS WITHIN EXISTING PLANNING AREA BOUNDARIES.—The designation by the Bureau of the Census of new urbanized areas within an existing metropolitan planning area shall not require the redesignation of the existing metropolitan planning organization.

''(4) EXISTING METROPOLITAN PLANNING AREAS IN NONATTAINMENT.—Notwithstanding paragraph (2), in the case of an urbanized area designated as a nonattainment area for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.) as of the date of enactment of this paragraph, the boundaries of the metropolitan planning area in existence as of such date of enactment shall be retained; except that the boundaries may be adjusted by agreement of the Governor and affected metropolitan planning organizations in the manner described in subsection (b)(5).

''(5) NEW METROPOLITAN PLANNING AREAS IN NONATTAINMENT.—In the case of an urbanized area designated after the date of enactment of this paragraph as a nonattainment area for ozone or carbon monoxide, the boundaries of the metropolitan planning area—

''(A) shall be established in the manner described in subsection (b)(1);

''(B) shall encompass the areas described in paragraph (2)(A);

''(C) may encompass the areas described in paragraph (2)(B); and

''(D) may address any nonattainment area identified under the Clean Air Act for ozone or carbon monoxide.

''(d) COORDINATION IN MULTISTATE AREAS.—

''(1) IN GENERAL.—The Secretary shall encourage each Governor with responsibility for a portion of a multistate metropolitan area and the appropriate metropolitan planning organizations to provide coordinated transportation planning for the entire metropolitan area.

''(2) INTERSTATE COMPACTS.—The consent of Congress is granted to any 2 or more States—

''(A) to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative efforts and mutual assistance in support of activities authorized under this section as the activities pertain to interstate areas and localities within the States; and

''(B) to establish such agencies, joint or otherwise, as the States may determine desirable for making the agreements and compacts effective.

''(3) LAKE TAHOE REGION.—

''(A) DEFINITION.—In this paragraph, the term 'Lake Tahoe region' has the meaning given the term 'region' in subdivision (a) of article II

of the Tahoe Regional Planning Compact, as set forth in the first section of Public Law 96–551 (94 Stat. 3234).

''(B) TRANSPORTATION PLANNING PROCESS.—The Secretary shall—

''(i) establish with the Federal land management agencies that have jurisdiction over land in the Lake Tahoe region a transportation planning process for the region; and

''(ii) coordinate the transportation planning process with the planning process required of State and local governments under this section and section 5214.

''(C) INTERSTATE COMPACT.—

''(i) IN GENERAL.—Subject to clause (ii), notwithstanding subsection (b), to carry out the transportation planning process required by this section, the consent of Congress is granted to the States of California and Nevada to designate a metropolitan planning organization for the Lake Tahoe region, by agreement between the Governors of the States of California and Nevada and units of general purpose local government that together represent at least 75 percent of the affected population (including the central city or cities (as defined by the Bureau of the Census)), or in accordance with procedures established by applicable State or local law.

''(ii) INVOLVEMENT OF FEDERAL LAND MANAGEMENT AGENCIES.—

''(I) REPRESENTATION.—The policy board of a metropolitan planning organization designated under clause (i) shall include a representative of each Federal land management agency that has jurisdiction over land in the Lake Tahoe region.

''(II) FUNDING.—In addition to funds made available to the metropolitan planning organization under other provisions of title 23 and under chapter 53, not more than 1 percent of the funds allocated under section 202 of title 23 may be used to carry out the transportation planning process for the Lake Tahoe region under this subparagraph.

''(D) ACTIVITIES.—Highway projects included in transportation plans developed under this paragraph—

''(i) shall be selected for funding in a manner that facilitates the participation of the Federal land management agencies that have jurisdiction over land in the Lake Tahoe region; and

''(ii) may, in accordance with chapter 2 of title 23, be funded using funds allocated under section 202 of title 23.

''(e) MPO CONSULTATION IN PLAN AND TIP COORDINATION.—

''(1) NONATTAINMENT AREAS.—If more than 1 metropolitan planning organization has authority within a metropolitan area or an area which is designated as a nonattainment area for ozone or carbon monoxide under the Clean Air Act, each metropolitan planning organization shall consult with the other metropolitan planning organizations designated for such area and the State in the coordination of plans and TIPs required by this section.

''(2) TRANSPORTATION IMPROVEMENTS LOCATED IN MULTIPLE MPOS.—If a transportation improvement funded from the Highway Trust Fund or authorized under chapter 53 is located within the boundaries of more than 1 metropolitan planning area, the metropolitan planning organizations shall coordinate plans and TIPs regarding the transportation improvement.

''(3) RELATIONSHIP WITH OTHER PLANNING OFFICIALS.—The Secretary shall encourage each metropolitan planning organization to consult with those officials responsible for other types of planning activities that are affected by transportation in the area (including State and local planned growth, economic development, environmental protection, airport operations, and freight movements) or to coordinate its planning process, to the maximum extent practicable, with such planning activities. Under the metropolitan planning process, transportation plans and TIPs shall be developed with due consideration of other related planning activities within the metropolitan area, and the process shall provide for the design and delivery of transportation services within the metropolitan area that are provided by—

''(A) recipients of assistance under chapter 53;

''(B) governmental agencies and nonprofit organizations (including representatives of the agencies and organizations) that receive Federal assistance from a source other than the Department of Transportation to provide nonemergency transportation services; and

''(C) recipients of assistance under section 204 of title 23.

''(f) SCOPE OF PLANNING PROCESS.—

''(1) IN GENERAL.—The goals and objectives developed through the metropolitan planning process for a metropolitan planning area under this section shall address the following factors as they relate to the performance of the metropolitan area transportation systems:

''(A) Support of the economic vitality of the metropolitan area, especially by enabling global competitiveness, productivity, and efficiency.

''(B) Increases in the safety and security of the transportation system for motorized and nonmotorized users.

''(C) Increases in the accessibility and mobility of people and for freight.

''(D) Protection and enhancement of the environment, promotion of energy conservation, improvement of the quality of life, and promotion of consistency between transportation improvements and State and local planned growth and economic development patterns.

''(E) Enhancement of the integration and connectivity of the transportation system, across and between modes, for people and freight.

''(F) Promotion of efficient system management and operation.

''(G) Emphasis on the preservation of the existing transportation system.

''(2) FAILURE TO CONSIDER FACTORS.—The failure to consider any factor specified in paragraph (1) shall not be reviewable by any court under title 23 or this title, subchapter II of chapter 5 of title 5, or chapter 7 of title 5 in any matter affecting a transportation plan, a TIP, a project or strategy, or the certification of a planning process.

''(g) DEVELOPMENT OF TRANSPORTATION PLAN.—

''(1) IN GENERAL.—Each metropolitan planning organization shall prepare, and update no less frequently than every 4 years, a transportation plan for its metropolitan planning area in accordance with the requirements of this subsection.

''(2) TRANSPORTATION PLAN.—A transportation plan under this section shall be in a form that the Secretary determines to be appropriate and shall contain, at a minimum, the following:

''(A) An identification of transportation facilities (including major roadways, transit, multimodal and intermodal facilities, and intermodal connectors) that should function as an integrated metropolitan transportation system, giving emphasis to those facilities that serve important national and regional transportation functions. In formulating the transportation plan, the metropolitan planning organization shall consider factors described in subsection (f) as such factors relate to a 20-year forecast period.

''(B) A financial plan that demonstrates how the adopted transportation plan can be implemented, indicates resources from public and private sources that are reasonably expected to be made available to carry out the plan, and recommends any additional financing strategies for needed projects and programs. The financial plan may include, for illustrative purposes, additional projects that would be included in the adopted transportation plan if reasonable additional resources beyond those identified in the financial plan were available. For the purpose of developing the transportation plan, the metropolitan planning organization, transit operator, and State shall cooperatively develop estimates of funds that will be available to support plan implementation.

''(C) Operational and management strategies to improve the performance of existing transportation facilities to relieve vehicular congestion and maximize the safety and mobility of people and goods.

''(D) Capital investment and other strategies to preserve the existing and projected future metropolitan transportation infrastructure and provide for multimodal capacity increases based on regional priorities and needs.

''(E) Proposed transportation and transit enhancement activities.

''(3) COORDINATION WITH CLEAN AIR ACT AGENCIES.—In metropolitan areas which are in nonattainment for ozone or carbon monoxide under the Clean Air Act, the metropolitan planning organization shall coordinate the development of a transportation plan with the process for development of the transportation control measures of the State implementation plan required by the Clean Air Act.

''(4) PARTICIPATION BY INTERESTED PARTIES.—Before approving a transportation plan, each metropolitan planning organization shall provide citizens, affected public agencies, representatives of public transportation employees, freight shippers, providers of freight transportation services, private providers of transportation, representatives of users of public transportation, representatives of users of pedestrian walkways and bicycle transportation facilities, representatives of the disabled, and other interested parties with a reasonable opportunity to comment on the transportation plan, in a manner that the Secretary deems appropriate.

''(5) PUBLICATION.—A transportation plan involving Federal participation shall be published or otherwise made readily available by the metropolitan planning organization for public review and submitted for information purposes to the Governor at such times and in such manner as the Secretary shall establish.

''(6) SELECTION OF PROJECTS FROM ILLUSTRATIVE LIST.—Notwithstanding paragraph (2)(B), a State or metropolitan planning organization shall not be required to select any project from the illustrative list of additional projects included in the financial plan under paragraph (2)(B).

''(h) METROPOLITAN TIP.—

''(1) DEVELOPMENT.—

''(A) IN GENERAL.—In cooperation with the State and any affected public transportation operator, the metropolitan planning organization designated for a metropolitan area shall develop a TIP for the area for which the organization is designated.

''(B) OPPORTUNITY FOR COMMENT.—In developing the TIP, the metropolitan planning organization, in cooperation with the State and any affected public transportation operator, shall provide citizens, affected public agencies, representatives of public transportation employees, freight shippers, providers of freight transportation services, private providers of transportation, representatives of users of public transportation, representatives of the disabled, representatives of users of pedestrian walkways and bicycle facilities, and other interested parties with a reasonable opportunity to comment on the proposed TIP.

''(C) FUNDING ESTIMATES.—For the purpose of developing the TIP, the metropolitan planning organization, public transportation agency, and State shall cooperatively develop estimates of funds that are reasonably expected to be available to support program implementation.

''(D) UPDATING AND APPROVAL.—The TIP shall be updated at least once every 4 years and shall be approved by the metropolitan planning organization and the Governor.

''(2) CONTENTS.—

''(A) PRIORITY LIST.—The TIP shall include a priority list of proposed federally supported projects and strategies to be carried out within each 4-year period after the initial adoption of the TIP.

''(B) FINANCIAL PLAN.—The TIP shall include a financial plan that—

''(i) demonstrates how the TIP can be implemented;

''(ii) indicates resources from public and private sources that are reasonably expected to be available to carry out the program;

''(iii) identifies innovative financing techniques to finance projects, programs, and strategies; and

''(iv) may include, for illustrative purposes, additional projects that would be included in the approved TIP if reasonable additional resources beyond those identified in the financial plan were available.

''(C) DESCRIPTIONS.—Each project in the TIP shall include sufficient descriptive material (such as type of work, termini, length, and other similar factors) to identify the project or phase of the project.

''(D) CONGESTION RELIEF ACTIVITIES.—The TIP shall include a listing of congestion relief activities to be carried out to meet the requirements of section 139 of title 23, categorized as either under one or under three congestion relief activities.

''(3) INCLUDED PROJECTS.—

''(A) PROJECTS UNDER TITLE 23 AND CHAPTER 53.—A TIP developed under this subsection for a metropolitan area shall include the projects within the area that are proposed for funding under chapter 1 of title 23 and chapter 53.

''(B) PROJECTS UNDER CHAPTER 2 OF TITLE 23.—All projects proposed for funding under chapter 2 of title 23 shall be identified individually in the TIP.

''(C) CONSISTENCY WITH LONG-RANGE TRANSPORTATION PLAN.—Each project shall be consistent with the long-range transportation plan developed under subsection (g) for the area.

''(D) REQUIREMENT OF ANTICIPATED FULL FUNDING.—The program shall include a project, or an identified phase of a project, only if full funding can reasonably be anticipated to be available for the project within the time period contemplated for completion of the project.

''(4) NOTICE AND COMMENT.—Before approving a TIP, a metropolitan planning organization, in cooperation with the State and any affected public transportation operator, shall provide citizens, affected public agencies, representatives of public transportation employees, freight shippers, providers of freight transportation services, private providers of transportation, representatives of users of public transportation, representatives of the disabled, representatives of users of pedestrian walkways and bicycle facilities, and other interested parties with reasonable notice of and an opportunity to comment on the proposed program.

''(5) SELECTION OF PROJECTS.—

''(A) IN GENERAL.—Except as otherwise provided in subsection (i)(4) and in addition to the TIP development required under paragraph (1), the selection of federally funded projects in metropolitan areas shall be carried out, from the approved TIP—

''(i) by—

''(I) in the case of projects under title 23, the State; and

''(II) in the case of projects under chapter 53, the designated recipients of public transportation funding; and

''(ii) in cooperation with the metropolitan planning organization.

''(B) MODIFICATIONS TO PROJECT PRIORITY.—Notwithstanding any other provision of law, action by the Secretary shall not be required to advance a project included in the approved TIP in place of another project in the program.

''(6) SELECTION OF PROJECTS FROM ILLUSTRATIVE LIST.—

''(A) NO REQUIRED SELECTION.—Notwithstanding paragraph (2)(B)(iv), a State or metropolitan planning organization shall not be required to select any project from the illustrative list of additional projects included in the financial plan under paragraph (2)(B)(iv).

''(B) REQUIRED ACTION BY THE SECRETARY.—Action by the Secretary shall be required for a State or metropolitan planning organization to select any project from the illustrative list of additional projects included in the financial plan under paragraph (2)(B)(iv) for inclusion in an approved TIP.

''(7) PUBLICATION.—

''(A) PUBLICATION OF TIPS.—A TIP involving Federal participation shall be published or otherwise made readily available by the metropolitan planning organization for public review.

''(B) PUBLICATION OF ANNUAL LISTINGS OF PROJECTS.—An annual listing of projects for which Federal funds have been obligated in the preceding year shall be published or otherwise made available by the metropolitan planning organization for public review. The listing shall be consistent with the categories identified in the TIP.

''(i) TRANSPORTATION MANAGEMENT AREAS.—

''(1) IDENTIFICATION AND DESIGNATION.—

''(A) REQUIRED IDENTIFICATION.—The Secretary shall identify as a transportation management area each urbanized area (as defined by the Bureau of the Census) with a population of over 200,000 individuals.

''(B) DESIGNATIONS ON REQUEST.—The Secretary shall designate any additional area as a transportation management area on the request of the Governor and the metropolitan planning organization designated for the area.

''(2) TRANSPORTATION PLANS.—In a metropolitan planning area serving a transportation management area, transportation plans shall be based on a continuing and comprehensive transportation planning process carried out by the metropolitan planning organization in cooperation with the State and public transportation operators.

''(3) CONGESTION MANAGEMENT PROCESS.—Within a metropolitan planning area serving a transportation management area, the transportation planning process under this section shall address congestion management through a process that provides for effective management and operation, based on a cooperatively developed and implemented metropolitan-wide strategy, of new and existing transportation facilities eligible for funding under title 23 and chapter 53 through the use of travel demand reduction and operational management strategies and shall identify a sufficient number of congestion relief activities under section 139 of title 23 to meet the requirements of such section. The Secretary shall establish an appropriate phase-in schedule for compliance with the requirements of this section but no sooner than one year after the identification of a transportation management area.

''(4) SELECTION OF PROJECTS.—

''(A) IN GENERAL.—All federally funded projects carried out within the boundaries of a metropolitan planning area serving a transportation management area under title 23 (excluding projects carried out on the National Highway System and projects carried out under the bridge program or the Interstate maintenance program) or under chapter 53 shall be selected for implementation from the approved TIP by the metropolitan planning organization designated for the area in consultation with the State and any affected public transportation operator.

''(B) NATIONAL HIGHWAY SYSTEM PROJECTS.—Projects, carried out within the boundaries of a metropolitan planning area serving a transportation management area, on the National Highway System and projects carried out within such boundaries under the bridge program or the Interstate maintenance program under title 23 shall be selected for implementation from the approved TIP by the State in cooperation with the metropolitan planning organization designated for the area.

''(5) CERTIFICATION.—

''(A) IN GENERAL.—The Secretary shall—

''(i) ensure that the metropolitan planning process of a metropolitan planning organization serving a transportation management area is being carried out in accordance with applicable provisions of Federal law; and

''(ii) subject to subparagraph (B), certify, not less often than once every 4 years, that the requirements of this paragraph are met with respect to the metropolitan planning process.

''(B) REQUIREMENTS FOR CERTIFICATION.—The Secretary may make the certification under subparagraph (A) if—

''(i) the transportation planning process complies with the requirements of this section and other applicable requirements of Federal law; and

''(ii) there is a TIP for the metropolitan planning area that has been approved by the metropolitan planning organization and the Governor.

''(C) EFFECT OF FAILURE TO CERTIFY.—

''(i) WITHHOLDING OF PROJECT FUNDS.—If a metropolitan planning process of a metropolitan planning organization serving a transportation management area is not certified, the Secretary may withhold up to 20 percent of the funds attributable to the metropolitan planning area of the metropolitan planning organization for projects funded under title 23 and chapter 53.

''(ii) RESTORATION OF WITHHELD FUNDS.—The withheld funds shall be restored to the metropolitan planning area at such time as the metropolitan planning process is certified by the Secretary.

''(D) REVIEW OF CERTIFICATION.—In making certification determinations under this paragraph, the Secretary shall provide for public involvement appropriate to the metropolitan area under review.

''(j) ABBREVIATED PLANS FOR CERTAIN AREAS.—

''(1) IN GENERAL.—Subject to paragraph (2), in the case of a metropolitan area not designated as a transportation management area under this section, the Secretary may provide for the development of an abbreviated transportation plan and TIP for the metropolitan planning area that the Secretary determines is appropriate to achieve the purposes of this section, taking into account the complexity of transportation problems in the area.

''(2) NONATTAINMENT AREAS.—The Secretary may not permit abbreviated plans or TIPs for a metropolitan area that is in nonattainment for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.).

''(k) ADDITIONAL REQUIREMENTS FOR CERTAIN NONATTAINMENT AREAS.—

''(1) IN GENERAL.—Notwithstanding any other provisions of title 23 or chapter 53, for transportation management areas classified as nonattainment for ozone or carbon monoxide pursuant to the Clean Air Act, Federal funds may not be advanced in such area for any highway project that will result in a significant increase in the carrying capacity for single-occupant vehicles unless the project is addressed through a congestion management process.

''(2) APPLICABILITY.—This subsection applies to a nonattainment area within the metropolitan planning area boundaries determined under subsection (c).

''(l) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to confer on a metropolitan planning organization the authority to impose legal requirements on any transportation facility, provider, or project not eligible under title 23 or chapter 53.

''(m) FUNDING.—

''(1) SET-ASIDES.—Funds set aside under section 104(f) of title 23 or section 5305(h) shall be available to carry out this section.

''(2) OTHER FUNDING.—Funds made available under section 5338(c) shall be available to carry out this section.

''(n) CONTINUATION OF CURRENT REVIEW PRACTICE.—Since plans and TIPs described in this section are subject to a reasonable opportunity for public comment, individual projects included in plans and TIPs are subject to review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and decisions by

the Secretary concerning plans and TIPs described in this section have not been reviewed under such Act as of January 1, 1997, any decision by the Secretary concerning a plan or TIP described in this section shall not be considered to be a Federal action subject to review under such Act.

"§ 5214. Statewide transportation planning

''(a) GENERAL REQUIREMENTS.—

''(1) DEVELOPMENT OF PLANS AND PROGRAMS.—To accomplish the objectives stated in section 5211, each State shall develop a statewide transportation plan and a statewide transportation improvement program for all areas of the State subject to section 5213.

''(2) CONTENTS.—The statewide transportation plan and the transportation improvement program developed for each State shall provide for the development and integrated management and operation of transportation systems and facilities (including accessible pedestrian walkways and bicycle transportation facilities) that will function as an intermodal transportation system for the State and an integral part of an intermodal transportation system for the United States.

''(3) PROCESS OF DEVELOPMENT.—The process for developing the statewide plan and the transportation improvement program shall provide for consideration of all modes of transportation and the policies stated in section 5211, and shall be continuing, cooperative, and comprehensive to the degree appropriate, based on the complexity of the transportation problems to be addressed.

''(b) COORDINATION WITH METROPOLITAN PLANNING; STATE IMPLEMENTATION PLAN.—A State shall—

''(1) coordinate planning carried out under this section with the transportation planning activities carried out under section 5213 for metropolitan areas of the State and with statewide trade and economic development planning activities and related multistate planning efforts; and

''(2) develop the transportation portion of the State implementation plan as required by the Clean Air Act (42 U.S.C. 7401 et seq.).

''(c) INTERSTATE AGREEMENTS.—The consent of Congress is granted to 2 or more States entering into agreements or compacts, not in conflict with any law of the United States, for cooperative efforts and mutual assistance in support of activities authorized under this section related to interstate areas and localities in the States and establishing authorities the States consider desirable for making the agreements and compacts effective.

''(d) SCOPE OF PLANNING PROCESS.—

''(1) IN GENERAL.—Each State shall carry out a statewide transportation planning process that provides for consideration and implementation of projects, strategies, and services that will—

''(A) support the economic vitality of the United States, the States, nonmetropolitan areas, and metropolitan areas, especially by enabling global competitiveness, productivity, and efficiency;

''(B) increase the safety and security of the transportation system for motorized and nonmotorized users;

''(C) increase the accessibility and mobility of people and freight;

''(D) protect and enhance the environment, promote energy conservation, improve the quality of life, and promote consistency between transportation improvements and State and local planned growth and economic development patterns;

''(E) enhance the integration and connectivity of the transportation system, across and between modes throughout the State, for people and freight;

''(F) promote efficient system management and operation; and

''(G) emphasize the preservation of the existing transportation system.

''(2) FAILURE TO CONSIDER FACTORS.—The failure to consider any factor specified in paragraph (1) shall not be reviewable by any court under title 23 or this title, subchapter II of chapter 5 of title 5, or chapter 7 of title 5 in any matter affecting a statewide transportation plan, the transportation improvement program, a project or strategy, or the certification of a planning process.

''(e) ADDITIONAL REQUIREMENTS.—In carrying out planning under this section, each State shall consider, at a minimum—

''(1) with respect to nonmetropolitan areas, the concerns of affected local officials with responsibility for transportation;

''(2) the concerns of Indian tribal governments and Federal land management agencies that have jurisdiction over land within the boundaries of the State; and

''(3) coordination of transportation plans, the transportation improvement program, and planning activities with related planning activities being carried out outside of metropolitan planning areas and between States.

''(f) LONG-RANGE STATEWIDE TRANSPORTATION PLAN.—

''(1) DEVELOPMENT.—Each State shall develop a long-range statewide transportation plan, with a minimum 20-year forecast period for all areas of the State, that provides for the development and implementation of the intermodal transportation system of the State.

''(2) CONSULTATION WITH GOVERNMENTS.—

''(A) METROPOLITAN AREAS.—The statewide transportation plan shall be developed for each metropolitan area in the State in cooperation with the metropolitan planning organization designated for the metropolitan area under section 5213.

''(B) NONMETROPOLITAN AREAS.—With respect to nonmetropolitan areas, the statewide transportation plan shall be developed in consultation with affected nonmetropolitan officials with responsibility for transportation. The Secretary shall not review or approve the consultation process in each State.

''(C) INDIAN TRIBAL AREAS.—With respect to each area of the State under the jurisdiction of an Indian tribal government, the statewide transportation plan shall be developed in consultation with the tribal government and the Secretary of the Interior.

''(3) PARTICIPATION BY INTERESTED PARTIES.—In developing the statewide transportation plan, the State shall—

''(A) provide citizens, affected public agencies, representatives of public transportation employees, freight shippers, private providers of transportation, representatives of users of public transportation, representatives of users of pedestrian walkways and bicycle transportation facilities, representatives of the disabled, providers of freight transportation services, and other interested parties with a reasonable opportunity to comment on the proposed plan; and

''(B) identify transportation strategies necessary to efficiently serve the mobility needs of people.

''(4) FINANCIAL PLAN.—The statewide transportation plan may include a financial plan that demonstrates how the adopted statewide transportation plan can be implemented, indicates resources from public and private sources that are reasonably expected to be made available to carry out the plan, and recommends any additional financing strategies for needed projects and programs. The financial plan may include, for illustrative purposes, additional projects that would be included in the adopted statewide transportation plan if reasonable additional resources beyond those identified in the financial plan were available.

''(5) SELECTION OF PROJECTS FROM ILLUSTRATIVE LIST.—A State shall not be required to select any project from the illustrative list of additional projects included in the financial plan described in paragraph (4).

''(6) EXISTING SYSTEM.—The statewide transportation plan should include capital, operations and management strategies, investments, procedures, and other measures to ensure the preservation and most efficient use of the existing transportation system.

''(g) STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM.—

''(1) DEVELOPMENT.—Each State shall develop a statewide transportation improvement program for all areas of the State.

''(2) CONSULTATION WITH GOVERNMENTS.—

''(A) METROPOLITAN AREAS.—With respect to each metropolitan area in the State, the program shall be developed in cooperation with the metropolitan planning organization designated for the metropolitan area under section 5213.

''(B) NONMETROPOLITAN AREAS.—With respect to each nonmetropolitan area in the State, the program shall be developed in consultation with affected nonmetropolitan local officials with responsibility for transportation. The Secretary shall not review or approve the specific consultation process in the State.

''(C) INDIAN TRIBAL AREAS.—With respect to each area of the State under the jurisdiction of an Indian tribal government, the program shall be developed in consultation with the tribal government and the Secretary of the Interior.

''(3) PARTICIPATION BY INTERESTED PARTIES.—In developing the program, the State shall provide citizens, affected public agencies, representatives of public transportation employees, freight shippers, private providers of transportation, providers of freight transportation services, representatives of users of public transportation, representatives of users of pedestrian walkways and bicycle transportation facilities, representatives of the disabled, and other interested parties with a reasonable opportunity to comment on the proposed program.

''(4) INCLUDED PROJECTS.—

''(A) IN GENERAL.—A transportation improvement program developed under this subsection for a State shall include federally supported surface transportation expenditures within the boundaries of the State.

''(B) PROJECTS UNDER CHAPTER 2 OF TITLE 23.—All projects proposed for funding under chapter 2 of title 23 shall be identified individually in the transportation improvement program.

''(C) CONSISTENCY WITH STATEWIDE TRANSPORTATION PLAN.—Each project shall be—

''(i) consistent with the statewide transportation plan developed under this section for the State;

''(ii) identical to the project or phase of the project as described in an approved metropolitan transportation plan; and

''(iii) in conformance with the applicable State air quality implementation plan developed under the Clean Air Act (42 U.S.C. 7401 et seq.), if the project is carried out in an area designated as nonattainment for ozone or carbon monoxide under that Act.

''(D) REQUIREMENT OF ANTICIPATED FULL FUNDING.—The transportation improvement program shall include a project, or an identified phase of a project, only if full funding can reasonably be anticipated to be available for the project within the time period contemplated for completion of the project.

''(E) FINANCIAL PLAN.—The transportation improvement program may include a financial plan that demonstrates how the approved transportation improvement program can be implemented, indicates resources from public and private sources that are reasonably expected to be made available to carry out the transportation improvement program, and recommends any additional financing strategies for needed projects and programs. The financial plan may include, for illustrative purposes, additional projects that would be included in the adopted transportation plan if reasonable additional resources beyond those identified in the financial plan were available.

''(F) SELECTION OF PROJECTS FROM ILLUSTRATIVE LIST.—

''(i) NO REQUIRED SELECTION.—Notwithstanding subparagraph (E), a State shall not be required to select any project from the illustrative list of additional projects included in the financial plan under subparagraph (E).

''(ii) REQUIRED ACTION BY THE SECRETARY.—Action by the Secretary shall be required for a State to select any project from the illustrative list of additional projects included in the financial plan under subparagraph (E) for inclusion in an approved transportation improvement program.

''(G) PRIORITIES.—The transportation improvement program shall reflect the priorities for programming and expenditures of funds, including transportation enhancement activities, required by title 23 and chapter 53.

''(H) PRIORITIZATION OF CONGESTION RELIEF ACTIVITIES.—The transportation improvement program shall reflect the priorities for congestion relief activities included in the metropolitan transportation plan to meet the requirements of section 139 of title 23.

''(5) PROJECT SELECTION FOR AREAS OF LESS THAN 50,000 POPULATION.—Projects carried out in areas with populations of less than 50,000 individuals shall be selected, from the approved transportation improvement program (excluding projects carried out on the National Highway System and projects carried out under the bridge program or the Interstate maintenance program under title 23 or sections 5310, 5311, 5316, and 5317), by the State in cooperation with the affected nonmetropolitan local officials with responsibility for transportation. Projects carried out in areas with populations of less than 50,000 individuals on the National Highway System or under the bridge program or the Interstate maintenance program under title 23 or under sections 5310, 5311, 5316, and 5317 shall be selected, from the approved statewide transportation improvement program, by the State in consultation with the affected nonmetropolitan local officials with responsibility for transportation.

''(6) TRANSPORTATION IMPROVEMENT PROGRAM APPROVAL.—Every 4 years, a transportation improvement program developed under this subsection shall be reviewed and approved by the Secretary if based on a current planning finding.

''(7) PLANNING FINDING.—A finding shall be made by the Secretary at least every 4 years that the transportation planning process through which statewide transportation plans and programs are developed is consistent with this section and section 5213.

''(8) MODIFICATIONS TO PROJECT PRIORITY.—Notwithstanding any other provision of law, action by the Secretary shall not be required to advance a project included in the approved transportation improvement program in place of another project in the program.

''(h) FUNDING.—

''(1) SET-ASIDE.—Funds set aside pursuant to section 104(i) of title 23 shall be available to carry out this section.

''(2) OTHER FUNDING.—Funds made available under section 5338(c) shall be available to carry out this section.

''(i) TREATMENT OF CERTAIN STATE LAWS AS CONGESTION MANAGEMENT PROCESSES.—For purposes of this section and section 5213, State laws, rules, or regulations pertaining to congestion management systems or programs may constitute the congestion management process under section 5213(i)(3) if the Secretary finds that the State laws, rules, or regulations are consistent with, and fulfill the intent of, the purposes of section 5213, as appropriate.

''(j) CONTINUATION OF CURRENT REVIEW PRACTICE.—Since the statewide transportation plan and the transportation improvement program described in this section are subject to a reasonable opportunity for public comment, since individual projects included in the statewide transportation plans and the transportation improvement program are subject to review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and since decisions by the Secretary concerning statewide transportation plans or the transportation improvement program described in this section have not been reviewed under such Act as of January 1, 1997, any decision by the Secretary concerning a metropolitan or statewide transportation plan or the transportation improvement program described in this section shall not be considered to be a Federal action subject to review under such Act.''.

(b) CONFORMING AMENDMENT.—The analysis for such subtitle is amended by inserting the following after the item relating to chapter 51:

''52. TRANSPORTATION PLANNING AND PROJECT DELIVERY ..... 5201''.

SEC. 6002. EFFICIENT ENVIRONMENTAL REVIEWS FOR PROJECT DECISIONMAKING.

(a) POLICY AND PURPOSE.—

(1) POLICY.—The Enlibra principles, as initially developed by the Western Governors Association and adopted by the National Governors Association, represent a sound basis for interaction among the Federal, State, local governments, and Indian tribes on environmental matters and should be followed in the development of highway construction and public transit improvements. These principles are as follows:

(A) Assign responsibilities at the right level.

(B) Use collaborative processes to break down barriers and find solutions.

(C) Move to a performance-based system.

(D) Separate subjective choices from objective data gathering.

(E) Pursue economic incentives whenever appropriate.

(F) Ensure environmental understanding.

(G) Make sure environmental decisions are fully informed.

(H) Use appropriate geographic boundaries for environmental problems.

(2) PURPOSE.—The purpose of this section is to reduce delays in the delivery of highway construction and public transportation capital projects arising from the environmental review process, while continuing to ensure the protection of the human and natural environment.

(b) PROJECT DEVELOPMENT PROCEDURES.—Chapter 52 of title 49, United States Code, as added by section 6001 of this Act, is amended by adding at the end the following:

''SUBCHAPTER C—EFFICIENT ENVIRONMENTAL REVIEWS FOR PROJECT DECISIONMAKING

''§ 5251. Definitions and applicability

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

''(1) AGENCY.—The term 'agency' means any agency, department, or other unit of Federal, State, local, or Indian tribal government.

''(2) ENVIRONMENTAL IMPACT STATEMENT.—The term 'environmental impact statement' means the detailed statement of environmental impacts required to be prepared under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

''(3) ENVIRONMENTAL REVIEW PROCESS.—

''(A) IN GENERAL.—The term 'environmental review process' means the process for preparing for a project an environmental impact statement, environmental assessment, categorical exclusion, or other document prepared under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

''(B) INCLUSIONS.—The term includes the process for and completion of any environmental permit, approval, review, or study required for a project under any Federal law other than the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

''(4) LEAD AGENCY.—The term 'lead agency' means the Department of Transportation and, if applicable, any State or local governmental entity serving as a joint lead agency pursuant to this section.

''(5) MULTIMODAL PROJECT.—The term 'multimodal project' means a project funded, in whole or in part, under title 23 or chapter 53 and involving the participation of more than one Department of Transportation administration or agency.

''(6) PROJECT.—The term 'project' means any highway project, public transportation capital project, or multimodal project that requires the approval of the Secretary.

''(7) PROJECT SPONSOR.—The term 'project sponsor' means the agency or other entity, including any private or public-private entity, that seeks approval of the Secretary for a project.

''(8) STATE TRANSPORTATION DEPARTMENT.—The term 'State transportation department' means any statewide agency of a State with responsibility for one or more modes of transportation.

''(b) APPLICABILITY.—This subchapter is applicable to all projects for which an environmental impact statement is prepared under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). This subchapter may be applied, to the extent determined appropriate by the Secretary, to other projects for which an environmental document is prepared pursuant to such Act. Any authorities granted in this subchapter may be exercised for a project, class of projects, or program of projects.

''§ 5252. Project development procedures

''(a) LEAD AGENCIES.—

''(1) FEDERAL LEAD AGENCY.—The Department of Transportation shall be the Federal lead agency in the environmental review process for a project.

''(2) PROJECT SPONSOR AS JOINT LEAD AGENCY.—Any project sponsor that is a State or local governmental entity receiving funds under title 23 or chapter 53 for the project shall serve as a joint lead agency with the Department for purposes of preparing any environmental document under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and may prepare any such environmental document required in support of any action or approval by the Secretary if the Federal lead agency furnishes guidance in such preparation and independently evaluates such document and the document is approved and adopted by the Secretary prior to the Secretary taking any subsequent action or making any approval based on such document, whether or not the Secretary's action or approval results in Federal funding.

''(3) ENSURING COMPLIANCE.—The Secretary shall ensure that the project sponsor complies with all design and mitigation commitments made jointly by the Secretary and the project sponsor in any environmental document prepared by the project sponsor in accordance with this subsection and that such document is appropriately supplemented if project changes become necessary.

''(4) ADOPTION AND USE OF DOCUMENTS.—Any environmental document prepared in accordance with this subsection may be adopted or used by any Federal agency making any approval to the same extent that such Federal agency could adopt or use a document prepared by another Federal agency.

''(b) PARTICIPATING AGENCIES.—

''(1) IN GENERAL.—The lead agency shall be responsible for inviting and designating participating agencies in accordance with this subsection.

''(2) INVITATION.—The lead agency shall identify, as early as practicable in the environmental review process for a project, any other Federal and non-Federal agencies that may have an interest in the project, and shall invite such agencies to become participating agencies in the environmental review process for the project. The invitation shall set a deadline for responses to be submitted. The deadline may be extended by the lead agency for good cause.

''(3) FEDERAL PARTICIPATING AGENCIES.—Any Federal agency that is invited by the lead agency to participate in the environmental review

process for a project shall be designated as a participating agency by the lead agency unless the invited agency informs the lead agency, in writing, by the deadline specified in the invitation that the invited agency—

''(A) has no jurisdiction or authority with respect to the project;

''(B) has no expertise or information relevant to the project; and

''(C) does not intend to submit comments on the project.

''(4) EFFECT OF DESIGNATION.—Designation as a participating agency under this subsection shall not imply that the participating agency—

''(A) supports a proposed project; or

''(B) has any jurisdiction over, or special expertise with respect to evaluation of, the project.

''(5) COOPERATING AGENCY.—A participating agency may also be designated by a lead agency as a 'cooperating agency' under the regulations contained in part 1500 of title 40, Code of Federal Regulations.

''(6) DESIGNATIONS FOR CATEGORIES OF PROJECTS.—The Secretary may exercise the authorities granted under this subsection for a project, class of projects, or program of projects.

''(c) PROJECT INITIATION.—

''(1) IN GENERAL.—The project sponsor shall initiate the environmental review process for a project by submitting an initiation notice to the Secretary.

''(2) CONTENTS OF NOTICE.—The initiation notice shall include, at a minimum, a brief description of the type of work, termini, length, and general location of the proposed project, together with a statement of any Federal approvals anticipated to be needed for the project.

''(d) PURPOSE AND NEED.—

''(1) PARTICIPATION.—As early as practicable during the environmental review process, the lead agency shall provide an opportunity for involvement by participating agencies and the public in defining the purpose and need for a project.

''(2) DEFINITION.—Following participation under paragraph (1), the lead agency shall define the project's purpose and need for purposes of any document which the lead agency is responsible for preparing for the project.

''(3) OBJECTIVES.—The statement of purpose and need shall include a clear statement of the objectives that the proposed action is intended to achieve, which may include—

''(A) achieving a transportation objective identified in an applicable statewide or metropolitan transportation plan;

''(B) supporting land use, economic development, or growth objectives established in applicable Federal, State, local, or tribal plans; and

''(C) serving national defense, national security, or other national objectives, as established in Federal laws, plans, or policies.

''(e) ALTERNATIVES ANALYSIS.—

''(1) PARTICIPATION.—As early as practicable during the environmental review process, the lead agency shall provide an opportunity for involvement by participating agencies and the public in determining the range of alternatives to be considered for a project.

''(2) RANGE OF ALTERNATIVES.—Following participation under paragraph (1), the lead agency shall determine the range of alternatives for consideration in any document which the lead agency is responsible for preparing for the project.

''(3) METHODOLOGIES.—The lead agency also shall determine, in collaboration with participating agencies at appropriate times during the study process, the methodologies to be used and the level of detail required in the analysis of each alternative for a project.

''(4) PREFERRED ALTERNATIVE.—At the discretion of the lead agency, the preferred alternative for a project, after being identified, may be developed to a higher level of detail than other alternatives in order to facilitate the development of mitigation measures or concurrent compliance with other applicable laws if the lead agency determines that the development of such higher level of detail will not prevent the lead agency from making an impartial decision as to whether to accept another alternative which is being considered in the environmental review process.

''(f) COMMENT DEADLINES.—The lead agency shall establish the following deadlines for comment during the environmental review process for a project:

''(1) For comments by agencies and the public on a draft environmental impact statement, a period of no more than 60 days from the date of public availability of such document, unless—

''(A) a different deadline is established by agreement of the lead agency, the project sponsor, and all participating agencies; or

''(B) the deadline is extended by the lead agency for good cause.

''(2) For all other comment periods established by the lead agency for agency or public comments in the environmental review process, a period of no more than 30 days from availability of the materials on which comment is requested, unless—

''(A) a different deadline is established by agreement of the lead agency, the project sponsor, and all participating agencies; or

''(B) the deadline is extended by the lead agency for good cause.

''(g) ISSUE IDENTIFICATION AND RESOLUTION.—

''(1) COOPERATION.—The lead agency and the participating agencies shall work cooperatively in accordance with this section to identify and resolve issues that could delay completion of the environmental review process or could result in denial of any approvals required for the project under applicable laws.

''(2) LEAD AGENCY RESPONSIBILITIES.—The lead agency shall make information available to the participating agencies as early as practicable in the environmental review process regarding the environmental and socioeconomic resources located within the project area and the general locations of the alternatives under consideration. Such information may be based on existing data sources, including geographic information systems mapping.

''(3) PARTICIPATING AGENCY RESPONSIBILITIES.—Based on information received from the lead agency, participating agencies shall identify, as early as practicable, any issues of concern regarding the project's potential environmental or socioeconomic impacts. In this paragraph, issues of concern include any issues that could substantially delay or prevent an agency from granting a permit or other approval that is needed for the project.

''(4) ISSUE RESOLUTION.—Whenever issues of concern are identified or at any time upon request of a project sponsor, the lead agency shall promptly convene a meeting with the relevant participating agencies. If a resolution cannot be achieved within 30 days following such a meeting and a determination by the lead agency that all information necessary to resolve the issue has been obtained, the lead agency shall notify the heads of all Federal agencies involved in the meeting and the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives and shall publish such notification in the Federal Register.

''(h) PARTICIPATION OF STATE AGENCIES.—For any project eligible for assistance under title 23 or chapter 53, a State may require, under procedures established by State law, that all State agencies that have jurisdiction by State or Federal law over environmental-related issues that may be affected by the project, or that are required to issue any environmental-related reviews, analyses, opinions, or determinations on issuing any permits, licenses, or approvals for the project, be subject to the coordinated environmental review process established under this section unless the Secretary determines that a State agency's participation would not be in the public interest. A State participating in the review process must require all State agencies with jurisdiction to be subject to and comply with the review process to the same extent as a Federal agency.

''(i) ASSISTANCE TO AFFECTED STATE AND FEDERAL AGENCIES.—

''(1) IN GENERAL.—For a project that is subject to the environmental review process established under this section and for which funds are made available to a State under title 23 or chapter 53, the Secretary may approve a request by the State to provide funds so made available to affected Federal agencies (including the Department of Transportation), State agencies, and Indian tribes participating in the environmental review process for the project. Such funds may be provided only to support activities that directly and meaningfully contribute to expediting and improving transportation project planning and delivery. Such activities may include dedicated staffing, training of agency personnel, information gathering and mapping, and development of programmatic agreements. The Secretary may also use funds made available under section 204 of title 23 for a project for the purposes specified in this subsection with respect to the environmental review process for the project.

''(2) AMOUNTS.—Requests under paragraph (1) may be approved only for the additional amounts that the Secretary determines are necessary for the Federal agencies, State agencies, or Indian tribes participating in the environmental review process to meet the time limits for environmental review.

''(3) CONDITION.—A request under paragraph (1) to expedite time limits for environmental review may be approved only if such time limits are less than the customary time necessary for such review.

''(j) JUDICIAL REVIEW AND SAVINGS CLAUSE.—

''(1) JUDICIAL REVIEW.—Except as set forth under subsection (k), nothing in this section shall affect the reviewability of any final Federal agency action in a court of the United States.

''(2) SAVINGS CLAUSE.—Nothing in this section shall be construed as superseding, amending, or modifying the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) or any other Federal environmental statute or affect the responsibility of any Federal officer to comply with or enforce any such statute.

''(3) LIMITATIONS.—Nothing in this section shall preempt or interfere with—

''(A) any practice of seeking, considering, or responding to public comment; or

''(B) any power, jurisdiction, responsibility, or authority that a Federal, State, or local government agency, metropolitan planning organization, Indian tribe, or project sponsor has with respect to carrying out a project or any other provisions of law applicable to projects, plans, or programs.

''(k) LIMITATIONS ON CLAIMS.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, a claim arising under Federal law seeking judicial review of a permit, license, or approval issued by a Federal agency for a highway or public transportation capital project shall be barred unless it is filed within 90 days after the permit, license, or approval is final pursuant to the law under which the agency action is taken, unless a shorter time is specified in the Federal law pursuant to which judicial review is allowed. Nothing in this subsection shall create a right to judicial review or place any limit on filing a claim that a person has violated the terms of a permit, license, or approval.

''(2) NEW INFORMATION.—The Secretary shall consider new information received after the close of a comment period if the information satisfies the requirements for a supplemental environmental impact statement under section 771.130 of title 23, Code of Federal Regulations. The preparation of a supplemental environmental impact statement when required shall be considered a separate final agency action and the deadline for filing a claim for judicial review

of such action shall be 90 days after the date of such action.''.

(c) REPEAL.—Section 1309 of the Transportation Equity Act for the 21st Century (112 Stat. 232) is repealed.

SEC. 6003. POLICY ON HISTORIC SITES.

(a) TITLE 49.—Section 303 of title 49, United States Code, is amended by adding at the end the following:

''(d) SPECIAL RULES FOR HISTORIC SITES.—

''(1) IN GENERAL.—The requirements of this section are deemed to be satisfied in any case in which the treatment of a historic site has been agreed upon in accordance with section 106 of the National Historic Preservation Act (16 U.S.C. 470f) and the agreement includes a determination that the program or project will not have an adverse effect on the historic site.

''(2) LIMITATION ON APPLICABILITY.—This subsection does not apply in any case in which the Advisory Council on Historic Preservation determines, concurrent with or prior to the conclusion of section 106 consultation, that allowing section 106 compliance to satisfy the requirements of this section would be inconsistent with the objectives of the National Historic Preservation Act. The Council shall make such a determination if petitioned to do so by a section 106 consulting party, unless the Council affirmatively finds that the views of the requesting party have been adequately considered and that section 106 compliance will adequately protect historic properties.

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

''(A) SECTION 106 CONSULTATION.—The term 'section 106 consultation' means the consultation process required under section 106 of the National Historic Preservation Act (16 U.S.C. 470f).

''(B) ADVERSE EFFECT.—The term 'adverse effect' means altering, directly or indirectly, any of the characteristics of a historic property that qualify the property for inclusion in the National Register in a manner that would diminish the integrity of the property's location, design, setting, materials, workmanship, feeling, or association.''.

(b) TITLE 23.—Section 138 of title 23, United States Code is amended—

(1) by inserting ''(a) POLICY.—'' before ''It is''; and

(2) by striking ''In carrying'' and inserting the following:

''(c) STUDIES.—In carrying''; and

(3) by inserting after subsection (a) (as designated by paragraph (1)) the following:

''(b) SPECIAL RULES FOR HISTORIC SITES.—

''(1) IN GENERAL.—The requirements of this section are deemed to be satisfied in any case in which the treatment of a historic site has been agreed upon in accordance with section 106 of the National Historic Preservation Act (16 U.S.C. 470f) and the agreement includes a determination that the program or project will not have an adverse effect on the historic site.

''(2) LIMITATION ON APPLICABILITY.—This subsection does not apply in any case in which the Advisory Council on Historic Preservation determines, concurrent with or prior to the conclusion of section 106 consultation, that allowing section 106 compliance to satisfy the requirements of this section would be inconsistent with the objectives of the National Historic Preservation Act. The Council shall make such a determination if petitioned to do so by a section 106 consulting party, unless the Council affirmatively finds that the views of the requesting party have been adequately considered and that section 106 compliance will adequately protect historic properties.

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

''(A) SECTION 106 CONSULTATION.—The term 'section 106 consultation' means the consultation process required under section 106 of the National Historic Preservation Act (16 U.S.C. 470f).

''(B) ADVERSE EFFECT.—The term 'adverse effect' means altering, directly or indirectly, any of the characteristics of a historic property that qualify the property for inclusion in the National Register in a manner that would diminish the integrity of the property's location, design, setting, materials, workmanship, feeling, or association.''.

SEC. 6004. EXEMPTION OF INTERSTATE SYSTEM.

Section 103(c) of title 23, United States Code, is amended by adding at the end the following:

''(5) EXEMPTION OF INTERSTATE SYSTEM.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the Interstate System shall not be considered to be a historic site under section 303 of title 49 or section 138 of this title, regardless of whether the Interstate System or portions of the Interstate System are listed on, or eligible for listing on, the National Register of Historic Places.

''(B) INDIVIDUAL ELEMENTS.—Subject to subparagraph (C), a portion of the Interstate System that possesses an independent feature of historic significance (such as a historic bridge or a highly significant engineering feature) that is listed on, or eligible for listing on, the National Register of Historic Places, shall be considered to be a historic site under section 303 of title 49 or section 138 of this title, as applicable.

''(C) CONSTRUCTION, MAINTENANCE, RESTORATION, AND REHABILITATION ACTIVITIES.—Subparagraph (B) does not prohibit a State from carrying out construction, maintenance, restoration, or rehabilitation activities for a portion of the Interstate System referred to in subparagraph (B) upon compliance with section 303 of title 49 or section 138 of this title, as applicable, and section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470f).''.

TITLE VII—HAZARDOUS MATERIALS TRANSPORTATION

SEC. 7001. AMENDMENT OF TITLE 49, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

SEC. 7002. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds with respect to hazardous materials transportation that—

(1) approximately 4,000,000,000 tons of regulated hazardous materials are transported each year and approximately 1,200,000 movements of hazardous materials occur each day, according to Department of Transportation estimates;

(2) the movement of hazardous materials in commerce is necessary to maintain economic vitality and meet consumer demands and must be conducted in a safe and efficient manner;

(3) accidents involving, or unauthorized access to, hazardous materials in transportation may result in a release of such materials and pose a serious threat to public health and safety;

(4) many States and localities have enacted laws and regulations that vary from Federal laws and regulations pertaining to the transportation of hazardous materials, thereby creating the potential for unreasonable hazards in other jurisdictions and confounding shippers and carriers that attempt to comply with multiple regulatory requirements;

(5) because of the potential risks to life, property, and the environment posed by unintentional releases of hazardous materials, consistency in laws and regulations governing the transportation of hazardous materials is necessary and desirable;

(6) in order to achieve greater uniformity and to promote the public health, welfare, and safety at all levels, Federal standards for regulating the transportation of hazardous materials in intrastate, interstate, and foreign commerce are necessary and desirable; and

(7) in order to provide reasonable, adequate, and cost-effective protection from the risks posed by the transportation of hazardous materials, a network of well-trained State and local emergency response personnel and hazmat employees is essential.

(b) PURPOSE.—The text of section 5101 is amended to read as follows: ''The purpose of this chapter is to protect against the risks to life, property, and the environment that are inherent in the transportation of hazardous material in intrastate, interstate, and foreign commerce.''.

SEC. 7003. DEFINITIONS.

Section 5102 is amended—

(1) in paragraph (1)—

(A) by striking ''or'' at the end of subparagraph (A);

(B) by striking the period at the end of subparagraph (B) and inserting ''; or''; and

(C) by inserting at the end the following:

''(C) on a United States registered aircraft.'';

(2) by redesignating paragraphs (11), (12), and (13) as paragraphs (12), (13), and (14), respectively; and

(3) by inserting after paragraph (10) the following:

''(11) 'Secretary' means the Secretary of Transportation.''.

SEC. 7004. GENERAL REGULATORY AUTHORITY.

(a) TECHNICAL AMENDMENTS.—Section 5103(a) is amended—

(1) by striking ''etiologic agent,'' and inserting ''infectious substance,''; and

(2) by striking ''poison,'' and inserting ''toxic,''.

(b) REGULATIONS FOR SAFE TRANSPORTATION.—Section 5103(b)(1)(A) is amended—

(1) in clause (i) by striking ''transporting'' and inserting ''that transports'';

(2) in clause (ii)—

(A) by striking ''causing'' and inserting ''that causes''; and

(B) by striking ''or'' at the end; and

(3) by striking clause (iii) and inserting the following:

''(iii) that designs, manufactures, fabricates, inspects, marks, maintains, reconditions, repairs, or tests a package or container that is represented, marked, certified, or sold by that person as qualified for use in transporting hazardous material in commerce;

''(iv) that prepares or accepts hazardous material for transportation in commerce;

''(v) that is responsible for the safety of transporting hazardous material in commerce;

''(vi) that certifies compliance with any requirement of this chapter; or

''(vii) that misrepresents whether the person is engaged in any of the activities described in this subparagraph; and''.

(c) TECHNICAL AMENDMENT.—Section 5103(b) is amended—

(1) by moving subparagraph (C) from the end of paragraph (1) and inserting it after paragraph (2);

(2) by redesignating such subparagraph as paragraph (3); and

(3) by moving such paragraph (3) 2 ems to the left.

SEC. 7005. CHEMICAL OR BIOLOGICAL MATERIALS.

Section 5103a(c) is amended—

(1) in paragraph (2) by striking ''this subsection'' and inserting ''paragraph (1)''; and

(2) by adding at the end the following:

''(3) STANDARDS.—The Secretary shall prescribe by regulation uniform standards (including standards used to disqualify applicants) governing—

''(A) the collection by States of background information authorized by paragraph (1);

''(B) the collection, transmission, and review of background information; and

''(C) the notification of an applicant of the results of the background check.

''(4) FEES.—A State may impose and collect an appropriate fee to carry out paragraph (1) consistent with section 5125(f).

''(5) OPERATORS REGISTERED IN MEXICO AND CANADA.—No operator of a commercial motor vehicle (as defined in section 31101) licensed in Mexico or Canada may operate in the United States a commercial motor vehicle transporting hazardous material until the operator has undergone a background records check similar to the background records check required of operators of commercial motor vehicles licensed in the United States to transport hazardous materials.''.

SEC. 7006. REPRESENTATION AND TAMPERING.

(a) REPRESENTATION.—Section 5104(a) is amended—

(1) by striking ''A person'' and inserting ''No person'';

(2) in paragraph (1) by striking ''only if'' and all that follows through ''meets'' and inserting ''if it does not conform to''; and

(3) in paragraph (2) by striking ''only if'' and inserting ''unless''.

(b) TAMPERING.—Section 5104(b) is amended by striking ''A person may not'' and inserting ''No person may''.

SEC. 7007. TECHNICAL AMENDMENTS.

(a) ELIMINATION OF COMPLETED STUDY.—Section 5105 is amended—

(1) by striking subsection (d); and

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

(b) CLASSIFICATION OF EXPLOSIVES.—Section 5108(a)(1)(B) is amended by striking ''class A or B'' and inserting ''Division 1.1, 1.2, or 1.3''.

SEC. 7008. TRAINING OF CERTAIN EMPLOYEES.

Section 5107 is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h);

(2) in subsection (g)(2) (as so redesignated) by striking ''sections 5106, 5108(a)–(g)(1) and (h), and 5109 of this title'' and inserting ''section 5106''; and

(3) by inserting after subsection (e) the following:

''(f) TRAINING OF CERTAIN EMPLOYEES.—The Secretary shall ensure that maintenance-of-way employees and railroad signalmen receive general awareness/familiarization training and safety training pursuant to section 172.704 of title 49, Code of Federal Regulations.''.

SEC. 7009. REGISTRATION.

(a) PERSONS REQUIRED TO FILE.—Section 5108(a) is amended—

(1) in paragraph (2)(B) by striking ''manufacturing, fabricating, marking, maintaining, reconditioning, repairing, or testing'' and inserting ''designing, manufacturing, fabricating, inspecting, marking, maintaining, reconditioning, repairing, or testing''; and

(2) by aligning the left margin of paragraph (4) with the left margin of paragraph (3).

(b) FILING SCHEDULE.—Section 5108(c) is amended—

(1) by striking the subsection heading and inserting ''FILING SCHEDULE''; and

(2) in paragraph (1)—

(A) by striking ''must file the first'' and inserting ''shall file that'';

(B) by striking ''not later than March 31, 1992'' and inserting ''in accordance with regulations issued by the Secretary''; and

(C) by striking the second sentence.

(c) FEES.—Section 5108(g) is amended—

(1) in paragraph (1) by striking ''may'' and inserting ''shall'';

(2) in paragraph (2)(A) by striking ''$5,000'' and inserting ''$3,000''; and

(3) by adding at the end the following:

''(3) FEES ON EXEMPT PERSONS.—Notwithstanding subsection (a)(4), the Secretary shall impose and collect a fee of $25 from a person who is required to register under this section but who is otherwise exempted by the Secretary from paying any fee under this section. The fee shall be used to pay the cost of the Secretary in processing registration statements filed by such persons.''.

(d) RELATIONSHIP TO OTHER LAWS.—Section 5108(i)(2)(B) is amended by inserting '', Indian tribe,'' after ''State'' the first place it appears.

(e) HAZMAT REGISTRATION NOTIFICATION.—As soon as practicable, the Administrator of the Research and Special Programs Administration of the Department of Transportation shall transmit to the Federal Motor Carrier Safety Administration hazardous material registrant information obtained before, on, or after the date of enactment of this Act under section 5108 of title 49, United States Code, together with any Department of Transportation identification number for each registrant.

SEC. 7010. PROVIDING SHIPPING PAPERS.

Section 5110 is amended—

(1) in subsection (a) by striking ''under subsection (b) of this section'' and inserting ''by regulation''; and

(2) in subsection (e) by striking ''1 year'' and inserting ''2 years after the date of preparation of the shipping paper''.

SEC. 7011. RAIL TANK CARS.

Section 5111, and the item relating to such section in the analysis for chapter 51, are repealed.

SEC. 7012. UNSATISFACTORY SAFETY RATING.

The text of section 5113 is amended to read as follows: ''A person who violates section 31144(c)(3) shall be subject to the penalties in sections 5123 and 5124.''.

SEC. 7013. TRAINING CURRICULUM FOR THE PUBLIC SECTOR.

(a) REQUIREMENTS.—Section 5115(b)(1)(C) is amended by striking ''under other United States Government grant programs, including those'' and inserting ''with Federal financial assistance, including programs''.

(b) TRAINING ON COMPLYING WITH LEGAL REQUIREMENTS.—Section 5115(c)(3) is amended by inserting before the period at the end the following: ''and such other voluntary consensus standard-setting organizations as the Secretary determines appropriate''.

(c) DISTRIBUTION AND PUBLICATION.—Section 5115(d) is amended—

(1) in the matter preceding paragraph (1) by striking ''national response team'' and inserting ''National Response Team'';

(2) in paragraph (1) by striking ''Director of the Federal Emergency Management Agency'' and inserting ''Secretary''; and

(3) in paragraph (2)—

(A) by inserting ''and distribute'' after ''publish''; and

(B) by striking ''programs that uses'' and all that follows before the period at the end and inserting ''programs and courses developed under this section''.

SEC. 7014. PLANNING AND TRAINING GRANTS, MONITORING, AND REVIEW.

(a) FACTORS TO CONSIDER IN DETERMINING NEEDS.—Section 5116(b)(4) is amended—

(1) by striking ''and'' at the end of subparagraph (D);

(2) by redesignating subparagraph (E) as subparagraph (F); and

(3) by inserting after subparagraph (D) the following:

''(E) the report submitted by the State to the Secretary under section 5125(f)(2); and''.

(b) COMPLIANCE WITH CERTAIN LAW.—Section 5116(c) is amended—

(1) by inserting ''or Indian tribe'' after ''a State'';

(2) by inserting ''or Indian tribe'' after ''the State'' the first place it appears; and

(3) by inserting ''(1) the State or Indian tribe is complying with all applicable requirements of this chapter (including section 5125(f)), and (2) in the case of a State,'' after ''certifies that''.

(c) GOVERNMENT'S SHARE OF COSTS.—Section 5116(e) is amended by striking the second sentence and inserting the following: ''Amounts received by the State or tribe under subsections (a)(1) and (b)(1) are not part of the non-Government share under this subsection.''.

(d) MONITORING AND TECHNICAL ASSISTANCE.—Section 5116(f) is amended—

(1) in the first sentence—

(A) by striking ''Secretaries of Transportation and Energy,'' and inserting ''Secretary of Energy, Director of the Federal Emergency Management Agency,''; and

(B) by striking ''Director of the Federal Emergency Management Agency shall'' and inserting ''Secretary of Transportation shall''; and

(2) in the second sentence—

(A) by striking ''the Secretaries, Administrator, and Directors each shall'' and inserting ''the Secretary shall''; and

(B) by striking ''national response team'' and inserting ''National Response Team''.

(e) DELEGATION OF AUTHORITY.—Section 5116(g) is amended by striking ''Government grant programs'' and inserting ''Federal financial assistance''.

(f) HAZARDOUS MATERIALS EMERGENCY PREPAREDNESS FUND.—Section 5116(i) is amended—

(1) by striking the subsection heading and inserting ''HAZARDOUS MATERIALS EMERGENCY PREPAREDNESS FUND.—'';

(2) in the matter preceding paragraph (1)—

(A) by inserting '', to be known as the 'Hazardous Materials Emergency Preparedness Fund','' after ''account in the Treasury''; and

(B) by striking ''section 5108(g)(2)(A) of this title'' and all that follows before the period at the end of the first sentence and inserting ''this chapter'';

(3) by striking ''and'' at the end of paragraph (2);

(4) by redesignating paragraph (3) as paragraph (4); and

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

''(3) to publish and distribute the Emergency Response Guidebook; and''.

(g) REPORTS.—In section 5116(k)—

(1) by striking the first sentence and inserting the following: ''The Secretary shall submit to Congress and make available to the public annually a report on the allocation and uses of planning grants under subsection (a), training grants under subsection (b), and grants under subsection (j) and under section 5107.''; and

(2) in the second sentence by striking ''Such report'' and inserting ''The report''.

SEC. 7015. SPECIAL PERMITS AND EXCLUSIONS.

(a) SECTION HEADING.—

(1) IN GENERAL.—Section 5117 is amended by striking the section number and heading and inserting the following:

''§ 5117. Special permits and exclusions''.

(2) CONFORMING AMENDMENT.—The item relating to section 5117 in the analysis for chapter 51 is amended to read as follows:

''5117. Special permits and exclusions.''.

(b) SUBSECTION HEADING.—The heading for subsection (a) of section 5117 is amended by striking ''EXEMPT'' and inserting ''ISSUE SPECIAL PERMITS''.

(c) AUTHORITY TO ISSUE SPECIAL PERMITS.—Section 5117(a)(1) is amended—

(1) by striking ''an exemption'' and inserting '', modify, or terminate a special permit authorizing a variance''; and

(2) by striking ''transporting, or causing to be transported, hazardous material'' and inserting ''performing a function regulated by the Secretary under section 5103(b)(1)''.

(d) PERIOD OF SPECIAL PERMIT.—Section 5117(a)(2) is amended to read as follows:

''(2) A special permit issued under this section shall be effective for an initial period of not more than 2 years and may be renewed by the Secretary upon application for an additional period of not more than 4 years or, in the case of a special permit relating to section 5112, for an additional period of not more than 2 years.''.

(e) APPLICATIONS.—Sections 5117(b) is amended—

(1) by striking ''an exemption'' each place it appears and inserting ''a special permit''; and

(2) by striking ''the exemption'' and inserting ''the special permit''.

(f) DEALING WITH APPLICATIONS PROMPTLY.—Section 5117(c) is amended by striking ''the exemption'' each place it appears and inserting ''the special permit''.

(g) LIMITATION ON AUTHORITY.—Section 5117(e) is amended—

(1) by striking ''an exemption'' and inserting ''a special permit''; and

(2) by striking ''be exempt'' and inserting ''be granted a variance''.

SEC. 7016. UNIFORM FORMS AND PROCEDURES.

Section 5119 is amended to read as follows:

''§ 5119. Uniform forms and procedures

''(a) ESTABLISHMENT OF WORKING GROUP.—The Secretary shall establish a working group of State and local government officials, including representatives of the National Governors' Association, the National Association of Counties, the National League of Cities, the United States Conference of Mayors, the National Conference of State Legislatures, and the Alliance for Uniform Hazmat Transportation Procedures.

''(b) PURPOSE OF WORKING GROUP.—The purpose of the working group shall be to establish uniform forms and procedures for a State to register, and to issue permits to, persons that transport, or cause to be transported, hazardous material by motor vehicle in the State.

''(c) LIMITATION ON WORKING GROUP.—The working group may not propose to define or limit the amount of a fee a State may impose or collect.

''(d) PROCEDURE.—The Secretary shall develop a procedure by which the working group shall harmonize existing State registration and permit laws and regulations relating to the transportation of hazardous materials, with special attention paid to each State's unique safety concerns and interest in maintaining strong hazmat safety standards.

''(e) REPORT OF WORKING GROUP.—Not later than 18 months after the date of enactment of this subsection, the working group shall transmit to the Secretary a report containing recommendations for establishing uniform forms and procedures described in subsection (b).

''(f) REGULATIONS.—Not later than 2 years after the date of enactment of this subsection, the Secretary shall issue regulations to carry out such recommendations of the working group as the Secretary considers appropriate.

''(g) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section shall be construed as prohibiting a State from voluntarily participating in a program of uniform forms and procedures until such time as the Secretary issues regulations under subsection (f).''.

SEC. 7017. INTERNATIONAL UNIFORMITY OF STANDARDS AND REQUIREMENTS.

(a) CONSULTATION.—Section 5120(b) is amended by inserting ''and requirements'' after ''standards''.

(b) DIFFERENCES WITH INTERNATIONAL STANDARDS AND REQUIREMENTS.—Section 5120(c) is amended—

(1) in paragraph (1) by inserting ''or requirement'' after ''standard'' each place it appears; and

(2) in paragraph (2)—

(A) by inserting ''standard or'' before ''requirement'' each place it appears; and

(B) by striking ''included in a standard''.

SEC. 7018. ADMINISTRATIVE.

(a) GENERAL AUTHORITY.—Section 5121(a) is amended—

(1) in the first sentence by inserting ''conduct tests,'' after ''investigate,'';

(2) in the second sentence by striking ''After'' and inserting ''Except as provided in subsections (c) and (d), after''; and

(3) by striking ''regulation prescribed'' and inserting ''regulation, order, special permit, or approval issued''.

(b) RECORDS, REPORTS, AND INFORMATION.—Section 5121(b) is amended—

(1) in paragraph (1) by inserting ''and property'' after ''records''; and

(2) in paragraph (2)—

(A) by inserting ''property,'' after ''records,'';

(B) by inserting ''for inspection'' after ''available''; and

(C) by striking ''requests'' and inserting ''undertakes an investigation or makes a request''.

(c) ENHANCED AUTHORITY TO DISCOVER HIDDEN SHIPMENTS OF HAZARDOUS MATERIAL.—Section 5121(c) is amended to read as follows:

''(c) INSPECTIONS AND INVESTIGATIONS.—

''(1) IN GENERAL.—A designated officer, employee, or agent of the Secretary may—

''(A) inspect and investigate, at a reasonable time and in a reasonable manner, records and property relating to a function described in section 5103(b)(1);

''(B) except in the case of packaging immediately adjacent to its hazardous material contents, gain access to, open, and examine a package offered for, or in, transportation when the officer, employee, or agent has an objectively reasonable and articulable belief that the package may contain a hazardous material;

''(C) remove from transportation a package or related packages in a shipment offered for or in transportation for which—

''(i) such officer, employee, or agent has an objectively reasonable and articulable belief that the package may pose an imminent hazard; and

''(ii) such officer, employee, or agent contemporaneously documents such belief in accordance with procedures set forth in guidance or regulations prescribed under subsection (e);

''(D) gather information from the offeror, carrier, packaging manufacturer or retester, or other person responsible for the package, to ascertain the nature and hazards of the contents of the package;

''(E) as necessary, under terms and conditions specified by the Secretary, order the offeror, carrier, packaging manufacturer or retester, or other person responsible for the package to have the package transported to, opened, and the contents examined and analyzed, at a facility appropriate for the conduct of such examination and analysis; and

''(F) when safety might otherwise be compromised, authorize properly qualified personnel to assist in the activities conducted under this subsection.

''(2) DISPLAY OF CREDENTIALS.—An officer, employee, or agent acting under this subsection shall display proper credentials when requested.

''(3) SAFE RESUMPTION OF TRANSPORTATION.—In instances when, as a result of an inspection or investigation under this subsection, an imminent hazard is not found to exist, the Secretary, in accordance with procedures set forth in regulations prescribed under subsection (e), shall assist—

''(A) in the safe resumption of transportation of the package concerned; or

''(B) in any case in which the hazardous material being transported is perishable, in the safe and expeditious resumption of transportation of the perishable hazardous material.''.

(d) EMERGENCY AUTHORITY FOR HAZARDOUS MATERIAL TRANSPORTATION.—Section 5121 is amended—

(1) by redesignating subsections (d) and (e) as subsections (f) and (g), respectively; and

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

''(d) EMERGENCY ORDERS.—

''(1) IN GENERAL.—If, upon inspection, investigation, testing, or research, the Secretary determines that either a violation of a provision of this chapter or a regulation issued under this chapter, or an unsafe condition or practice, constitutes or is causing an imminent hazard, the Secretary may issue an emergency order, without notice or the opportunity for a hearing, but only to the extent necessary to abate the imminent hazard.

''(2) WRITTEN ORDERS.—An emergency order issued under paragraph (1) shall be in writing, describe the violation, condition, or practice that is causing the imminent hazard, and state the restrictions, prohibitions, recalls, or out-of-service orders issued. The emergency order also shall describe the standards and procedures for obtaining relief from the order.

''(3) OPPORTUNITY FOR REVIEW.—After issuing an emergency order under paragraph (1), the Secretary shall provide an opportunity for review of the order under section 554 of title 5 if a petition for review is filed within 20 calendar days after the date of issuance of the order.

''(4) EXPIRATION OF EFFECTIVENESS OF EMERGENCY ORDER.—If a petition for review is filed for an order and the review is not completed by the end of the 30-day period beginning on the date the petition was filed, the order shall cease to be effective at the end of that period unless the Secretary determines in writing that the emergency situation still exists.

''(e) GUIDANCE AND REGULATIONS.—

''(1) GUIDANCE.—Not later than 60 days after the date of enactment of the Transportation Equity Act: A Legacy for Users, the Secretary shall issue interim guidance to carry out subsections (c) and (d).

''(2) REGULATIONS.—Not later than 1 year after such date of enactment, the Secretary shall issue regulations to carry out subsections (c) and (d) in accordance with subchapter II of chapter 5 of title 5.''.

(e) REPORT.—Section 5121(g) (as redesignated by subsection (d)(1) of this section) is amended—

(1) in the matter preceding paragraph (1) by striking ''submit to the President for transmittal to the Congress'' and inserting ''transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate''; and

(2) in paragraph (4) by inserting ''relating to a function regulated by the Secretary under section 5103(b)(1)'' after ''activities''.

(f) REPEAL OF OBSOLETE PROVISION.—Section 5118, and the item relating to such section in the analysis for chapter 51, are repealed.

SEC. 7019. ENFORCEMENT.

(a) GENERAL.—Section 5122(a) is amended by striking the second sentence and inserting ''The court may award appropriate relief, including a temporary or permanent injunction, punitive damages, and assessment of civil penalties considering the same penalty amounts and factors as prescribed for the Secretary in an administrative case under section 5123.''.

(b) IMMINENT HAZARDS.—Section 5122(b) is amended—

(1) by striking paragraph (2);

(2) by striking ''(1)'';

(3) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively; and

(4) in paragraph (2) (as so redesignated) by striking ''or ameliorate the'' and inserting ''or mitigate the''.

SEC. 7020. CIVIL PENALTY.

(a) PENALTY.—Section 5123(a) is amended—

(1) in paragraph (1)—

(A) by striking ''regulation prescribed or order issued'' and inserting ''regulation, order, special permit, or approval issued''; and

(B) by striking ''$25,000'' and inserting ''$50,000'';

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following:

''(2) If the Secretary finds that a violation under paragraph (1) results in death, serious illness, or severe injury to any person or substantial destruction of property, the Secretary may increase the amount of the civil penalty for such violation to not more than $100,000.''.

(b) HEARING REQUIREMENT.—Section 5123(b) is amended by striking ''regulation prescribed'' and inserting ''regulation, order, special permit, or approval issued''.

(c) CIVIL ACTIONS TO COLLECT.—Section 5123(d) is amended—

(1) by striking ''Attorney General'' and inserting ''Secretary''; and

(2) by adding at the end the following: ''In such action, the validity, amount, and appropriateness of the civil penalty shall not be subject to review.''.

(d) COMPROMISE.—Section 5123(e) is amended by striking ''before referral to the Attorney General''.

SEC. 7021. CRIMINAL PENALTY.

Section 5124 is amended to read as follows:

''§ 5124. Criminal penalty

''(a) IN GENERAL.—A person knowingly violating section 5104(b) or willfully or recklessly violating this chapter or a regulation, order, special permit, or approval issued under this chapter shall be fined under title 18, imprisoned for not more than 5 years, or both; except that the maximum amount of imprisonment shall be 10 years in any case in which the violation involves the release of a hazardous material that results in death or bodily injury to any person.

''(b) KNOWING VIOLATIONS.—For purposes of this section—

''(1) a person acts knowingly when—

''(A) the person has actual knowledge of the facts giving rise to the violation; or

''(B) a reasonable person acting in the circumstances and exercising reasonable care would have that knowledge; and

''(2) knowledge of the existence of a statutory provision, or a regulation or a requirement required by the Secretary, is not an element of an offense under this section.

''(c) WILLFUL VIOLATIONS.—For purposes of this section, a person acts willfully when—

''(1) the person has knowledge of the facts giving rise to the violation; and

''(2) the person has knowledge that the conduct was unlawful.

''(d) RECKLESS VIOLATIONS.—For purposes of this section, a person acts recklessly when the person displays a deliberate indifference or conscious disregard to the consequences of that person's conduct.''.

SEC. 7022. PREEMPTION.

(a) DUAL COMPLIANCE AND OBSTACLE TESTS.—Section 5125(a) is amended by striking the subsection heading and inserting ''DUAL COMPLIANCE AND OBSTACLE TESTS.—''.

(b) SUBSTANTIVE DIFFERENCES.—The second sentence of section 5125(b)(2) is amended by striking ''after November 16, 1990''.

(c) DECISIONS ON PREEMPTION.—The third sentence of section 5125(d)(1) is amended by inserting ''and publish in the Federal Register'' after ''issue''.

(d) JUDICIAL REVIEW.—Section 5125 is further amended—

(1) by striking subsection (f) and redesignating subsection (g) as subsection (f);

(2) in subsection (f) (as so redesignated) by moving paragraph (2) (including subparagraphs (A) through (D)) 2 ems to the left; and

(3) by adding at the end the following:

''(g) INDEPENDENT APPLICATION OF EACH STANDARD.—Subsections (b), (c)(1), (d), and (g) are independent in their application to a requirement of any State, political subdivision of a State, or Indian tribe and shall be reviewed independently.''.

SEC. 7023. RELATIONSHIP TO OTHER LAWS.

Section 5126(a) is amended by striking ''must comply'' and inserting ''shall comply''.

SEC. 7024. JUDICIAL REVIEW.

(a) IN GENERAL.—Chapter 51 is amended by redesignating section 5127 as section 5128 and by inserting after section 5126 the following:

''§ 5127. JUDICIAL REVIEW

''(a) FILING AND VENUE.—Except as provided in section 20114(c), a person adversely affected or aggrieved by a final action of the Secretary under this chapter may petition for review of the final action in the United States Court of Appeals for the District of Columbia or in the court of appeals for the United States for the circuit in which the person resides or has its principal place of business. The petition must be filed not more than 60 days after the Secretary's action becomes final.

''(b) JUDICIAL PROCEDURES.—When a petition is filed under subsection (a), the clerk of the court immediately shall send a copy of the petition to the Secretary. The Secretary shall file with the court a record of any proceeding in which the final action was issued, as provided in section 2112 of title 28.

''(c) AUTHORITY OF COURT.—The court has exclusive jurisdiction, as provided in subchapter II of chapter 5 of title 5, to affirm or set aside any part of the Secretary's final action and may order the Secretary to conduct further proceedings. Findings of fact by the Secretary, if supported by substantial evidence, are conclusive.

''(d) REQUIREMENT FOR PRIOR OBJECTION.—In reviewing a final action under this section, the court may consider an objection to a final action of the Secretary only if the objection was made in the course of a proceeding or review conducted by the Secretary or if there was a reasonable ground for not making the objection in the proceeding.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 51 is amended by striking the item relating to section 5127 and inserting the following:

''5127. Judicial review.

''5128. Authorization of appropriations.''.

SEC. 7025. AUTHORIZATION OF APPROPRIATIONS.

Section 5128 (as redesignated by section 7024) is amended to read as follows:

''§ 5128. Authorizations of appropriations

''(a) IN GENERAL.—In order to carry out this chapter (except sections 5107(e), 5108(g)(2), 5113, 5115, 5116, and 5119), the following amounts are authorized to be appropriated to the Secretary:

''(1) For fiscal year 2004, $24,981,000.

''(2) For fiscal year 2005, $27,000,000.

''(3) For fiscal year 2006, $29,000,000.

''(4) For fiscal year 2007, $30,000,000.

''(b) EMERGENCY PREPAREDNESS FUND.—There shall be available to the Secretary, from the account established pursuant to section 5116(i), for each of fiscal years 2004 through 2007 the following:

''(1) To carry out section 5115, $200,000.

''(2) To carry out section 5116(a), $8,000,000.

''(3) To carry out section 5116(b), $13,800,000.

''(4) To carry out section 5116(f), $150,000.

''(5) To publish and distribute the Emergency Response Guidebook under section 5116(i)(3), $500,000.

''(6) To pay administrative expenses in accordance with section 5116(i)(4), $150,000.

''(7) To carry out section 5116(j), $1,000,000.

''(c) TRAINING OF HAZMAT EMPLOYEE INSTRUCTORS.—There shall be available to the Secretary, from the account established pursuant to section 5116(i), to carry out section 5107(e) $4,000,000 for each of fiscal years 2004 through 2007.

''(d) UNIFORM FORMS AND PROCEDURES.—There is authorized to be appropriated to the Secretary for making grants to States participating in the working group established under section 5119 $1,000,000 for each of the fiscal years 2005 and 2006.

''(e) ISSUANCE OF HAZMAT LICENSES.—There are authorized to be appropriated for the Department of Transportation such amounts as may be necessary to carry out section 5103a.

''(f) CREDITS TO APPROPRIATIONS.—The Secretary may credit to any appropriation to carry out this chapter an amount received from a State, Indian tribe, or other public authority or private entity for expenses the Secretary incurs in providing training to the State, authority, or entity.

''(g) AVAILABILITY OF AMOUNTS.—Amounts made available by or under this section remain available until expended.''.

SEC. 7026. DETERMINING AMOUNT OF UNDECLARED SHIPMENTS OF HAZARDOUS MATERIALS ENTERING THE UNITED STATES.

(a) STUDY.—The Comptroller General shall conduct a study to propose methods of determining the amount of undeclared shipments of hazardous materials (as defined in section 5101 of title 49, United States Code) entering the United States.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report on the results of the study.

SEC. 7027. CONFORMING AMENDMENTS.

Chapter 51 is amended by striking ''Secretary of Transportation'' each place it appears (other than the second place it appears in section 5108(g)(2)(C), the first place it appears in section 5115(a), and in sections 5116(g), 5116(i), and 5120(a)) and inserting ''Secretary''.

TITLE VIII—TRANSPORTATION DISCRETIONARY SPENDING GUARANTEE

SEC. 8001. POLICY.

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.

SEC. 8002.

For purposes of clauses 2 and 3 of rule XXI of the House of Representatives, it shall be in order to transfer funds, in amounts specified in annual appropriations Acts to carry out the Transportation Equity Act: A Legacy for Users (including the amendments made by that Act), from the Federal Transit Administration's administrative expenses account to other mass transit budget accounts under section 250(c)(4)(C) of the Balanced Budget and Emergency Deficit Control Act of 1985.

TITLE IX—TAX PROVISIONS

SEC. 9000. SHORT TITLE, ETC.

(a) SHORT TITLE.—This title may be cited as the ''Highway Reauthorization Tax Act of 2004''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—Highway Trust Fund Extension

SEC. 9101. EXTENSION OF HIGHWAY-RELATED TAXES AND TRUST FUND.

(a) EXTENSION OF TAXES.—

(1) IN GENERAL.—The following provisions of the Internal Revenue Code of 1986 are each amended by striking ''2005'' each place it appears and inserting ''2011'':

(A) Section 4041(a)(1)(C)(iii)(I) (relating to rate of tax on certain buses).

(B) Section 4041(a)(2)(B) (relating to rate of tax on special motor fuels).

(C) Section 4051(c) (relating to termination of tax on heavy trucks and trailers).

(D) Section 4071(d) (relating to termination of tax on tires).

(E) Section 4081(d)(1) (relating to termination of tax on gasoline, diesel fuel, and kerosene).

(F) Section 4481(e) (relating to period tax in effect).

(G) Section 4482(c)(4) (relating to taxable period).

(H) Section 4482(d) (relating to special rule for taxable period in which termination date occurs).

(2) FLOOR STOCKS REFUNDS.—Section 6412(a)(1) of such Code (relating to floor stocks refunds) is amended—

(A) by striking ''2005'' each place it appears and inserting ''2011'', and

(B) by striking ''2006'' each place it appears and inserting ''2012''.

(b) EXTENSION OF CERTAIN EXEMPTIONS.—The following provisions of such Code are each amended by striking ''2005'' and inserting ''2011'':

(1) Section 4221(a) (relating to certain tax-free sales).

(2) Section 4483(g) (relating to termination of exemptions for highway use tax).

(c) EXTENSION OF DEPOSITS INTO TRUST FUNDS.—

(1) IN GENERAL.—Subsection (b), and paragraphs (2) and (3) of subsection (c), of section 9503 of such Code (relating to the Highway Trust Fund) are each amended—

(A) by striking ''2005'' each place it appears and inserting ''2011'', and

(B) by striking ''2006'' each place it appears and inserting ''2012''.

(2) MOTORBOAT AND SMALL-ENGINE FUEL TAX TRANSFERS.—

(A) IN GENERAL.—Paragraphs (4)(A)(i) and (5)(A) of section 9503(c) of such Code are each amended by striking ''2005'' and inserting ''2011''.

(B) CONFORMING AMENDMENTS TO LAND AND WATER CONSERVATION FUND.—Section 201(b) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–11(b)) is amended—

(i) by striking ''2003'' and inserting ''2009'', and

(ii) by striking ''2004'' each place it appears and inserting ''2010''.

(d) EXTENSION AND EXPANSION OF EXPENDITURES FROM TRUST FUNDS.—

(1) HIGHWAY TRUST FUND.—

(A) HIGHWAY ACCOUNT.—Paragraph (1) of section 9503(c) of such Code is amended—

(i) in the matter before subparagraph (A), by striking ''May 1, 2004'' and inserting ''October 1, 2009'',

(ii) by striking ''or'' at the end of subparagraph (F),

(iii) by striking the period at the end of subparagraph (G) and inserting '', or'',

(iv) by inserting after subparagraph (G), the following new subparagraph:

''(H) authorized to be paid out of the Highway Trust Fund under the Transportation Equity Act: A Legacy for Users.'', and

(v) in the matter after subparagraph (H), as added by clause (iv), by striking ''Surface Transportation Extension Act of 2004'' and inserting ''Transportation Equity Act: A Legacy for Users''.

(B) MASS TRANSIT ACCOUNT.—Paragraph (3) of section 9503(e) of such Code is amended—

(i) in the matter before subparagraph (A), by striking ''May 1, 2004'' and inserting ''October 1, 2009'',

(ii) in subparagraph (D), by striking ''or'' at the end of such subparagraph,

(iii) in subparagraph (E), by inserting ''or'' at the end of such subparagraph,

(iv) by inserting after subparagraph (E) the following new subparagraph:

''(F) the Transportation Equity Act: A Legacy for Users,'', and

(v) in the matter after subparagraph (F), as added by clause (iv), by striking ''Surface Transportation Extension Act of 2004'' and inserting ''Transportation Equity Act: A Legacy for Users''.

(C) LIMITATION ON TRANSFERS.—Subparagraph (B) of section 9503(b)(5) of such Code is amended by striking ''May 1, 2004'' and inserting ''October 1, 2009''.

(2) AQUATIC RESOURCES TRUST FUND.—

(A) SPORT FISH RESTORATION ACCOUNT.—Paragraph (2) of section 9504(b) of such Code is amended by striking ''Surface Transportation Extension Act of 2004'' each place it appears and inserting ''Transportation Equity Act: A Legacy for Users''.

(B) BOAT SAFETY ACCOUNT.—Subsection (c) of section 9504 of such Code is amended—

(i) by striking ''May 1, 2004'' and inserting ''October 1, 2009'', and

(ii) by striking ''Surface Transportation Extension Act of 2004'' and inserting ''Transportation Equity Act: A Legacy for Users''.

(C) EXCEPTION TO LIMITATION ON TRANSFERS.—Paragraph (2) of section 9504(d) of such Code is amended by striking ''May 1, 2004'' and inserting ''October 1, 2009''.

Subtitle B—Restructuring of Incentives for Alcohol Fuels, Etc.

SEC. 9201. REDUCED RATES OF TAX ON GASOHOL REPLACED WITH EXCISE TAX CREDIT; REPEAL OF OTHER ALCOHOL-BASED FUEL INCENTIVES; ETC.

(a) EXCISE TAX CREDIT FOR ALCOHOL FUEL MIXTURES.—

(1) IN GENERAL.—Subsection (f) of section 6427 is amended to read as follows:

''(f) ALCOHOL FUEL MIXTURES.—

''(1) IN GENERAL.—The amount of credit which would (but for section 40(c)) be determined under section 40(a)(1) for any period—

''(A) shall, with respect to taxable events occurring during such period, be treated—

''(i) as a payment of the taxpayer's liability for tax imposed by section 4081, and

''(ii) as received at the time of the taxable event, and

''(B) to the extent such amount of credit exceeds such liability for such period, shall (except as provided in subsection (k)) be paid subject to subsection (i)(3) by the Secretary without interest.

''(2) SPECIAL RULES.—

''(A) ONLY CERTAIN ALCOHOL TAKEN INTO ACCOUNT.—For purposes of paragraph (1), section 40 shall be applied—

''(i) by not taking into account alcohol with a proof of less than 190, and

''(ii) by treating as alcohol the alcohol gallon equivalent of ethyl tertiary butyl ether or other ethers produced from such alcohol.

''(B) TREATMENT OF REFINERS.—For purposes of paragraph (1), in the case of a mixture—

''(i) the alcohol in which is described in subparagraph (A)(ii), and

''(ii) which is produced by any person at a refinery prior to any taxable event,

section 40 shall be applied by treating such person as having sold such mixture at the time of its removal from the refinery (and only at such time) to another person for use as a fuel.

''(3) MIXTURES NOT USED AS FUEL.—Rules similar to the rules of subparagraphs (A) and (D) of section 40(d)(3) shall apply for purposes of this subsection.

''(4) TERMINATION.—This section shall apply only to periods to which section 40 applies, determined by substituting in section 40(e)—

''(A) 'December 31, 2010' for 'December 31, 2007', and

''(B) 'January 1, 2011' for 'January 1, 2008'.''

(2) REVISION OF RULES FOR PAYMENT OF CREDIT.—Paragraph (3) of section 6427(i) is amended to read as follows:

''(3) SPECIAL RULE FOR ALCOHOL MIXTURE CREDIT.—

''(A) IN GENERAL.—A claim may be filed under subsection (f)(1)(B) by any person for any period—

''(i) for which $200 or more is payable under such subsection (f)(1)(B), and

''(ii) which is not less than 1 week.

In the case of an electronic claim, this subparagraph shall be applied without regard to clause (i).

''(B) PAYMENT OF CLAIM.—Notwithstanding subsection (f)(1)(B), if the Secretary has not paid pursuant to a claim filed under this section within 45 days of the date of the filing of such claim (20 days in the case of an electronic claim), the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621.

''(C) TIME FOR FILING CLAIM.—No claim filed under this paragraph shall be allowed unless filed on or before the last day of the first quarter following the earliest quarter included in the claim.''

(b) REPEAL OF OTHER INCENTIVES FOR FUEL MIXTURES.—

(1) Subsection (b) of section 4041 is amended to read as follows:

''(b) EXEMPTION FOR OFF-HIGHWAY BUSINESS USE.—

''(1) IN GENERAL.—No tax shall be imposed by subsection (a) or (d)(1) on liquids sold for use or used in an off-highway business use.

''(2) TAX WHERE OTHER USE.—If a liquid on which no tax was imposed by reason of paragraph (1) is used otherwise than in an off-highway business use, a tax shall be imposed by paragraph (1)(B), (2)(B), or (3)(A)(ii) of subsection (a) (whichever is appropriate) and by the corresponding provision of subsection (d)(1) (if any).

''(3) OFF-HIGHWAY BUSINESS USE DEFINED.—For purposes of this subsection, the term 'off-highway business use' has the meaning given to such term by section 6421(e)(2); except that such term shall not, for purposes of subsection (a)(1), include use in a diesel-powered train.''

(2) Section 4041(k) is hereby repealed.

(3) Section 4081(c) is hereby repealed.

(4) Section 4091(c) is hereby repealed.

(c) TRANSFERS TO HIGHWAY TRUST FUND.—Paragraph (4) of section 9503(b) is amended by adding ''or'' at the end of subparagraph (B), by striking the comma at the end of subparagraph (C) and inserting a period, and by striking subparagraphs (D), (E), and (F).

(d) CONFORMING AMENDMENTS.—

(1) Subsection (c) of section 40 is amended to read as follows:

''(c) COORDINATION WITH EXCISE TAX BENEFITS.—The amount of the credit determined under this section with respect to any alcohol shall, under regulations prescribed by the Secretary, be properly reduced to take into account the benefit provided with respect to such alcohol under section 6427(f).''

(2) Subparagraph (B) of section 40(d)(4) is amended by striking ''under section 4041(k) or 4081(c)'' and inserting ''under section 6427(f)''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided by paragraph (2), the amendments made by this section shall apply to fuel sold or used after September 30, 2004.

(2) SUBSECTION (c).—The amendments made by subsection (c) shall apply to taxes imposed after September 30, 2003.

SEC. 9202. ALCOHOL FUEL SUBSIDIES BORNE BY GENERAL FUND.

(a) TRANSFERS TO FUND.—Section 9503(b)(1) is amended by adding at the end the following new flush sentence:

''For purposes of this paragraph, the amount of taxes received under section 4081 shall include any amount treated as a payment under section 6427(f)(1)(A) and shall not be reduced by the amount paid under section 6427(f)(1)(B).''.

(b) TRANSFERS FROM FUND.—Subparagraph (A) of section 9503(c)(2) is amended by adding at the end the following new sentence: ''Clauses (i)(III) and (ii) shall not apply to claims under section 6427(f)(1)(B).''

(c) EFFECTIVE DATE.—

(1) SUBSECTION (a).—The amendment made by subsection (a) shall apply to taxes received after September 30, 2004.

(2) SUBSECTION (b).—The amendment made by subsection (b) shall apply to amounts paid

after September 30, 2004, and (to the extent related to section 34 of the Internal Revenue Code of 1986) to fuel used after such date.

Subtitle C—Reduction of Fuel Tax Evasion

SEC. 9301. EXEMPTION FROM CERTAIN EXCISE TAXES FOR MOBILE MACHINERY.

(a) EXEMPTION FROM TAX ON HEAVY TRUCKS AND TRAILERS SOLD AT RETAIL.—

(1) IN GENERAL.—Section 4053 (relating to exemptions) is amended by adding at the end the following new paragraph:

''(8) MOBILE MACHINERY.—Any vehicle which consists of a chassis—

''(A) to which there has been permanently mounted (by welding, bolting, riveting, or other means) machinery or equipment to perform a construction, manufacturing, processing, farming, mining, drilling, timbering, or similar operation if the operation of the machinery or equipment is unrelated to transportation on or off the public highways,

''(B) which has been specially designed to serve only as a mobile carriage and mount (and a power source, where applicable) for the particular machinery or equipment involved, whether or not such machinery or equipment is in operation, and

''(C) which, by reason of such special design, could not, without substantial structural modification, be used as a component of a vehicle designed to perform a function of transporting any load other than that particular machinery or equipment or similar machinery or equipment requiring such a specially designed chassis.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on the day after the date of the enactment of this Act.

(b) EXEMPTION FROM TAX ON USE OF CERTAIN VEHICLES.—

(1) IN GENERAL.—Section 4483 (relating to exemptions) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

''(g) EXEMPTION FOR MOBILE MACHINERY.—No tax shall be imposed by section 4481 on the use of any vehicle described in section 4053(8).''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the day after the date of the enactment of this Act.

(c) EXEMPTION FROM TAX ON TIRES.—

(1) IN GENERAL.—Section 4072(b)(2) is amended by adding at the end the following flush sentence: ''Such term shall not include tires of a type used exclusively on vehicles described in section 4053(8).''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on the day after the date of the enactment of this Act.

(d) REFUND OF FUEL TAXES.—

(1) IN GENERAL.—Section 6421(e)(2) (defining off-highway business use) is amended by adding at the end the following new subparagraph:

''(C) USES IN MOBILE MACHINERY.—

''(i) IN GENERAL.—The term 'off-highway business use' shall include any use in a vehicle which meets the requirements described in clause (ii).

''(ii) REQUIREMENTS FOR MOBILE MACHINERY.—The requirements described in this clause are—

''(I) the design-based test, and

''(II) the use-based test.

''(iii) DESIGN-BASED TEST.—For purposes of clause (ii)(I), the design-based test is met if the vehicle consists of a chassis—

''(I) to which there has been permanently mounted (by welding, bolting, riveting, or other means) machinery or equipment to perform a construction, manufacturing, processing, farming, mining, drilling, timbering, or similar operation if the operation of the machinery or equipment is unrelated to transportation on or off the public highways,

''(II) which has been specially designed to serve only as a mobile carriage and mount (and a power source, where applicable) for the particular machinery or equipment involved, whether or not such machinery or equipment is in operation, and

''(III) which, by reason of such special design, could not, without substantial structural modification, be used as a component of a vehicle designed to perform a function of transporting any load other than that particular machinery or equipment or similar machinery or equipment requiring such a specially designed chassis.

''(iv) USE-BASED TEST.—For purposes of clause (ii)(II), the use-based test is met if the use of the vehicle on public highways was less than 7,500 miles during the taxpayer's taxable year.''.

(2) NO TAX-FREE SALES.—Subsection (b) of section 4082, as amended by section 9302, is amended by inserting before the period at the end ''and such term shall not include any use described in section 6421(e)(2)(C)''.

(3) ANNUAL REFUND OF TAX PAID.—Section 6427(i)(2) (relating to exceptions) is amended by adding at the end the following new subparagraph:

''(C) NONAPPLICATION OF PARAGRAPH.—This paragraph shall not apply to any fuel used solely in any off-highway business use described in section 6421(e)(2)(C).''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 9302. TAXATION OF AVIATION-GRADE KEROSENE.

(a) RATE OF TAX.—

(1) IN GENERAL.—Subparagraph (A) of section 4081(a)(2) is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by adding at the end the following new clause:

''(iv) in the case of aviation-grade kerosene, 21.8 cents per gallon.''.

(2) COMMERCIAL AVIATION.—Paragraph (2) of section 4081(a) is amended by adding at the end the following new subparagraph:

''(C) TAXES IMPOSED ON FUEL USED IN COMMERCIAL AVIATION.—In the case of aviation-grade kerosene which is removed from any refinery or terminal directly into the fuel tank of an aircraft for use in commercial aviation, the rate of tax under subparagraph (A)(iv) shall be 4.3 cents per gallon.''.

(3) CERTAIN REFUELER TRUCKS, TANKERS, AND TANK WAGONS TREATED AS TERMINAL.—Subsection (a) of section 4081 is amended by adding at the end the following new paragraph:

''(3) CERTAIN REFUELER TRUCKS, TANKERS, AND TANK WAGONS TREATED AS TERMINAL.—

''(A) IN GENERAL.—In the case of aviation-grade kerosene which is removed from any terminal directly into the fuel tank of an aircraft (determined without regard to any refueler truck, tanker, or tank wagon which meets the requirements of subparagraph (B)), a refueler truck, tanker, or tank wagon shall be treated as part of such terminal if—

''(i) such truck, tanker, or wagon meets the requirements of subparagraph (B) with respect to an airport, and

''(ii) except in the case of exigent circumstances identified by the Secretary in regulations, no vehicle registered for highway use is loaded with aviation-grade kerosene at such terminal.

''(B) REQUIREMENTS.—A refueler truck, tanker, or tank wagon meets the requirements of this subparagraph with respect to an airport if such truck, tanker, or wagon—

''(i) is loaded with aviation-grade kerosene at such terminal located within such airport and delivers such kerosene only into aircraft at such airport,

''(ii) has storage tanks, hose, and coupling equipment designed and used for the purposes of fueling aircraft,

''(iii) is not registered for highway use, and

''(iv) is operated by—

''(I) the terminal operator of such terminal, or

''(II) a person that makes a daily accounting to such terminal operator of each delivery of fuel from such truck, tanker, or wagon.

''(C) REPORTING.—The Secretary shall require under section 4101(d) reporting by such terminal operator of—

''(i) any information obtained under subparagraph (B)(iv)(II), and

''(ii) any similar information maintained by such terminal operator with respect to deliveries of fuel made by trucks, tankers, or wagons operated by such terminal operator.''.

(4) LIABILITY FOR TAX ON AVIATION-GRADE KEROSENE USED IN COMMERCIAL AVIATION.—Subsection (a) of section 4081 is amended by adding at the end the following new paragraph:

''(4) LIABILITY FOR TAX ON AVIATION-GRADE KEROSENE USED IN COMMERCIAL AVIATION.—For purposes of paragraph (2)(C), the person who uses the fuel for commercial aviation shall pay the tax imposed under such paragraph. For purposes of the preceding sentence, fuel shall be treated as used when such fuel is removed into the fuel tank.''.

(5) NONTAXABLE USES.—

(A) IN GENERAL.—Section 4082 is amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

''(e) AVIATION-GRADE KEROSENE.—In the case of aviation-grade kerosene which is exempt from the tax imposed by section 4041(c) (other than by reason of a prior imposition of tax) and which is removed from any refinery or terminal directly into the fuel tank of an aircraft, the rate of tax under section 4081(a)(2)(A)(iv) shall be zero.''.

(B) CONFORMING AMENDMENTS.—

(i) Subsection (b) of section 4082 is amended by adding at the end the following new flush sentence:

''The term 'nontaxable use' does not include the use of aviation-grade kerosene in an aircraft.''.

(ii) Section 4082(d) is amended by striking paragraph (1) and by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(6) NONAIRCRAFT USE OF AVIATION-GRADE KEROSENE.—

(A) IN GENERAL.—Subparagraph (B) of section 4041(a)(1) is amended by adding at the end the following new sentence: ''This subparagraph shall not apply to aviation-grade kerosene.''.

(B) CONFORMING AMENDMENT.—The heading for paragraph (1) of section 4041(a) is amended by inserting ''AND KEROSENE'' after ''DIESEL FUEL''.

(b) COMMERCIAL AVIATION.—Section 4083 is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

''(b) COMMERCIAL AVIATION.—For purposes of this subpart, the term 'commercial aviation' means any use of an aircraft in a business of transporting persons or property for compensation or hire by air, unless properly allocable to any transportation exempt from the taxes imposed by sections 4261 and 4271 by reason of section 4281 or 4282 or by reason of section 4261(h).''.

(c) REFUNDS.—

(1) IN GENERAL.—Paragraph (4) of section 6427(l) is amended to read as follows:

''(4) REFUNDS FOR AVIATION-GRADE KEROSENE.—

''(A) NO REFUND OF CERTAIN TAXES ON FUEL USED IN COMMERCIAL AVIATION.—In the case of aviation-grade kerosene used in commercial aviation (as defined in section 4083(b)) (other than supplies for vessels or aircraft within the meaning of section 4221(d)(3)), paragraph (1)

shall not apply to so much of the tax imposed by section 4081 as is attributable to—

''(i) the Leaking Underground Storage Tank Trust Fund financing rate imposed by such section, and

''(ii) so much of the rate of tax specified in section 4081(a)(2)(A)(iv) as does not exceed 4.3 cents per gallon.

''(B) PAYMENT TO ULTIMATE, REGISTERED VENDOR.—With respect to aviation-grade kerosene, if the ultimate purchaser of such kerosene waives (at such time and in such form and manner as the Secretary shall prescribe) the right to payment under paragraph (1) and assigns such right to the ultimate vendor, then the Secretary shall pay the amount which would be paid under paragraph (1) to such ultimate vendor, but only if such ultimate vendor—

''(i) is registered under section 4101, and

''(ii) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).''.

(2) TIME FOR FILING CLAIMS.—Subparagraph (A) of section 6427(i)(4) is amended—

(A) by striking ''subsection (l)(5)'' both places it appears and inserting ''paragraph (4)(B) or (5) of subsection (l)'', and

(B) by striking ''the preceding sentence'' and inserting ''subsection (l)(5)''.

(3) CONFORMING AMENDMENT.—Subparagraph (B) of section 6427(l)(2) is amended to read as follows:

''(B) in the case of aviation-grade kerosene—

''(i) any use which is exempt from the tax imposed by section 4041(c) other than by reason of a prior imposition of tax, or

''(ii) any use in commercial aviation (within the meaning of section 4083(b)).''.

(d) REPEAL OF PRIOR TAXATION OF AVIATION FUEL.—

(1) IN GENERAL.—Part III of subchapter A of chapter 32 is amended by striking subpart B and by redesignating subpart C as subpart B.

(2) CONFORMING AMENDMENTS.—

(A) Section 4041(c) is amended to read as follows:

''(c) AVIATION-GRADE KEROSENE.—

''(1) IN GENERAL.—There is hereby imposed a tax upon aviation-grade kerosene—

''(A) sold by any person to an owner, lessee, or other operator of an aircraft for use in such aircraft, or

''(B) used by any person in an aircraft unless there was a taxable sale of such fuel under subparagraph (A).

''(2) EXEMPTION FOR PREVIOUSLY TAXED FUEL.—No tax shall be imposed by this subsection on the sale or use of any aviation-grade kerosene if tax was imposed on such liquid under section 4081 and the tax thereon was not credited or refunded.

''(3) RATE OF TAX.—The rate of tax imposed by this subsection shall be the rate of tax specified in section 4081(a)(2)(A)(iv) which is in effect at the time of such sale or use.''.

(B) Section 4041(d)(2) is amended by striking ''section 4091'' and inserting ''section 4081''.

(C) Section 4041 is amended by striking subsection (e).

(D) Section 4041 is amended by striking subsection (i).

(E) Sections 4101(a), 4103, 4221(a), and 6206 are each amended by striking '', 4081, or 4091'' and inserting ''or 4081''.

(F) Section 6416(b)(2) is amended by striking ''4091 or''.

(G) Section 6416(b)(3) is amended by striking ''or 4091'' each place it appears.

(H) Section 6416(d) is amended by striking ''or to the tax imposed by section 4091 in the case of refunds described in section 4091(d)''.

(I) Section 6427(j)(1) is amended by striking '', 4081, and 4091'' and inserting ''and 4081''.

(J)(i) Section 6427(l)(1) is amended to read as follows:

''(1) IN GENERAL.—Except as otherwise provided in this subsection and in subsection (k), if any diesel fuel or kerosene on which tax has been imposed by section 4041 or 4081 is used by any person in a nontaxable use, the Secretary shall pay (without interest) to the ultimate purchaser of such fuel an amount equal to the aggregate amount of tax imposed on such fuel under section 4041 or 4081, as the case may be, reduced by any payment made to the ultimate vendor under paragraph (4)(B).''.

(ii) Paragraph (5)(B) of section 6427(l) is amended by striking ''Paragraph (1)(A) shall not apply to kerosene'' and inserting ''Paragraph (1) shall not apply to kerosene (other than aviation-grade kerosene)''.

(K) Subparagraph (B) of section 6724(d)(1) is amended by striking clause (xv) and by redesignating the succeeding clauses accordingly.

(L) Paragraph (2) of section 6724(d) is amended by striking subparagraph (W) and by redesignating the succeeding subparagraphs accordingly.

(M) Paragraph (1) of section 9502(b) is amended by adding ''and'' at the end of subparagraph (B) and by striking subparagraphs (C) and (D) and inserting the following new subparagraph:

''(C) section 4081 with respect to aviation gasoline and aviation-grade kerosene, and''.

(N) The last sentence of section 9502(b) is amended to read as follows:

''There shall not be taken into account under paragraph (1) so much of the taxes imposed by section 4081 as are determined at the rate specified in section 4081(a)(2)(B).''.

(O) Subsection (b) of section 9508 is amended by striking paragraph (3) and by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(P) Section 9508(c)(2)(A) is amended by striking ''sections 4081 and 4091'' and inserting ''section 4081''.

(Q) The table of subparts for part III of subchapter A of chapter 32 is amended to read as follows:

''Subpart A. Motor and aviation fuels.
''Subpart B. Special provisions applicable to fuels tax.''.

(R) The heading for subpart A of part III of subchapter A of chapter 32 is amended to read as follows:

''Subpart A—Motor and Aviation Fuels''.

(S) The heading for subpart B of part III of subchapter A of chapter 32, as redesignated by paragraph (1), is amended to read as follows:

''Subpart B—Special Provisions Applicable to Fuels Tax''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to aviation-grade kerosene removed, entered, or sold after September 30, 2004.

(f) FLOOR STOCKS TAX.—

(1) IN GENERAL.—There is hereby imposed on aviation-grade kerosene held on October 1, 2004, by any person a tax equal to—

(A) the tax which would have been imposed before such date on such kerosene had the amendments made by this section been in effect at all times before such date, reduced by

(B) the tax imposed before such date under section 4091 of the Internal Revenue Code of 1986, as in effect on the day before the date of the enactment of this Act.

(2) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(A) LIABILITY FOR TAX.—The person holding the kerosene on October 1, 2004, to which the tax imposed by paragraph (1) applies shall be liable for such tax.

(B) METHOD AND TIME FOR PAYMENT.—The tax imposed by paragraph (1) shall be paid at such time and in such manner as the Secretary of the Treasury (or the Secretary's delegate) shall prescribe, including the nonapplication of such tax on de minimis amounts of kerosene.

(3) TRANSFER OF FLOOR STOCK TAX REVENUES TO TRUST FUNDS.—For purposes of determining the amount transferred to any trust fund, the tax imposed by this subsection shall be treated as imposed by section 4081 of the Internal Revenue Code of 1986—

(A) at the Leaking Underground Storage Tank Trust Fund financing rate under such section to the extent of 0.1 cents per gallon, and

(B) at the rate under section 4081(a)(2)(A)(iv) to the extent of the remainder.

(4) HELD BY A PERSON.—For purposes of this section, kerosene shall be considered as held by a person if title thereto has passed to such person (whether or not delivery to the person has been made).

(5) OTHER LAWS APPLICABLE.—All provisions of law, including penalties, applicable with respect to the tax imposed by section 4081 of such Code shall, insofar as applicable and not inconsistent with the provisions of this subsection, apply with respect to the floor stock tax imposed by paragraph (1) to the same extent as if such tax were imposed by such section.

SEC. 9303. DYE INJECTION EQUIPMENT.

(a) IN GENERAL.—Section 4082(a)(2) (relating to exemptions for diesel fuel and kerosene) is amended by inserting ''by mechanical injection'' after ''indelibly dyed''.

(b) DYE INJECTOR SECURITY.—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Treasury shall issue regulations regarding mechanical dye injection systems described in the amendment made by subsection (a), and such regulations shall include standards for making such systems tamper resistant.

(c) PENALTY FOR TAMPERING WITH OR FAILING TO MAINTAIN SECURITY REQUIREMENTS FOR MECHANICAL DYE INJECTION SYSTEMS.—

(1) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by adding after section 6715 the following new section:

''SEC. 6715A. TAMPERING WITH OR FAILING TO MAINTAIN SECURITY REQUIREMENTS FOR MECHANICAL DYE INJECTION SYSTEMS.

''(a) IMPOSITION OF PENALTY—

''(1) TAMPERING.—If any person tampers with a mechanical dye injection system used to indelibly dye fuel for purposes of section 4082, such person shall pay a penalty in addition to the tax (if any).

''(2) FAILURE TO MAINTAIN SECURITY REQUIREMENTS.—If any operator of a mechanical dye injection system used to indelibly dye fuel for purposes of section 4082 fails to maintain the security standards for such system as established by the Secretary, then such operator shall pay a penalty in addition to the tax (if any).

''(b) AMOUNT OF PENALTY.—The amount of the penalty under subsection (a) shall be—

''(1) for each violation described in paragraph (1), the greater of—

''(A) $25,000, or

''(B) $10 for each gallon of fuel involved, and

''(2) for each—

''(A) failure to maintain security standards described in paragraph (2), $1,000, and

''(B) failure to correct a violation described in paragraph (2), $1,000 per day for each day after which such violation was discovered or such person should have reasonably known of such violation.

''(c) JOINT AND SEVERAL LIABILITY.—

''(1) IN GENERAL.—If a penalty is imposed under this section on any business entity, each officer, employee, or agent of such entity or other contracting party who willfully participated in any act giving rise to such penalty shall be jointly and severally liable with such entity for such penalty.

''(2) AFFILIATED GROUPS.—If a business entity described in paragraph (1) is part of an affiliated group (as defined in section 1504(a)), the parent corporation of such entity shall be jointly and severally liable with such entity for the penalty imposed under this section.''.

(2) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is

amended by adding after the item related to section 6715 the following new item:

''Sec. 6715A. Tampering with or failing to maintain security requirements for mechanical dye injection systems.''.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (c) shall take effect on the 180th day after the date on which the Secretary issues the regulations described in subsection (b).

SEC. 9304. AUTHORITY TO INSPECT ON-SITE RECORDS.

(a) IN GENERAL.—Section 4083(d)(1)(A) (relating to administrative authority), as previously amended by this Act, is amended by striking ''and'' at the end of clause (i) and by inserting after clause (ii) the following new clause:

''(iii) inspecting any books and records and any shipping papers pertaining to such fuel, and''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 9305. REGISTRATION OF PIPELINE OR VESSEL OPERATORS REQUIRED FOR EXEMPTION OF BULK TRANSFERS TO REGISTERED TERMINALS OR REFINERIES.

(a) IN GENERAL.—Section 4081(a)(1)(B) (relating to exemption for bulk transfers to registered terminals or refineries) is amended—

(1) by inserting ''by pipeline or vessel'' after ''transferred in bulk'', and

(2) by inserting '', the operator of such pipeline or vessel,'' after ''the taxable fuel''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2004.

(c) PUBLICATION OF REGISTERED PERSONS.—Beginning on July 1, 2004, the Secretary of the Treasury (or the Secretary's delegate) shall periodically publish a current list of persons registered under section 4101 of the Internal Revenue Code of 1986 who are required to register under such section.

SEC. 9306. DISPLAY OF REGISTRATION.

(a) IN GENERAL.—Subsection (a) of section 4101 (relating to registration) is amended—

(1) by striking ''Every'' and inserting the following:

''(1) IN GENERAL.—Every'', and

(2) by adding at the end the following new paragraph:

''(2) DISPLAY OF REGISTRATION.—Every operator of a vessel required by the Secretary to register under this section shall display proof of registration through an electronic identification device prescribed by the Secretary on each vessel used by such operator to transport any taxable fuel.''.

(b) CIVIL PENALTY FOR FAILURE TO DISPLAY REGISTRATION.—

(1) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6716 the following new section:

''SEC. 6717. FAILURE TO DISPLAY TAX REGISTRATION ON VESSELS.

''(a) FAILURE TO DISPLAY REGISTRATION.—Every operator of a vessel who fails to display proof of registration pursuant to section 4101(a)(2) shall pay a penalty of $500 for each such failure. With respect to any vessel, only one penalty shall be imposed by this section during any calendar month.

''(b) MULTIPLE VIOLATIONS.—In determining the penalty under subsection (a) on any person, subsection (a) shall be applied by increasing the amount in subsection (a) by the product of such amount and the aggregate number of penalties (if any) imposed with respect to prior months by this section on such person (or a related person or any predecessor of such person or related person).

''(c) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.''.

(2) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6716 the following new item:

''Sec. 6717. Failure to display tax registration on vessels.''.

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendments made by subsection (a) shall take effect on October 1, 2004.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall apply to penalties imposed after September 30, 2004.

SEC. 9307. PENALTIES FOR FAILURE TO REGISTER AND FAILURE TO REPORT.

(a) INCREASED PENALTY.—Subsection (a) of section 7272 (relating to penalty for failure to register) is amended by inserting ''($10,000 in the case of a failure to register under section 4101)'' after ''$50''.

(b) INCREASED CRIMINAL PENALTY.—Section 7232 (relating to failure to register under section 4101, false representations of registration status, etc.) is amended by striking ''$5,000'' and inserting ''$10,000''.

(c) ASSESSABLE PENALTY FOR FAILURE TO REGISTER.—

(1) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6717 the following new section:

''SEC. 6718. FAILURE TO REGISTER.

''(a) FAILURE TO REGISTER.—Every person who is required to register under section 4101 and fails to do so shall pay a penalty in addition to the tax (if any).

''(b) AMOUNT OF PENALTY.—The amount of the penalty under subsection (a) shall be—

''(1) $10,000 for each initial failure to register, and

''(2) $1,000 for each day thereafter such person fails to register.

''(c) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.''.

(2) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6717 the following new item:

''Sec. 6718. Failure to register.''.

(d) ASSESSABLE PENALTY FOR FAILURE TO REPORT.—

(1) IN GENERAL.—Part II of subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end the following new section:

''SEC. 6725. FAILURE TO REPORT INFORMATION UNDER SECTION 4101.

''(a) IN GENERAL.—In the case of each failure described in subsection (b) by any person with respect to a vessel or facility, such person shall pay a penalty of $10,000 in addition to the tax (if any).

''(b) FAILURES SUBJECT TO PENALTY.—For purposes of subsection (a), the failures described in this subsection are—

''(1) any failure to make a report under section 4101(d) on or before the date prescribed therefor, and

''(2) any failure to include all of the information required to be shown on such report or the inclusion of incorrect information.

''(c) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.''.

(2) CLERICAL AMENDMENT.—The table of sections for part II of subchapter B of chapter 68 is amended by adding at the end the following new item:

''Sec. 6725. Failure to report information under section 4101.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to penalties imposed after September 30, 2004.

SEC. 9308. COLLECTION FROM CUSTOMS BOND WHERE IMPORTER NOT REGISTERED.

(a) TAX AT POINT OF ENTRY WHERE IMPORTER NOT REGISTERED.—Subpart B of part III of subchapter A of chapter 32, as redesignated by section 9302(d), is amended by adding after section 4103 the following new section:

''SEC. 4104. COLLECTION FROM CUSTOMS BOND WHERE IMPORTER NOT REGISTERED.

''(a) IN GENERAL.—The importer of record shall be jointly and severally liable for the tax imposed by section 4081(a)(1)(A)(iii) if, under regulations prescribed by the Secretary, any other person that is not a person who is registered under section 4101 is liable for such tax.

''(b) COLLECTION FROM CUSTOMS BOND.—If any tax for which any importer of record is liable under subsection (a), or for which any importer of record that is not a person registered under section 4101 is otherwise liable, is not paid on or before the last date prescribed for payment, the Secretary may collect such tax from the Customs bond posted with respect to the importation of the taxable fuel to which the tax relates. For purposes of determining the jurisdiction of any court of the United States or any agency of the United States, any action by the Secretary described in the preceding sentence shall be treated as an action to collect the tax from a bond described in section 4101(b)(1) and not as an action to collect from a bond relating to the importation of merchandise.''.

(b) CONFORMING AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 32, as redesignated by section 9302(d), is amended by adding after the item related to section 4103 the following new item:

''Sec. 4104. Collection from Customs bond where importer not registered.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to fuel entered after September 30, 2004.

SEC. 9309. MODIFICATIONS OF TAX ON USE OF CERTAIN VEHICLES.

(a) PRORATION OF TAX WHERE VEHICLE SOLD.—

(1) IN GENERAL.—Subparagraph (A) of section 4481(c)(2) (relating to where vehicle destroyed or stolen) is amended by striking ''destroyed or stolen'' both places it appears and inserting ''sold, destroyed, or stolen''.

(2) CONFORMING AMENDMENT.—The heading for section 4481(c)(2) is amended by striking ''DESTROYED OR STOLEN'' and inserting ''SOLD, DESTROYED, OR STOLEN''.

(b) REPEAL OF INSTALLMENT PAYMENT.—

(1) Section 6156 (relating to installment payment of tax on use of highway motor vehicles) is repealed.

(2) The table of sections for subchapter A of chapter 62 is amended by striking the item relating to section 6156.

(c) ELECTRONIC FILING.—Section 4481 is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

''(e) ELECTRONIC FILING.—Any taxpayer who files a return under this section with respect to 25 or more vehicles for any taxable period shall file such return electronically.''.

(d) REPEAL OF REDUCTION IN TAX FOR CERTAIN TRUCKS.—Section 4483 is amended by striking subsection (f).

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable periods beginning after the date of the enactment of this Act.

SEC. 9310. MODIFICATION OF ULTIMATE VENDOR REFUND CLAIMS WITH RESPECT TO FARMING.

(a) IN GENERAL.—

(1) REFUNDS.—Section 6427(l) is amended by adding at the end the following new paragraph:

''(6) REGISTERED VENDORS PERMITTED TO ADMINISTER CERTAIN CLAIMS FOR REFUND OF DIESEL FUEL AND KEROSENE SOLD TO FARMERS.—

''(A) IN GENERAL.—In the case of diesel fuel or kerosene used on a farm for farming purposes (within the meaning of section 6420(c)), paragraph (1) shall not apply to the aggregate amount of such diesel fuel or kerosene if such amount does not exceed 250 gallons (as determined under subsection (i)(5)(A)(iii)).

''(B) PAYMENT TO ULTIMATE VENDOR.—The amount which would (but for subparagraph (A)) have been paid under paragraph (1) with respect to any fuel shall be paid to the ultimate vendor of such fuel, if such vendor—

''(i) is registered under section 4101, and

''(ii) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).''.

(2) FILING OF CLAIMS.—Section 6427(i) is amended by inserting at the end the following new paragraph:

''(5) SPECIAL RULE FOR VENDOR REFUNDS WITH RESPECT TO FARMERS.—

''(A) IN GENERAL.—A claim may be filed under subsection (l)(6) by any person with respect to fuel sold by such person for any period—

''(i) for which $200 or more ($100 or more in the case of kerosene) is payable under subsection (l)(6),

''(ii) which is not less than 1 week, and

''(iii) which is for not more than 250 gallons for each farmer for which there is a claim.

Notwithstanding subsection (l)(1), paragraph (3)(B) shall apply to claims filed under the preceding sentence.

''(B) TIME FOR FILING CLAIM.—No claim filed under this paragraph shall be allowed unless filed on or before the last day of the first quarter following the earliest quarter included in the claim.''.

(3) CONFORMING AMENDMENTS.—

(A) Section 6427(l)(5)(A) is amended to read as follows:

''(A) IN GENERAL.—Paragraph (1) shall not apply to diesel fuel or kerosene used by a State or local government.''.

(B) The heading for section 6427(l)(5) is amended by striking ''FARMERS AND''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to fuels sold for nontaxable use after the date of the enactment of this Act.

SEC. 9311. DEDICATION OF REVENUES FROM CERTAIN PENALTIES TO THE HIGHWAY TRUST FUND.

(a) IN GENERAL.—Subsection (b) of section 9503 (relating to transfer to Highway Trust Fund of amounts equivalent to certain taxes) is amended by redesignating paragraph (5) as paragraph (6) and inserting after paragraph (4) the following new paragraph:

''(5) CERTAIN PENALTIES.—There are hereby appropriated to the Highway Trust Fund amounts equivalent to the penalties paid under sections 6715, 6715A, 6717, 6718, 6725, 7232, and 7272 (but only with regard to penalties under such section related to failure to register under section 4101).''.

(b) CONFORMING AMENDMENTS.—

(1) The heading of subsection (b) of section 9503 is amended by inserting ''AND PENALTIES'' after ''TAXES''.

(2) The heading of paragraph (1) of section 9503(b) is amended by striking ''IN GENERAL'' and inserting ''CERTAIN TAXES''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to penalties assessed after October 1, 2004.

Subtitle D—Other Excise Tax Provisions

SEC. 9401. TAXABLE FUEL REFUNDS FOR CERTAIN ULTIMATE VENDORS.

(a) IN GENERAL.—Paragraph (4) of section 6416(a) (relating to abatements, credits, and refunds) is amended to read as follows:

''(4) REGISTERED ULTIMATE VENDOR TO ADMINISTER CREDITS AND REFUNDS OF GASOLINE TAX.—

''(A) IN GENERAL.—For purposes of this subsection, if an ultimate vendor purchases any gasoline on which tax imposed by section 4081 has been paid and sells such gasoline to an ultimate purchaser described in subparagraph (C) or (D) of subsection (b)(2) (and such gasoline is for a use described in such subparagraph), such ultimate vendor shall be treated as the person (and the only person) who paid such tax, but only if such ultimate vendor is registered under section 4101. For purposes of this subparagraph, if the sale of gasoline is made by means of a credit card, the person extending the credit to the ultimate purchaser shall be deemed to be the ultimate vendor.

''(B) TIMING OF CLAIMS.—The procedure and timing of any claim under subparagraph (A) shall be the same as for claims under section 6427(i)(4), except that the rules of section 6427(i)(3)(B) regarding electronic claims shall not apply unless the ultimate vendor has certified to the Secretary for the most recent quarter of the taxable year that all ultimate purchasers of the vendor covered by such claim are certified and entitled to a refund under subparagraph (C) or (D) of subsection (b)(2).''.

(b) CREDIT CARD PURCHASES OF DIESEL FUEL OR KEROSENE BY STATE AND LOCAL GOVERNMENTS.—Section 6427(l)(5)(C) (relating to nontaxable uses of diesel fuel, kerosene, and aviation fuel) is amended by adding at the end the following new flush sentence: ''For purposes of this subparagraph, if the sale of diesel fuel or kerosene is made by means of a credit card, the person extending the credit to the ultimate purchaser shall be deemed to be the ultimate vendor.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2004.

SEC. 9402. TWO-PARTY EXCHANGES.

(a) IN GENERAL.—Subpart B of part III of subchapter A of chapter 32, as amended by this Act, is amended by adding after section 4104 the following new section:

''SEC. 4105. TWO-PARTY EXCHANGES.

''(a) IN GENERAL.—In a two-party exchange, the delivering person shall not be liable for the tax imposed under section 4081(a)(1)(A)(ii).

''(b) TWO-PARTY EXCHANGE.—The term 'two-party exchange' means a transaction, other than a sale, in which taxable fuel is transferred from a delivering person registered under section 4101 as a taxable fuel registrant fuel to a receiving person who is so registered where all of the following occur:

''(1) The transaction includes a transfer from the delivering person, who holds the inventory position for taxable fuel in the terminal as reflected in the records of the terminal operator.

''(2) The exchange transaction occurs before or contemporaneous with completion of removal across the rack from the terminal by the receiving person.

''(3) The terminal operator in its books and records treats the receiving person as the person that removes the taxable fuel across the terminal rack for purposes of reporting the transaction to the Secretary.

''(4) The transaction is the subject of a written contract.''.

(b) CONFORMING AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 32, as amended by this Act, is amended by adding after the item relating to section 4104 the following new item:

''Sec. 4105. Two-party exchanges.''.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 9403. SIMPLIFICATION OF TAX ON TIRES.

(a) IN GENERAL.—Subsection (a) of section 4071 is amended to read as follows:

''(a) IMPOSITION AND RATE OF TAX.—There is hereby imposed on taxable tires sold by the manufacturer, producer, or importer thereof a tax at the rate of 9.4 cents (4.7 cents in the case of a biasply tire) for each 10 pounds so much of the maximum rated load capacity thereof as exceeds 3,500 pounds.''

(b) TAXABLE TIRE.—Section 4072 is amended by redesignating subsections (a) and (b) as subsections (b) and (c), respectively, and by inserting before subsection (b) (as so redesignated) the following new subsection:

''(a) TAXABLE TIRE.—For purposes of this chapter, the term 'taxable tire' means any tire of the type used on highway vehicles if wholly or in part made of rubber and if marked pursuant to Federal regulations for highway use.''

(c) EXEMPTION FOR TIRES SOLD TO DEPARTMENT OF DEFENSE.—Section 4073 is amended to read as follows:

''SEC. 4073. EXEMPTIONS.

''The tax imposed by section 4071 shall not apply to tires sold for the exclusive use of the Department of Defense or the Coast Guard.''

(d) CONFORMING AMENDMENTS.—

(1) Section 4071 is amended by striking subsection (c) and by moving subsection (e) after subsection (b) and redesignating subsection (e) as subsection (c).

(2) The item relating to section 4073 in the table of sections for part II of subchapter A of chapter 32 is amended to read as follows:

''Sec. 4073. Exemptions.''

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to sales in calendar years beginning more than 30 days after the date of the enactment of this Act.

Subtitle E—Small Business Expensing

SEC. 9501. 2-YEAR EXTENSION OF INCREASED EXPENSING FOR SMALL BUSINESS.

Subsections (b), (c), and (d) of section 179 (as amended by the Jobs and Growth Tax Relief Reconciliation Act of 2003) are each amended by striking ''2006'' each place it appears and inserting ''2008''.

Subtitle F—Alternative Minimum Tax Relief

SEC. 9601. NET OPERATING LOSSES AND FOREIGN TAX CREDIT UNDER ALTERNATIVE MINIMUM TAX.

(a) NET OPERATING LOSSES.—

(1) IN GENERAL.—Subparagraph (A) of section 56(d)(1) is amended to read as follows:

''(A) the amount of such deduction shall not exceed the applicable percentage (determined under paragraph (3)) of the alternative minimum taxable income determined without regard to such deduction, and''.

(2) APPLICABLE PERCENTAGE.—Subsection (d) of section 56 is amended by adding at the end the following new paragraph:

''(3) APPLICABLE PERCENTAGE.—For purposes of paragraph (1)(A)—

''For taxable years beginning in calendar year—	The applicable percentage is—
2006, 2007, or 2008	92
2009 or 2010	94
2011	96
2012	98
2013 or thereafter	100.''

(b) FOREIGN TAX CREDIT.—

(1) Subsection (a) of section 59 is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(2) Section 53(d)(1)(B)(i)(II) is amended by striking ''and if section 59(a)(2) did not apply''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 9602. EXPANSION OF EXEMPTION FROM ALTERNATIVE MINIMUM TAX FOR SMALL CORPORATIONS.

(a) IN GENERAL.—Subparagraphs (A) and (B) of section 55(e)(1) are each amended by striking ''$7,500,000'' each place it appears and inserting ''$20,000,000''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 9603. INCOME AVERAGING FOR FARMERS NOT TO INCREASE ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Subsection (c) of section 55 (defining regular tax) is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

''(2) COORDINATION WITH INCOME AVERAGING FOR FARMERS.—Solely for purposes of this section, section 1301 (relating to averaging of farm income) shall not apply in computing the regular tax liability.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2003.

The CHAIRMAN pro tempore. No further amendment is in order except those printed in part B of the report. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

It is now in order to consider amendment No. 1 printed in House Report 108–456 part B.

AMENDMENT NO. 1 OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. YOUNG of Alaska:

In title I, strike the text of section 1105 (page 31) and insert the following:

(a) OVERSIGHT PROGRAM.—Section 106 of title 23, United States Code, is amended by striking subsection (h) and inserting the following:

''(h) OVERSIGHT PROGRAM.—

''(1) IN GENERAL.—The Secretary shall establish an oversight program to monitor the effective and efficient use of funds authorized to carry out this title. At a minimum, the program shall be responsive to all areas related to financial integrity and project delivery.

''(2) FINANCIAL INTEGRITY.—

''(A) FINANCIAL MANAGEMENT SYSTEMS.—The Secretary shall perform annual reviews that address elements of the State transportation departments' financial management systems that affect projects approved under subsection (a).

''(B) PROJECT COSTS.—The Secretary shall develop minimum standards for estimating project costs and shall periodically evaluate the States' practices for estimating project costs, awarding contracts, and reducing project costs.

''(C) RESPONSIBILITY OF THE STATES.—The States are responsible for determining that subrecipients of Federal funds under this title have sufficient accounting controls to properly manage such Federal funds. The Secretary shall periodically review the States' monitoring of subrecipients.

''(3) PROJECT DELIVERY.—The Secretary shall perform annual reviews that address elements of a State's project delivery system, which includes one or more activities that are involved in the life cycle of a project from its conception to its completion.

''(4) RESPONSIBILITY OF THE STATES.—The States are responsible for determining that subrecipients of Federal funds under this title have adequate project delivery systems for projects approved under this section. The Secretary shall periodically review the States' monitoring of subrecipients.

''(5) SPECIFIC OVERSIGHT RESPONSIBILITIES.—Nothing in this section shall affect or discharge any oversight responsibility of the Secretary specifically provided for under this title or other Federal law. In addition, the Secretary shall retain full oversight responsibilities for the design and construction of all Appalachian development highways under section 14501 of title 40.

''(i) MAJOR PROJECTS.—

''(1) IN GENERAL.—Notwithstanding any other provision in this section, a recipient of Federal financial assistance for a project under this title with an estimated total cost of $500,000,000 or more, or any other project in the discretion of the Secretary, shall submit to the Secretary a project management plan and an annual financial plan.

''(2) PROJECT MANAGEMENT PLAN.—The project management plan shall document the procedures and processes in place to provide timely information to the project decision makers to manage effectively the scope, costs, schedules, and quality, and the Federal requirements of the project and the role of the agency leadership and management team in the delivery of the project.

''(3) FINANCIAL PLAN.—The financial plan shall be based on detailed estimates of the cost to complete the project. Annual updates shall be submitted based on reasonable assumptions, as determined by the Secretary, of future increases in the cost to complete the project.

''(j) OTHER PROJECTS.—A recipient of Federal financial assistance for a project under this title with an estimated total cost of $100,000,000 or more that is not covered by subsection (h) shall prepare an annual financial plan. Annual financial plans prepared under this subsection shall be made available to the Secretary for review upon the Secretary's request.''.

(b) SHARING OF MONETARY RECOVERIES.—Notwithstanding any other provision of law, monetary judgments accruing to the Government from judgments in Federal criminal prosecutions and civil proceedings pertaining to fraud in Federally funded highway and public transportation projects and programs shall be treated as follows:

(1) Any amount less than or equal to the single damages incurred as the result of such fraud shall be credited to the Federal account from which the funds for the project or program that is at issue in the fraud came, except to the extent that such Federal account has been credited as the result of any judgment in favor of a grant recipient.

(2) Any amount in excess of the amount credited pursuant to paragraph (1) shall be shared with the State or other recipient involved if—

(A) the State or other recipient enters into a legally binding agreement with the Secretary to use the funds for a purpose eligible for Federal assistance under title 23 or chapter 53 of title 49, United States Code, as the case may be;

(B) the amount to be shared with the State or other recipient is determined by the Attorney General, in consultation with the Secretary; and

(C) the Attorney General, in consultation with the Secretary, determines that the fraud did not occur as a result of negligent oversight or actual involvement in the fraud by the State or other recipient or any senior official of the State or other recipient.

Page 34, strike lines 2 through 7 and insert the following:

(a) ALLOCATION.—Section 110(a)(1) of title 23, United States Code, is amended—

(1) by striking ''2000'' and inserting ''2006'';

(2) by inserting after ''such fiscal year'' the following: ''and the succeeding fiscal year''.

(b) REDUCTION.—Section 110(a)(2) of such title is amended—

(1) by striking ''2000'' and inserting ''2006'';

(2) by striking ''October 1 of the succeeding'' and inserting ''October 15 of such''; and

(3) by inserting after ''Account)'' the following: ''for such fiscal year and the succeeding fiscal year''.

(c) GENERAL DISTRIBUTION.—Section 110(b)(1)(A) of such title is amended by striking ''Transportation Equity Act for the 21st Century'' and inserting ''Transportation Equity Act: A Legacy for Users''.

Page 34, line 8, strike ''(b)'' and insert ''(d)''.

Page 46, after line 13, insert the following:

(e) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) of this section shall take effect on September 30, 2004.

Page 48, line 13, strike both periods and the closing quotation marks and insert the following:

; except that $25,000,000 shall be available only for projects for the seismic retrofit of bridges, and of which $10,000,000 shall be available only for the seismic retrofit of a bridge described in subsection (l), and except as provided in subparagraph (E).

''(E) GRAVINA ACCESS.—

''(i) IN GENERAL.—Of the amounts authorized to be appropriated to carry out the bridge program under this paragraph, for each of the fiscal years 2005 through 2009, $10,000,000 shall be set aside from the $100,000,000 available at the discretion of the Secretary under subparagraph (D) for the construction of a bridge joining the Island of Gravina to the community of Ketchikan in Alaska.

''(ii) SCORING.—The project described in this subparagraph shall not be counted for purposes of the reduction set forth in the fourth sentence of subsection (e).''.

Page 49, after line 22, insert the following:

(c) PLANNING ACTIVITIES PILOT PROGRAM.—Section 1221 of such Act is amended by adding at the end the following:

''(f) PLANNING ACTIVITIES PILOT PROGRAM.—

''(1) IN GENERAL.—The Secretary shall establish a pilot program using funds set aside under paragraph (4) to support planning and public participation activities related to highway and public transportation projects.

''(2) ELIGIBLE ACTIVITIES.—Activities eligible to be carried out under the pilot program may include the following:

''(A) Improving data collection and analysis to improve freight movement, intermodal connections, and transportation access and efficiency for all users, including children, older individuals, individuals with disabilities, low-income individuals, and minority communities.

''(B) Supporting public participation by holding public meetings using an interactive workshop format facilitated by design or planning experts (or both) to consider public input at the initial stages of project development and during other phases of a project.

''(C) Using innovative planning or design visualization and simulation tools to improve the evaluation of alternatives and their impacts and to enhance public participation in the transportation planning process, including tools having a structure that enables modifications to scenarios and assumptions in real time.

''(D) Enhancing coordination among transportation, land use, workforce development, human service, economic development, and other agencies to strengthen access to job training services, daycare centers, health

care facilities, senior centers, public schools, universities, and residential areas, including the use of integrated planning and service delivery, especially for transit dependent and low-income individuals.

''(E) Contracting with nonprofit organizations, universities, and local agencies to deliver community-oriented transportation plans and projects, including public outreach, context sensitive design, transit-oriented development, multimodal corridor investments, commuter benefits deployment, and brownfield redevelopment.

''(F) Measuring and reporting on the annual performance of the transportation system (or parts of) relative to State or locally-established criteria regarding—

''(i) maintenance and operating costs of the transportation system, vehicle miles traveled, peak-period travel times, transportation choices, and mode shares;

''(ii) location of housing units, jobs, medical facilities, and commercial centers to transit;

''(iii) improvements directed to low-income families and older individuals;

''(iv) transportation-related pollution emissions into the air and water;

''(v) land consumption; and

''(vi) other locally-significant factors.

''(G) Improving regional travel and emission modeling to examine factors not currently considered, such as induced travel and land use effects of transportation alternatives, types of vehicles owned and used by households, time-of-day of travel and linkage of trips to each other throughout the day, effects of urban design and pedestrian and bicycle environment on travel behavior, and impacts of alternatives on the distribution of benefits and burdens among various groups protected under title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.).

''(3) FEDERAL SHARE.—Notwithstanding subsection (e)(2), the Federal share of the cost of activities carried out under the pilot program shall be 100 percent.

''(4) SET ASIDE.—The Secretary shall make available $1,500,000 of the amounts made available to carry out this section for each of fiscal years 2004 through 2009 to carry out the pilot program under this subsection.''.

Page 62, line 19 strike ''202(a)'' and insert ''202(d) of such title''.

Page 63, after line 18, insert the following:

(e) ALASKA NATIVE VILLAGE TRANSPORTATION PROGRAM.—

(1) ESTABLISHMENT.—Not later than 3 months after the date of enactment of this Act, the Secretary and the Denali Commission, in coordination with the Alaska Federation of Natives, shall establish an Alaska Native Village transportation program to pay the costs of planning, design, construction, and maintenance of road and other surface transportation facilities identified by Alaska Native Villages.

(2) ALASKA NATIVE VILLAGE DEFINED.—In this subsection, the term ''Alaska Native Village'' has the same meaning such term has as used by the Bureau of Indian Affairs in administering the Indian reservation road program under section 202 of title 23, United States Code.

Page 63, strike line 19, insert the following (and conform the table of contents of the bill accordingly):

SEC. 1119. CONSERVATION MEASURES.

(a) REFUGE ROADS.—Section 204(k)(1) of title 23, United States Code, is amended—

(1) by striking ''and'' at the end of subparagraph (B);

(2) by redesigning subparagraph (C) as subparagraph (D);

(3) by inserting after subparagraph (B) the following:

''(C) construction, maintenance, and improvement of wildlife observation infrastructure; and''; and

(4) in subparagraph (D) (as so redesignated) by striking ''maintenance and improvements'' and inserting ''construction, maintenance, and improvements''.

(b) FOREST HIGHWAYS.—Of the amounts made available for public lands highways under section 1101—

(1) not to exceed $20,000,000 per fiscal year may be used for the maintenance of forest highways;

(2) not to exceed $2,500,000 per fiscal year may be used to repair culverts and bridges on forest highways to facilitate appropriate fish passage and ensure reasonable flows and to maintain and remove such culverts and bridges as appropriate; and

(3) not to exceed $1,000,000 per fiscal year may be used for signage identifying public hunting and fishing access.

(c) WILDLIFE VEHICLE COLLISION REDUCTION STUDY.—

(1) IN GENERAL.—The Secretary shall conduct a study of methods to reduce collisions between motor vehicles and wildlife (in this subsection referred to as ''wildlife vehicle collisions'').

(2) CONTENTS.—

(A) AREAS OF STUDY.—The study shall include an assessment of the causes and impacts of wildlife vehicle collisions and solutions and best practices for reducing such collisions.

(B) METHODS FOR CONDUCTING THE STUDY.—In carrying out the study, the Secretary shall—

(i) conduct a thorough literature review; and

(ii) survey current practices of the Department of Transportation.

(3) CONSULTATION.—In carrying out the study, the Secretary shall consult with appropriate experts in the field of wildlife vehicle collisions.

(4) REPORT.—

(A) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study.

(B) CONTENTS.—The report shall include a description of each of the following:

(i) Causes of wildlife vehicle collisions.

(ii) Impacts of wildlife vehicle collisions.

(iii) Solutions to and prevention of wildlife vehicle collisions.

(5) MANUAL.—

(A) DEVELOPMENT.—Based upon the results of the study, the Secretary shall develop a best practices manual to support State efforts to reduce wildlife vehicle collisions.

(B) AVAILABILITY.—The manual shall be made available to States not later than 1 year after the date of transmission of the report under paragraph (4).

(C) CONTENTS.—The manual shall include, at a minimum, the following:

(i) A list of best practices addressing wildlife vehicle collisions.

(ii) A list of information, technical, and funding resources for addressing wildlife vehicle collisions.

(iii) Recommendations for addressing wildlife vehicle collisions.

(iv) Guidance for developing a State action plan to address wildlife vehicle collisions

(6) TRAINING.—Based upon the manual developed under paragraph (5), the Secretary shall develop a training course on addressing wildlife vehicle collisions for transportation professionals.

Page 89, strike lines 18 through 20 and insert the following:

(a) GENERAL PROVISIONS.—The Secretary may not apportion before August 1, 2006, any funds for any of the programs referred to in subsection (b) for fiscal year 2006 unless, after

Page 119, strike lines 7 through 9 and insert the following (and conform the table of contents of the bill accordingly):

SEC. 1207. STATE ASSUMPTION OF RESPONSIBILITIES FOR CERTAIN PROGRAMS AND PROJECTS.

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

''§ 167. State assumption of responsibilities for certain programs and projects

''(a) ASSUMPTION OF SECRETARY'S RESPONSIBILITIES UNDER APPLICABLE FEDERAL LAWS.—

''(1) PILOT PROGRAM.—

''(A) ESTABLISHMENT.—The Secretary may establish a pilot program under which States may assume the responsibilities of the Secretary under any Federal laws subject to the requirements of this section.

''(B) FIRST 3 FISCAL YEARS.—In the first 3 fiscal years following the date of enactment of this section, the Secretary may allow up to 5 States to participate in the pilot program.

''(2) SCOPE OF PROGRAM.—Under the pilot program, the Secretary may assign, and a State may assume, any of the Secretary's responsibilities (other than responsibilities relating to federally recognized Indian tribes) for environmental reviews, consultation, or decisionmaking or other actions required under any Federal law as such requirements apply to the following projects:

''(A) Projects funded under section 104(h).

''(B) Transportation enhancement activities under section 133, as such term is defined in section 101(a)(35).

''(C) Projects as defined in section 101(a)(39) and section 5607 of the Transportation Equity Act: A Legacy for Users.

''(3) LIMITATIONS.—

''(A) PROCEDURAL AND SUBSTANTIVE REQUIREMENTS.—A State that assumes the responsibilities of the Secretary under this section shall be subject to the same procedural and substantive requirements as would apply if the responsibilities were carried out by the Secretary. When a State assumes responsibilities for carrying out a Federal law under this section, the State assents to Federal jurisdiction and shall be solely responsible and solely liable for complying with and carrying out that law instead of the Secretary.

''(B) ASSUMPTION OF RESPONSIBILITIES.—Any responsibility of the Secretary not assumed by the State in a memorandum of understanding shall remain a responsibility of the Secretary.

''(C) POWERS OF OTHER AGENCIES.—Nothing in this section preempts or limits any power, jurisdiction, responsibility, or authority of an agency, other than the Department of Transportation, with respect to a project.

''(b) AGREEMENTS.—

''(1) IN GENERAL.—The Secretary shall enter into a memorandum of understanding with a State participating in the pilot program setting forth the responsibilities to be assigned under subsection (a)(2) and the terms and conditions under which the assignment is being made.

''(2) CERTIFICATION.—Before the Secretary enters into a memorandum of understanding with a State under paragraph (1), the State shall certify that the State has in effect laws (including regulations) applicable to projects carried out and funded under this title and chapter 53 of title 49 that authorize the State to carry out the responsibilities being assumed.

''(3) MAXIMUM DURATION.—A memorandum of understanding with a State under this section shall be established for an initial period

of no more than 3 years and may be renewed by mutual agreement on a periodic basis for periods of not more than 3 years.

''(4) COMPLIANCE.—

''(A) IN GENERAL.—After entering into a memorandum of understanding under paragraph (1), the Secretary shall review and determine compliance by the State with the memorandum of understanding.

''(B) RENEWALS.—The Secretary shall take into account the performance of a State under the pilot program when considering renewal of a memorandum of understanding with the State under the program.

''(5) ACCEPTANCE OF FEDERAL COURTS JURISDICTION.—A memorandum of understanding with a State under this section shall include a provision under which the State consents to accept the jurisdiction of the Federal courts for the compliance, discharge, and enforcement of any responsibility of the Secretary that the State may assume under the memorandum.

''(6) TERMINATION OF AGREEMENTS.—A memorandum of understanding with a State under this section shall include a provision authorizing the Secretary to terminate the agreement if the Secretary, after providing an opportunity for a hearing, issues a finding that the State is not in compliance with the terms of the agreement.

''(c) SELECTION OF STATES FOR PILOT PROGRAM.—

''(1) APPLICATION.—To be eligible to participate in the pilot program, a State shall submit to the Secretary an application that contains such information as the Secretary may require. At a minimum, an application shall include—

''(A) a description of the projects or classes of projects for which the State seeks to assume responsibilities under subsection (a)(2); and

''(B) a certification that the State has the capability to assume such responsibilities.

''(2) PUBLIC NOTICE.—Before entering into a memorandum of understanding allowing a State to participate in the pilot program, the Secretary shall—

''(A) publish notice in the Federal Register of the Secretary's intent to allow the State to participate in the program, including a copy of the State's application to the Secretary and the terms of the proposed agreement with the State; and

''(B) provide an opportunity for public comment.

''(3) SELECTION CRITERIA.—The Secretary may approve the application of a State to assume responsibilities under the program only if—

''(A) the requirements under paragraph (2) have been met; and

''(B) the Secretary determines that the State has the capability to assume the responsibilities.

''(4) OTHER FEDERAL AGENCY VIEWS.—Before assigning to a State a responsibility of the Secretary that requires the Secretary to consult with another Federal agency, the Secretary shall solicit the views of the Federal agency.

''(d) STATE DEFINED.—With respect to the recreational trails program, the term 'State' means the State agency designated by the Governor of the State in accordance with section 206(c)(1).

''(e) PRESERVATION OF PUBLIC INTEREST CONSIDERATION.—Nothing in this section shall be construed to limit the requirements under any applicable law providing for the consideration and preservation of the public interest, including public participation and community values in transportation decisionmaking.

''(f) STATE SUBJECT TO FEDERAL LAWS.—For purposes of assuming responsibilities of the Secretary under this section, a State agency entering into a memorandum of understanding under subsection (b) is deemed to be a Federal agency to the extent the State is carrying out the Secretary's responsibilities under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), this title, and any other provision of Federal law.''.

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

''167. State assumption of responsibilities for certain programs and projects.''.

Page 130, strike line 22 and all that follows through line 24 on page 132 and insert the following (and conform the table of contents of the bill accordingly):

SEC. 1210. ACCESS RAMP.

(a) IN GENERAL.—Not later 30 days after the date of enactment of this Act, the Secretary shall open the ramp connecting Interstate Route 495/95 and Arena Drive in Prince George's County, Maryland, for the purpose of allowing motor vehicles to exit Interstate Route 495/95 in both northern and southern directions onto Arena Drive. Such ramp shall be open for 24 hours a day, every day during the calendar year.

(b) FULLY OPENING ARENA DRIVE RAMP.—

(1) STUDY.—The Secretary shall conduct a study to determine the most appropriate method for opening the ramps for allowing motor vechicles to enter Interstate Route 495/95 from Arena Drive.

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study.

(c) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in the section shall be construed as altering current traffic management protocols to the Arena Drive ramps during stadium events.

Page 171, line 2, insert ''(b)(1),'' before ''(d),''.

In subtitle D of title I, insert at the end the following (and conform the table of contents accordingly):

SEC. 1408. REPAIR OR REPLACEMENT OF HIGHWAY FEATURES ON NATIONAL HIGHWAY SYSTEM.

(a) RULEMAKING PROCEEDING.—The Secretary shall conduct a rulemaking proceeding to determine the appropriate conditions under which a State when choosing to repair or replace damaged highway features on the National Highway System with State funds (rather than with available Federal financial assistance) should be required to repair or replace such features with highway features that have been tested, evaluated, and found to be acceptable under the guidelines contained in the report of the Transportation Research Board of the National Research Council entitled ''NCHRP Report 350-Recommended Procedures for the Safety Performance Evaluation of Highway Features''.

(b) MATTERS TO BE CONSIDERED.—The rulemaking proceeding shall cover those highway features that are covered by the guidelines referred to in subsection (a). The conditions to be considered by the Secretary in the rulemaking proceeding shall include types of highway features, cost-effectiveness, and practicality of replacement with highway features that have been found to be acceptable under such guidelines.

(c) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall issue regulations regarding the conditions under which States when choosing to repair or replace damaged highway features described in subsection (a) will be required to repair or replace such features with highway features that have been tested, evaluated, and found to be acceptable as described in subsection (a).

Page 204, line 23, strike ''Congress grants'' and insert the following:

''(1) IN GENERAL.—Congress grants

Page 205, after line 4, insert the following:

''(2) RESERVATION OF RIGHTS.—The right to alter, amend or repeal interstate compacts entered into under this subsection is expressly reserved.

Page 220, lines 4 and 5, strike ''an Interstate System construction toll pilot program'' and insert ''a pilot program to finance the construction of new Interstate System facilities with toll revenues''.

Page 220, line 9, strike ''Interstate highways.'' and insert ''new Interstate highway facilities. Rehabilitation and reconstruction of Interstate facilities are not eligible under the pilot program.''.

Page 220, lines 16 and 17, strike ''facility on the Interstate System'' and insert ''new Interstate System facility''.

Page 220, line 25, insert ''new'' before ''facility with''.

In each of paragraphs (2), (3), and (5) of section 1604(d) (page 222), insert ''new'' before ''facility''.

In item number 33 of the table contained in section 1702, strike ''BMW/I–85'' and all that follows through ''interchanges'' and insert ''I–85/Brockman-McClimon Interchange and Connections project''.

In item number 103 of such table, strike ''$1,500,000.00'' and insert ''$250,000.00''.

In item number 142 of such table, strike ''$250,000.00'' and insert ''$600,000.00''.

In item number 143 of such table, strike ''$20,000,000.00'' and insert ''$17,000,000.00''.

In item number 160 of such table, strike ''Design'' and all that follows through ''County'', and insert ''Design and construct access to York County intermodal facility, or other projects as selected by York County, Pennsylvania MPO''

In item number 179 of such table, strike ''Upgrade'' and all that follows through ''Interstate 81'' and insert ''Improvements to I–81, including interchanges, in Franklin County, Pennsylvania''.

In item number 235 of such table, strike ''$8,000,000.00'' and insert ''$12,500,000.00''.

In item number 244 of such table, strike ''State'' and insert ''US''.

In item number 253 of such table, strike ''$3,150,000.00'' and insert ''$5,000,000.00''.

In item number 262 of such table, strike ''State'' and insert ''US''.

In item number 334 of such table, strike ''$150,000.00'' and insert ''$1,000,000.00''.

In item number 365 of such table, strike ''Town of'' and insert ''Township'' after ''Painesville''.

In item number 438 of such table, strike ''Cabot-Camino Capistrano Bridge.'' and insert ''in the city of Mission Viejo'' at the end of the request before the period.

In item number 507 of such table, insert ''interchange'' between ''new'' and ''freeway''.

In item number 526 of such table, strike ''Route'' and all that follows through ''County'' and insert Forrest City Road Extension Study, Maitland''.

In item number 557 of such table, strike ''Elk Horn'' and insert ''Elkhorn''. Insert ''County of'' after ''SR 99,''.

In such table, strike item number 570.

In item number 630 of such table, strike ''$5,500,000.00'' and insert ''$2,500,000.00''.

In item number 656 of such table, strike ''Widening'' and all that follows through ''signals'' and insert ''Widening of Washington Street from 2 to 5 lanes, install drainage system; add additional right of way and traffic signals''.

In item number 668 of such table, is amended by insert ''Grant'' before ''County''.

In item number 729 of such table, strike ''Macedonia City'' and insert ''North Summit County''.

In item number 734 of such table, strike ''Willoughby Township'' and insert ''City of Willoughby''.

In item number 762 of such table, strike ''$5,000,000.00'' and insert ''$4,150,000.00''.

In item number 768 of such table, strike ''$2,500,000.00'' and insert ''$5,000,000.00''.

In item number 782 of such table, strike ''Perry County'' and insert ''Perry''.

In item number 804 of such table, strike ''$500,000.00'' and insert ''$1,500,000.00''.

In item number 812 of such table, strike ''$3,000,000.00'' and insert ''$1,500,000.00''.

In item number 813 of such table, strike ''Improve'' and all that follows through ''Connecticut'' and insert ''Campbell Avenue streetscape enhancements, West Haven''.

In item number 829 of such table, strike ''Sacramento'' and insert ''Citrus Heights''.

In item number 832 of such table, strike ''Ecourse'' and insert ''Ecorse'', and strike ''$1,000,000.00'' and insert ''$1,100,000.00''.

In item number 848 of such table, strike ''in Summit Co.'' and insert ''at Seasons Road, Cities of Hudson and Stow.''

In item number 874 of such table, strike ''Widen'' and all that follows through ''West'' and insert ''Widen US 380 West''.

In item number 930 of such table, strike ''Merrit Rd.'' and insert ''Merritt Rd.''

In item 954 of such table, after ''unsafe grade crossing'' insert ''on Hines Hill Road, City of Hudson''.

In item number 965 of such table, strike ''on current Hwy 71''.

In item number 992 of such table, strike ''$6,000,000.00'' and insert ''$7,500,000.00''.

In item 1150 of such table, strike ''Wilson Mills'' and insert ''Highland-Bishop''; after ''in the'' strike ''town'' and insert ''City''.

In item number 1166 of such table, strike ''Rehabilitate'' and all that follows through ''8'' and insert ''Rehabilitate US Highway 51 from County S to US 8''.

In item number 1181 of such table, strike ''Upgrade'' and all that follows through ''County'' and insert ''Purchase one larger (75 passengers) and two smaller (40 passengers) ferry boats and construct related dock work to facilitate the use and accessibility of the ferry boats, Long Beach'' and by striking ''$8,000,000.00'' and insert $3,000,000.00''.

In item number 1204 of such table, strike ''AL 1119 to AL 25'' and insert ''Exit 238 (U.S. 31) to Exit 228 (AL 25)''.

In item number 1256 of such table, strike ''$1,500,000.00'' and insert ''$3,000,000.00''.

In item number 1261 of such table, strike ''A 2.8'' and all that follows through ''La Habra,'' and insert ''a 2.8 mile bikeway,'' and insert ''in the city of Whittier.'' at the end of the request.

In item number 1314 of such table, strike ''(I–40'' and all that follows through ''I–74)''.

In item number 1376 of such table, strike ''Route 15/18'' and insert ''Route 15/86''.

In item number 1423 of such table, strike ''third lane'' and all that follows through ''Maple Grove'' and insert ''an overpass interchange for I–494 and Highway 169''.

In item number 1436 of such table, strike ''Aiken'' and insert ''Aitkin''.

In item number 1445 of such table, strike ''Construction'' and all that follows through ''Ashdown'' the second place it appears and insert ''Highway 71, Louisiana state line to Junction City''.

In item number 1480 of such table, strike ''Reconstruct Highway 141 in Marinette County, WI'' and insert ''Reconstruct US Highway 141 in Marinette County, WI''.

In item number 1491 of such table, strike ''Development'' and all that follows through ''Plan'' and insert ''Transportation improvements ''.

In item number 1589 of such table, strike ''Reconstruction'' and all that follows through ''Subdivision'' and insert ''Road improvements for Surrey Meadows, Sugarloaf Heights, Lakehill Farms and Walton Lake Estates''.

In item number 1636 of such table, strike ''Geary'' and insert ''Muni Geary''.

In item number 1664 of such table, strike ''Technical'' and all that follows through ''210'' and insert ''Technical feasibility study for a tunnel on the 710 Freeway in Southern California''.

In item number 1832 of such table, strike ''$8,700,000.00'' and insert ''$9,000,000''.

In item number 1848 of such table, strike ''A 2.8'' and insert ''a 2.8'' and strike '', working in conjunction with the city of Whittier,''.

In item number 1868 of such table, strike ''$13,100,000.00'' and insert ''$13,500,000''.

In item number 1907 of such table, strike ''SR'' and all that follows through ''Eatonville'' and insert ''SR 434 to JFK Boulevard and Destiny Road to Diplomat Circle, Eatonville''.

In item number 1933 of such table, strike ''Construct'' and all that follows through to ''Township'', and insert ''Improvements to I–81, including interchanges, in Franklin County, Pennsylvania'', and strike ''$3,150,000.00'' and insert ''$4,000,000.00''.

In item number 1934 of such table, strike ''$3,400,000.00'' and insert ''$3,600,000''.

In item number 2040 of such table, strike ''Improvement'' and all that follows through ''County'' and insert ''Improve Ashley 70 and Marais Saline roads in Ashley County''.

In item 2155 of such table, after ''Madison'' insert ''Village''.

In item number 2180 of such table, strike ''$4,675,942.00'' and insert $4,425,942.00''.

In item number 2249 of such table, strike ''$13,000,000.00'' and insert ''$21,000,000.00''.

In item number 2306 of such table, strike ''State'' and insert ''US''.

In item number 2376 of such table, strike ''$700,000.00'' and insert ''$200,000.00''.

In item number 2398 of such table, strike ''Greencastle'' and all that follows through to ''intersection.'', and insert ''Improvements to I–81, including interchanges, in Franklin County, Pennsylvania.''.

In item 2418 of such table, after ''in'' insert ''the City of'' and after ''Hills'' strike ''Township''.

In item number 2445 of such table, strike ''$125,000.00'' and insert ''$175,000.00''.

In item number 2504 of such table, strike ''$6,000,000.00'' and insert ''$5,500,000.00''.

In item number 2552 of such table, strike ''State'' and insert ''US''.

In item number 2611 of such table, strike ''Purchase'' and all that follows through ''Durham'' and insert ''Acquisition of rail corridors for use as a future transportation corridor, Durham''.

In item number 2615 of such table, strike ''$2,700,000.00'' and insert ''$3,000,000.00''.

In item number 2642 of such table, strike ''Designation of'' and insert ''Improve and widen''.

In item number 2730 of such table, after ''project'' insert ''or other projects as selected by York County, Pennsylvania MPO''

In such table, strike item number 2749.

In item number 2775 of such table, insert ''Rancho Santa Margarita'' at the end.

In item number 2809 of such table, strike ''$1,500,000.00'' and insert ''$500,000.00''.

In item number 113 of such table, strike ''$1,000,000.00'' and insert ''$1,500,000.00''

In item number 181 of such table, strike ''$1,000,000.00'' and insert ''$3,000,000.00''.

In item number 278 of such table, strike ''$2,250,000.00'' and insert ''$5,000,000.00''.

Strike item number 300 of such table.

In item number 345 of such table, strike ''Planning and design'' and insert ''Planning, design, and construction'' and strike ''$3,000,000.00'' and insert ''$125,000,000.00''.

In item number 358 of such table, strike ''$2,000,000.00'' and insert ''$4,000,000.00''.

In item number 463 of such table, strike ''Reconstruct'' and all that follows through ''Loma Linda'' and insert ''Inland Empire Goods Movement Gateway Project'' and strike ''$4,000,000.00'' and insert ''$23,000,000.00''.

In item number 533 of such table, strike ''$2,000,000.00'' and insert ''$6,000,000.00''.

In item number 549 of such table, strike ''$14,000,000.00'' and insert ''$20,000,000.00''

In item number 559 of such table, strike ''$1,000,000.00'' and insert ''$3,000,000.00''

In item number 652 of such table, strike ''Planning and Design'' and insert ''Planning, design, and construction'' and strike ''$3,000,000.00'' and insert ''$200,000,000.00''.

In item number 691 of such table, strike ''$1,000,000.00'' and insert ''$3,000,000.00''

In item number 905 of such table, strike ''$1,000,000.00'' and insert ''$4,000,000.00''

In item 1022 of such table, strike ''$3,000,000.00'' and insert ''$4,000,000.00''.

In item 1044 of such table, strike ''$8,000,000.00'' and insert ''$8,500,000.00''

In item number 1048 of such table, strike ''$10,000,000.00'' and insert ''$22,500,000.00''.

In item number 1058 of such table, strike ''$250,000.00'' and insert ''$2,000,000.00''.

In item number 1180 of such table, strike ''$4,500,000.00'' and insert ''$5,000,000.00''.

In item number 1201 of such table, insert '', Baldwin Road in Oakland Cty'' after ''median''.

In item number 1210 of such table, strike ''$2,000,000.00'' and insert ''$3,000,000.00''.

In item number 1228 of such table, strike ''I/40 Coors Interchange: Reconstruction of this major interchange in Albuquerque'' and insert ''I/40 Coors Interchange and Bridge Reconstruction: Reconstruction of this major interchange and required bridge work in Albuquerque'' and strike ''$10,000,000.00'' and insert ''$28,000,000.00''.

In item number 1229 of such table, strike ''$2,000,000.00'' and insert ''$2,500,000.00''.

In item number 1293 of such table strike ''$10,000,000.00'' and insert ''$30,000,000.00''.

In item number 1368 of such table, strike ''$1,000,000.00'' and insert ''$2,000,000.00''.

In item number 1523 of such table, strike ''$2,000,000.00'' and insert ''$4,000,000.00''

In item number 1536 of such table, strike ''$13,000,000.00'' and insert ''$34,000,000.00''.

In item number 1595 of such table, strike ''$65,000.00'' and insert ''$100,000.00''.

In item 1603 of such table, strike ''and Hernando County'' and strike ''$2,000,000.00'' and insert ''$3,000,000.00''.

In item number 1629 of such table, strike ''$2,000,000.00'' and insert ''$4,000,000.00''

In item number 1830 of such table, strike ''$4,000,000.00'' and insert ''$17,500,000.00''.

In item number 1869 of such table, strike ''$480,000.00'' and insert ''$500,000.00''.

In item number 1882 of such table, strike ''$15,345,000.00'' and insert ''$16,000,000.00''.

In item number 1921 of such table, strike ''$1,000,000.00'' and insert ''$2,000,000.00''.

In item number 2010 of such table, strike ''Widen'' and all that follows through ''Loma Linda'' and insert ''Pedestrian safety improvements on State Highway 62 in Yucca Valley'' and strike ''$2,000,000.00'' and insert ''$1,000,000.00''.

In item number 2045 of such table, strike ''$2,000,000.00'' and insert ''$3,000,000.00''.

In item number 2230 of such table, strike ''$14,000,000.00'' and insert ''$35,000,000.00''.

In item number 2321 of such table, strike ''$1,000,000.00'' and insert ''$2,000,000.00''

In item 2442 of such table, strike ''$3,000,000.00'' and insert ''$6,000,000.00''.

In item number 2456 of such table, strike ''$750,000.00'' and insert ''$1,000,000.00''.

In item 2496 of such table, strike ''Hernando'' and insert ''Citrus''.

In item number 2535 of such table, strike ''$1,000,000.00'' and insert ''$2,100,000.00''.

In item number 2603 of such table, strike ''$5,000,000.00'' insert ''$8,750,000.00''.

In item number 2620 of such table, strike ''$2,000,000.00'' and insert ''$2,250,000.00''.

In item 2701 of such table, strike ''$3,000,000.00'' and insert ''$4,000,000.00''.

In item number 2826 of such table, strike ''$2,000,000.00'' and insert ''$6,000,000.00''.

In item number 2833 of such table, strike ''$8,000,000.00'' and insert ''$15,000,000.00''

In item number 147 of such table, strike ''$3,000,000.00'' and insert ''$11,000,000.00''.

In item number 1785 of such table, strike ''$3,000,000.00'' and insert ''$7,000,000.00''.

In item number 2084 of such table, strike ''$1,000,000.00'' and insert ''$2,000,000.00''.

In item number 1621 of such table, strike ''$2,000,000.00'' and insert ''$4,500,000.00''.

In item number 1329 of such table, strike ''$500,000.00'' and insert ''$1,000,000.00''.

In item number 2171 of such table, strike ''$2,000,000.00'' and insert ''$7,500,000.00''.

In item number 2097 of such table, strike ''$1,000,000.00'' and insert ''$3,300,000.00''.

At the end of such table, add the following:

HIGH PRIORITY PROJECTS

No.	State	Project Description	Amount
2839.	Minnesota	Provide biking and pedestrian trails between Century Middle School and Minnesota Highway 34 in Park Rapids.	$250,000.00
2840.	Illinois	Construct bike/pedestrian paths, Chicago	$3,000,000.00
2841.	Georgia	Highway 92 realignment in Douglas County	$11,250,000.00
2842.	Georgia	I–285/I–20 West Side Interchange	$1,250,000.00
2843.	Georgia	City of Fayetteville Downtown Enhancements for economic development	$500,000.00
2844.	Georgia	Construct roads in Rockdale Veterans Memorial Park	$500,000.00
2845.	Colorado	I–25 from Highway 52 to Highway 14, widening and safety improvements; implementation of multi-modal alternatives identified in EIS.	$8,000,000.00
2846.	Colorado	Highway 287 from the Oklahoma State Line to Limon, Colorado; reconstruct highway with concrete and create a 2-lane super highway.	$3,000,000.00
2847.	Colorado	I–76 from the Nebraska State Line to its intersection with E470; reconstruction of pavement, major safety and geometric improvements.	$3,000,000.00
2848.	Arkansas	Construction of I–530 between Pine Bluff and Wilmar	$40,000,000.00
2849.	Nebraska	Resurface bridge connecting US–75 and I–29 in the City of Bellevue	$500,000.00
2850.	New Jersey	Washington Township/Downtown Congestion Mitigation Project	$1,250,000.00
2851.	Connecticut	I–84 Waterbury Expressway Reconstruction from Waterbury to Southington.	$3,800,000.00
2852.	Connecticut	Provide substantial improvements to intersection ramps in I–84 from the New York State line at Exit 1 in Danbury easterly to Exit 11 in Newtown.	$3,800,000.00
2853.	Connecticut	Lakeville Center Enhancement improves the pedestrian and vehicle safety of the intersection of Routes 41 and 44.	$895,000.00
2854.	Connecticut	Union Station Reconstruction in Falls Village	$1,705,000.00
2855.	Connecticut	Broad Street Reconstruct Project in New Britain	$3,800,000.00
2856.	Minnesota	City of Moorhead SE Main GSI, 34th St. and I94 Interchange, and Moorhead Comprehensive Rail Safety Program.	$2,000,000.00
2857.	Minnesota	Paynesville Hwy. 23 Bypass	$2,000,000.00
2858.	Commonwealth of Northern Mariana Islands.	Commonwealth of the Northern Mariana Islands planning, design, and construction of East Coast Highway/Route 36 Saipan.	$12,000,000.00
2859.	Illinois	Stearns Road Bridge, Kane County	$88,000,000.00
2860.	Alaska	Intermodal facility improvements at the Port of Anchorage	$25,000,000.00
2861.	Alaska	Improve marine dry-dock and facilities in Ketchikan	$25,000,000.00
2862.	New York	Audobon Parkway at Lee Road (University at Buffalo)	$4,500,000.00
2863.	Louisiana	Replace the Prospect Street bridge (LA 3087), Houma	$3,000,000.00
2864.	Louisiana	Expand existing South Central Planning and Development Commission Intelligent Transportation System program in Houma-Thibodaux area by installing signals, sensors and systems.	$1,800,000.00
2865.	Louisiana	Plan and develop a four-lane roadway, Jeanerette to US 90 connection	$200,000.00
2866.	Louisiana	Plan, design, land acquisition and construction for improved access to I–10 and US61/River Road in St. John the Baptist and in Ascension Parish on the LA22 Corridor.	$2,750,000.00
2867.	Louisiana	Continue planning and construction of the New Orleans Regional Planning Commission Mississippi River trail in St. John, Plaquemines, St. Bernard and St. Charles parishes.	$1,900,000.00
2868.	Louisiana	Improve Ralph Darden Memorial Parkway between LA182 and Martin Luther King Road, St. Mary Parish.	$350,000.00
2869.	Louisiana	Improvements to LA46 in St. Bernard Parish	$400,000.00
2870.	Colorado	Corridor Safety and Capacity Improvements to Powers Blvd. (right of way purchase for Powers Blvd.).	$5,000,000.00
2871.	California	Reconstruct and widen SR 46 to a 4–lane expressway between Kern County line and Interstate 5.	$50,000,000.00
2872.	California	Road construction and surface transportation improvements in Bakersfield Metropolitan area.	$50,000,000.00
2873.	Ohio	Improve Rt. 62 (Town and Main Street) Bridges over Scioto River in Columbus.	$13,000,000.00
2874.	Ohio	Upgrade Rt. 665 Bridge over I–71 and widen I–71 between Rt 665 and I–270 by one lane each direction in Grove City.	$15,000,000.00
2875.	Illinois	Ogden Corridor project alternatives analysis, environmental work, preliminary engineering and final design in Cook County.	$40,000,000.00
2876.	Arizona	White Spar Road improvement	$3,000,000.00
2877.	Texas	South Orient Economic Rehabilitation	$14,000,000.00
2878.	Virginia	Construction of I–66/Rt. 29 Interchange in Gainsville	$4,500,000.00
2879.	Virginia	Improvements to Washington Street in Haymarket	$250,000.00
2880.	Virginia	Parking lot expansion and sidewalk improvements on Main Street in Clifton.	$250,000.00
2881.	New York	Roadway improvements, may include drainage, paving and gued rail, to County Route 4, Ensign Pond Road, in the Towns of Moriah and North Hudson.	$1,000,000.00
2882.	New York	Route 4 streetscape improvements, Town and Village of Fort Edward, Washington County.	$2,000,000.00
2883.	New York	Improvements to Batchellorville Bridge, Saratoga County	$2,000,000.00
2884.	Ohio	Rickenbacker Intermodal Facility	$5,500,000.00

In section 1804 (pages 354 and 355), redesignate paragraphs (1) and (2) as paragraphs (3) and (4), respectively, and insert before paragraph (3) (as so redesignated) the following:

(1) in paragraph (23) by inserting before the period at the end the following: ''and the connection from Wichita, Kansas, to Sioux City, Iowa, which includes I-135 from Wichita, Kansas to Salina, Kansas, United States Route 81 from Saline, Kansas, to Norfolk, Nebraska, Nebraska State Route 35 from Norfolk, Nebraska, to South Sioux City, Nebraska, and the connection to I-29 in Sioux City, Iowa'';

(2) by striking paragraph (34) and inserting the following:

''(34) The Alameda Corridor-East and Southwest Passage, California. The Alameda Corridor-East is generally described as the corridor from East Los Angeles (terminus of Alameda Corridor) through Los Angeles, Orange, San Bernardino, and Riverside Counties, to termini at Barstow in San Bernardino County and Coachella in Riverside County. The Southwest Passage shall follow I-10 from San Bernardino to the Arizona State line.'';

At the end of the matter added by section 1804(3) (as so redesignated), strike the closing quotation marks and insert the following:

''(53) United States Highway Route 6 from Interstate Route 70 to Interstate Route 15, Utah.

''(54) The California Farm-to-Market Corridor, California State Route 99 from south of Bakersfield to Sacramento, California.''

Page 360, line 25, insert before the period the following: ''and an evaluation of advanced acrylic water-borne pavement markings''.

In title I, strike section 1814 and insert the following:

SEC. 1814. THOMAS P. 'TIP' O'NEILL, JR. TUNNEL.

(a) DESIGNATION.—In honor of his service to the Commonwealth of Massachusetts and the United States of America, and in recognition of his contributions toward the construction of Central Artery Tunnel project in Boston, the northbound and southbound tunnel of Interstate Route 93, located in the city of Boston, which extends north of the intersection of Interstate Route 90 and Interstate Route 93 to the Leonard P. Zakim Bunker Hill Bridge, is designated as the ''Thomas P. 'Tip' O'Neill, Jr. Tunnel''.

(b) REFERENCES.—Any reference in law, map, regulation, document, paper, or other record of the United States to the tunnel referred to in subsection (a) shall be deemed to be a reference to the ''Thomas P. 'Tip' O'Neill, Jr. Tunnel''.

In subtitle H of title I, strike section 1818 and insert the following:

SEC. 1818. LOAN FORGIVENESS.

Debt outstanding as of the date of enactment of this Act for project number Q–DPM–0013(001) carried out under section 108(c) of title 23, United States Code, is deemed satisfied.

SEC. 1819. LEAD AGENCY DESIGNATION.

The public entity established under California law in 1989 to acquire rights-of-way in northwestern California to maintain surface transportation infrastructure is hereby designated as the lead agency for the purpose of accepting Federal funds authorized under item 13 of the table contained in section 1108(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2061).

SEC. 1820. USE OF DEBRIS FROM DEMOLISHED BRIDGES AND OVERPASSES.

The project agreement for a Federal-aid highway project shall provide that any debris from demolition of a bridge or overpass that is on the Federal-aid highway must be made available for beneficial public use by Federal, State, and local governments. Any additional cost associated with making available the debris shall be borne by the recipient of the debris.

SEC. 1821. HUBZONE PROGRAM.

Section 3(p)(4)(B)(ii) of the Small Business Act (15 U.S.C. 632(p)(4)(B)(ii)) is amended

(1) in subclause (I) by striking ''or '' at the end;

(2) in subclause (II) by striking the period at the end and inserting ''; or'' ; and

(3) by adding after subclause (II) the following:

''(III) there is located a difficult development area, as designated by the Secretary of Housing and Urban Development in accordance with section 42(d)(5)(C)(iii) of the Internal Revenue Code of 1986, within Alaska, Hawaii, or any territory or possession of the United States outside the 48 contiguous States.''.

SEC. 1822. TECHNICAL AMENDMENTS TO TEA 21 PROJECTS.

The table contained in section 1602 of the Transportation Equity Act for the 21st Century (112 Stat. 257) is amended—

(1) in item number 35 by adding ''and for other related purposes'' after ''Yard'';

(2) in item number 78 by striking ''Third'' and all that follows through ''Bridge'' and inserting ''Bayview Transportation Improvements Project'';

(3) in item number 312 by inserting ''through construction'' after ''engineering'';

(4) in item number 800 by striking ''Fairview Township'' and inserting ''or other projects selected by the York County, Pennsylvania MPO'';

(5) in item number 820 by striking ''Conduct'' and all that follows through ''interchange'' and inserting ''Conduct a transportation needs study and make improvements to I-75 interchanges in the Grayling area'';

(6) in item number 897 by striking ''Upgrade'' and all that follows through ''interchange'' and inserting ''Engineering and construction of a new access road to a development near Interstate 57 and 167th Street in Country Club Hills'';

(7) in item number 1121 by striking ''Construct'' and all that follows through ''Douglaston Parkway'' and inserting ''Provide landscaping along both sides of the Grand Central Parkway from 188th Street to 172nd Street'';

(8) in item 1225 by striking ''Construct SR 9 bypass'' and inserting ''Study, design, and construct transportation solutions for SR 9 corridor''; and

(9) in item number 1447 strike ''Extend'' and all that follows through ''Valparaiso'' and insert ''Design and construction of interchange at I-65 and 109th Avenue, Crown Point''.

SEC. 1823. NATIONAL WORK ZONE SAFETY INFORMATION CLEARINGHOUSE.

The Secretary shall make grants of $1,000,000 for fiscal years 2005 through 2009 to a national nonprofit foundation for the operation of the National Work Zone Safety Information Clearinghouse, authorized by section 358(b)(2) of Public Law 104–59, created for the purpose of assembling and disseminating, by electronic and other means, information relating to improvement of roadway work zone safety.

SEC. 1824. TRANSPORTATION CONFORMITY.

(a) CONFORMITY REDETERMINATIONS.—Section 176(c)(2) of the Clean Air Act (42 U.S.C. 7506(c)) is amended by adding at the end the following:

''(E) The appropriate metropolitan planning organization shall redetermine conformity for existing transportation plans and programs not later than 2 years after the date on which the Administrator__

''(i) finds a motor vehicle emissions budget in a submitted implementation plan to be adequate in accordance with section 93.118(e)(4) of title 40, Code of Federal Regulations (as in effect on October 1, 2003); or

''(ii) approves an implementation plan under section 110(k) or promulgates an implementation plan under section 110(c) that establishes a motor vehicle emissions budget where there was no prior budget or that establishes a budget that significantly varies from any motor vehicle emissions budget in effect pursuant to an adequacy determination in accordance with section 93.118(e)(4) of title 40, Code of Federal Regulations (as in effect on October 1, 2003) or as part of an implementation plan approved or promulgated under section 110.''.

(b) FREQUENCY OF CONFORMITY DETERMINATION UPDATES.—Section 176(c)(4) of the Clean Air Act (42 U.S.C. 7506(c)(4)) is amended follows:

(1) By striking ''one year after the date of enactment of the Clean Air Act Amendments of 1990'' and inserting ''one year after the date of enactment of the Transportation Equity Act: A Legacy for Users'' .

(2) In subparagraph (B) by amending clause (ii) to read as follows:

''(ii) provide that conformity determinations for transportation plans and programs be determined every 4 years in areas designated as nonattainment or redesignated to attainment (unless a metropolitan planning organization as designated in section 5213(b) of title 49, United States Code, elects to update a transportation plan and program more frequently or is required to determine conformity in accordance with paragraph (2)(E)).''.

(c) TIME HORIZON FOR CONFORMITY DETERMINATIONS IN NONATTAINMENT AREAS.—Subsection (c) of section 176 of the Clean Air Act (42 U.S.C. 7506(c)) is amended by adding the following new paragraph at the end thereof:

''(7) TIME HORIZON FOR DETERMINATIONS.—Each conformity determination required under this section for a transportation plan under section 5213(g) of title 49 of the United States Code shall require a demonstration of conformity during the period ending on either the final year of the transportation plan or, at the election of the metropolitan planning organization and an air pollution control agency, as defined in section 302(b), if such air pollution control agency is responsible for developing plans or controlling air pollution within the area covered by the transportation plan on the later of the following dates (hereinafter in this paragraph referred to as the 'final transportation conformity date'):

''(A) The tenth year of the transportation plan.

''(B) The attainment date set forth in the applicable implementation plan for the air pollutant concerned.

''(C) The year after the completion of a regionally significant project, if the project will be programmed in the transportation improvement program or requires approval before the subsequent conformity determination.

Such conformity determination shall be accompanied by a regional emissions analysis for any years of the transportation plan that extend beyond such final conformity date. In the case in which an area has a revision to an implementation plan under section 175A(b) and the Administrator has found the motor vehicle emissions budgets from that revision to be adequate in accordance with section 93.118(e)(4) of title 40, Code of Federal Regulations (as in effect October 1, 2003), or has approved the revision, the demonstration of conformity (at the election of the metropolitan planning organization and an air pollution control agency, as defined in section 302(b), if such air pollution control agency is

responsible for developing plans or controlling pollution within the area covered by the transportation plan) and the metropolitan planning organization shall be required to extend only through the last year of the implementation plan required under section 175A(b).''.

(d) SUBSTITUTION OF TRANSPORTATION CONTROL MEASURES.—Subsection 176(c) of the Clean Air Act (42 U.S.C. 7506(c)) is amended by adding at the end the following new paragraph:

''(8)(A) Transportation control measures that are specified in an implementation plan may be replaced in the implementation plan with substitute transportation control measures if

''(i) the substitute measures achieve equivalent or greater emission reductions than the control measures to be replaced, as determined by the Administrator,

''(ii) the substitute measures utilize an emissions impact analysis that is consistent with the current methodology used for evaluating replaced control measures in the implementation plan;

''(iii) the substitute control measures are implemented not later than the date on which such emission reductions are necessary to achieve the purpose of the implementation plan;

''(iv) the substitute control measures were developed with reasonable public notice and the opportunity for comments; and

''(v) the metropolitan planning organization finds that adequate funding is included in the transportation improvement program to ensure timely implementation of the substitute control measures.

''(B) After the requirements of paragraph (A) are met, a State may adopt the substitute measures in the applicable implementation plan within a reasonable period of time.

''(C) The substitution of a transportation control measure in accordance with this paragraph shall not be contingent on the existence of any provision in the applicable implementation plan that expressly permits such substitution.

''(D) The substitution of a transportation control measure in accordance with this paragraph shall not require—

''(i) a new conformity determination for the transportation plan, or

''(ii) a revision of the applicable implementation plan.

''(E) A control measure that is being replaced by a substitute control measure under this paragraph shall remain in effect until the substitute control measure is adopted.

''(F) Adoption of a substitute control measure shall constitute rescission of the previously applicable control measure.

Transportation control measures may be added to an implementation plan subject to subparagraphs (B), (C), and (D), on the same basis as if such measures were substitute transportation control measures if such measures do not increase emissions for which limitations have been established in an implementation plan, and such measures meet the requirements of clauses (ii), (iii), (iv), and (v) of subparagraph (A).''.

(e) LAPSE OF CONFORMITY.—Subsection (c) of section 176 of the Clean Air Act (42 U.S.C. 7506(c)) is amended by adding the following new paragraphs at the end thereof:

''(9) LAPSE OF CONFORMITY.—If a conformity determination required under this subsection for a transportation plan under section 5213(g) of title 49 of the United States Code or a transportation improvement program under section 5213(h) of title 49 of the United States Code is not made by the applicable deadline and such failure is not corrected by additional measures to either reduce motor vehicle emissions sufficient to demonstrate compliance with the requirements of this subsection within 12 months after such deadline or other measures sufficient to correct such failures, the transportation plan shall lapse.

''(10) LAPSE.—The term 'lapse' means that the conformity determination for a transportation plan or transportation improvement program has expired, and thus there is no currently conforming transportation plan or transportation improvement program.''.

SEC. 1825. ELIGIBILITY TO PARTICIPATE IN WESTERN ALASKA COMMUNITY DEVELOPMENT QUOTA PROGRAM.

A community is deemed to be eligible to participate in the western Alaska community development quota program established under section 305(i) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1855(i)) if the community—

(1) is listed in table 7 to part 679 of title 50, Code of Federal Regulations, as in effect on March 8, 2004; or

(2) was determined to be eligible participate in such program by the National Marine Fisheries Service on April 19, 1999.

SEC. 1826. METROPOLITAN REGIONAL FREIGHT AND PASSENGER TRANSPORTATION STUDY.

(a) IN GENERAL.—The Secretary shall enter into an agreement with a partnership comprised of 2 institutions of higher learning to study metropolitan regional freight and passenger transportation and system-wide performance utilizing an interdisciplinary technique of supply chain management, geographic information systems, and urban/suburban planning and management.

(b) CONTENTS OF STUDY.—The study under this section shall include, at a minimum, evaluations of—

(1) best practices for regional transportation operations and management;

(2) relationships among truck trip generation and economic activities;

(3) spatial analysis of the distribution of economic activity and transportation investments;

(4) congestion mitigation and management of air quality through the concentration of modeling and technology;

(5) supply chain management and geographic information systems; and

(6) infrastructure management and renewal.

(c) FEDERAL SHARE.—The Federal share of the cost of the study under this section shall be 100 percent.

(d) FUNDING.—Of the amounts made available to carry out section 1305 for each of fiscal years 2005 through 2009, $1,800,000 shall be made available to carry out this section.

SEC. 1827. INTERMODAL TRANSPORTATION FACILITY EXPANSION.

Any Federal and non-Federal share provided for the Port of Anchorage for an intermodal transportation marine facility or for access to that facility shall be transferred to and administered by the Administrator of the Maritime Administration.

SEC. 1828. ADVANCED TRUCK STOP ELECTRIFICATION SYSTEM.

(a) DEFINITION.—Section 101(a) of title 23, United States Code, as amended by section 1202 of this Act, is further amended by adding at the end the following:

''(40) ADVANCED TRUCK STOP ELECTRIFICATION SYSTEM.—The term 'advanced truck stop electrification system' means a stationary system that delivers heat, air conditioning, electricity, and communications, and is capable of providing verifiable evidence of use of those services, to a heavy-duty vehicle and any occupants of the heavy-duty vehicle without relying on components mounted onboard the heavy-duty vehicle for delivery of those services.''.

(b) ELIGIBILITY UNDER STP.—Section 133(b)(6) of such title is amended by inserting '', including advanced truck stop electrification systems'' before the period at the end.

(c) ELIGIBILITY UNDER CMAQ.—Section 149(b)(4) of such title is amended by inserting '', including advanced truck stop electrification systems,'' after ''facility or program''.

SEC. 1829. TECHNOLOGY.

States are encouraged to consider using a non-destructive technology able to detect cracks including sub-surface flaws as small as 0.005 inches in length or depth in steel bridges.

Page 395, line 16, strike ''All'' and all that follows through the period on line 18 and insert the following: ''All fees collected by the State from motorcyclists for the purposes of funding motorcycle training and safety programs are used for motorcycle training and safety programs.''.

Page 396, line 20, before ''to carry'' insert ''incorporated in that State''.

At the end of title II, insert the following (and conform the table of contents accordingly):

SEC. 2011. DRUG IMPAIRED DRIVING ENFORCEMENT.

(a) SHORT TITLE.—This section may be cited as the ''Drug Impaired Driving Research and Prevention Act''.

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

(1) CONTROLLED SUBSTANCE.—The term ''controlled substance'' includes substances listed in schedules I through V of section 112(e) of the Controlled Substances Act (21 U.S.C. 812(e)).

(2) INHALANT.—The term ''inhalant'' means a household or commercial product that can be used by inhaling for intoxicating effect.

(3) DRUG RECOGNITION EXPERT.—The term ''drug recognition expert'' means an individual trained in a specific evaluation procedure that enables the person to determine whether an individual is under the influence of drugs and then to determine the type of drug causing the observable impairment.

(c) MODEL STATUTE.—

(1) IN GENERAL.—Not later than one year after the date of enactment of this Act, the Secretary shall develop and provide to the States a model statute relating to drug impaired driving which incorporates the provisions described in this section.

(2) MANDATORY PROVISIONS.—Provisions of the model statute developed by the Secretary for recommendation to the States under this section shall include, at a minimum, a provision that the crime of drug impaired driving is committed when a person operates a motor vehicle—

(A) while any unlawful detectable amount of a controlled substance is present in the person's body, as measured in the person's blood, urine, saliva, or other bodily substance; or

(B) due to the unlawful presence of a controlled substance or a controlled substance in combination with alcohol or an inhalant, or both, in the person's body, the person's mental or physical faculties are affected to a noticeable or perceptible degree.

(3) DISCRETIONARY PROVISIONS.—Provisions of the model statute developed by the Secretary for recommendation to the States under this section may include the following:

(A) Sanctions for refusing to submit to a test for the unlawful presence of a controlled substance in a person's body which are equivalent to sanctions for a positive test result.

(B) A graduated system of penalties for repeat offenses of drug impaired driving, including, at a minimum, that a third or subsequent offense within a 10-year period shall be a felony punishable by imprisonment for more than a year.

(C) Authorization for States to suspend or revoke the license of any driver upon receiving a record of the driver's conviction of driving a motor vehicle while under the unlawful influence of a controlled substance.

(D) Provisions that require a sentence of imprisonment imposed for any drug impaired driving offense be served consecutively, not concurrently, from a sentence imposed for any other criminal act; except that a sentence imposed for the same act of impaired driving may be imposed concurrently if the additional conviction was based on an alternate theory of culpability for the same act.

(d) RESEARCH AND DEVELOPMENT.—Section 403(b) of title 23, United States Code, is amended by adding at the end the following:

''(5) New technology to detect drug use.

''(6) Research and development to improve testing technology, including toxicology lab resources and field test mechanisms to enable States to process toxicology evidence in a more timely manner.

''(7) Determining per se unlawful impairment levels for controlled substances (as defined in section 2011 of the Transportation Equity Act: A Legacy for Users) and the compound effects of alcohol and controlled substances on impairment to facilitate enforcement of per se drug impaired driving laws. Research under this paragraph shall be carried out in collaboration with the National Institute on Drug Abuse of the National Institutes of Health.''.

(e) GOALS FOR TRAINING.—Section 403 of such title is amended by adding at the end the following:

''(g) TRAINING GOALS.—For the purpose of enhancing the States' ability to detect, enforce, and prosecute drug impaired driving laws, the Secretary shall—

''(1) establish and carry out programs to enhance police and prosecutor training efforts for enforcement of laws relating to drug impaired driving and for development of programs to improve enforcement of such laws; and

''(2) ensure that drug impaired driving enforcement training or drug recognition expert programs, or both, exist in all 50 States and the District of Columbia by December 31, 2006.''.

(f) DUTIES.—The Administrator of the National Highway Traffic Safety Administration shall—

(1) advise and coordinate with other Federal agencies on how to address the problem of driving under the influence of an illegal drug; and

(2) conduct research on the prevention, detection, and prosecution of driving under the influence of an illegal drug.

(g) REPORTS.—

(1) IN GENERAL.—Not later than 18 months after the date of enactment of this Act and annually thereafter, the Secretary shall transmit to Congress a report on the progress being made in carrying out this Act, including the amendments made by this Act.

(2) CONTENTS.—The Secretary shall include in the report an assessment of the status of drugged impaired driving laws in the United States—

(A) new research and technologies in the area of drug impaired driving enforcement;

(B) a description of the extent of the problem of driving under the influence of an illegal drug in each State and any available information relating thereto, including a description of any laws relating to the problem of driving under the influence of an illegal drug; and

(C) recommendations for addressing the problem of driving under the influence of an illegal drug.

(h) FUNDING.—Out of amounts appropriated to carry out section 403 of title 23, United States Code, for fiscal years 2004 through 2009, the Secretary shall use, at a minimum, $1,200,000 per fiscal year to carry out drug impaired driving traffic safety programs, including the provisions of this section and the amendments made by this section.

In section 5308(c)(2)(A) of title 49, United States Code, as proposed to be inserted by section 3009 of the bill (pages 422 and 423), strike clause (iii) and insert the following:

''(iii) 1.2 if, at the time of the apportionment, the area is classifed as a moderate ozone nonattainment area under subpart 2 of such part;

Page 426, line 13, strike ''transit supportive policies,'' and insert ''and transit supportive policies''.

In section 5309 of title 49, United States Code, as proposed to be amended by section 3010(d) of the bill, redesignate paragraph (2) of subsection (k) as paragraph (4) (page 447), move such redesignated paragraph to the end of subsection (m) (page 450), and strike ''(1) CONSIDERATIONS.—'' in such subsection (k) (page 447, line 9).

Page 450, line 10, after the period insert the following: ''Of the amounts made available under paragraphs (1)(C) and (2)(B)(iii), $10,000,000 shall be available in each of fiscal years 2004 through 2009 for ferry boats or ferry terminal facilities.''.

Page 482, lines 14 and 15, strike ''10 persons per square mile or fewer'' and insert ''10 or fewer persons per square mile in other than urbanized areas of the State''.

Page 500, line 10, strike ''(b) and (c)'' and insert ''(b), (c), and (d)''.

Page 501, strike line 3 and all that follows through line 15.

In section 3037(b)(4), strike ''extensions''.

In section 3037(b)(15)—

(1) strike ''Phase II'' and insert ''Foothill''; and

(2) strike ''Claremont'' and insert ''Montclair''.

In section 3037(b)—

(1) in paragraph (37) strike ''MUNI'' and insert ''Muni''; and

(2) after paragraph (36) insert the following (and redesignate subsequent paragraphs accordingly):

(37) San Diego—Mid Coast Extension.

In section 3037(b), after paragraph (38), relating to Santa Clara Valley Transit Authority, insert the following (and redesignate subsequent paragraphs accordingly):

(39) Tampa Bay—Regional Rail.

In section 3037(c)(2), strike ''Albuquerque-Santa Fe'' and insert ''Belen-Santa Fe''.

In section 3037(c), strike paragraph (9) and insert the following (and redesignate subsequent paragraphs accordingly):

(9) Austin—Rapid Bus Project.

(10) Austin—Regional Commuter Rail.

In section 3037(c), after paragraph (20), relating to Charles Town-Ranson, West Virginia, insert the following (and redesignate subsequent paragraphs accordingly):

(21) Central Phoenix—East Valley Corridor LRT Extensions.

In section 3037(c), after paragraph (34), relating to Corpus Christi, insert the following (and redesignate subsequent paragraphs accordingly):

(35) Dallas Area Rapid Transit—Dallas Central Business District.

In section 3037(c), after paragraph (38) relating to Denver—Gold Line Extension to Arvada, insert the following (and redesignate subsequent paragraphs accordingly):

(39) Denver—United States Route 36 Transit Corridor.

(40) Denver—North Metro Corridor to Thornton.

(41) Denver—East Corridor to DIA Airport.

In section 3037(c)(44), relating to Fort Worth, strike ''Extension'' and insert ''Extensions''.

In section 3037(c)(106), strike ''Extension to City of Lake Oswego'' and insert ''Extensions''.

In section 3037(c), after paragraph (114), relating to Sacramento—Downtown, insert the following (and redesignate subsequent paragraphs accordingly):

(115) Salt Lake City—Draper to Sandy LRT Extension.

(116) Salt Lake City—TRAX Capacity Improvements.

(117) Salt Lake City—West Valley City LRT Extension.

In section 3037(c)(119), strike ''Geary'' and insert ''MUNI Geary''.

In section 3037(c), after paragraph (123), relating to Seattle, insert the following (and redesignate subsequent paragraphs accordingly):

(124) Seattle—Link LRT Extensions.

(125) Seattle—Sound Transit Commuter Rail.

(126) Seattle—Sound Transit Regional Express Bus.

In section 3037(c), after paragraph (138), relating to Tri-Rail Florida East Coast, insert the following (and redesignate subsequent paragraphs accordingly):

(139) Tri-Rail Jupiter Extension.

In section 3037(c), after paragraph (141), relating to Vancouver, insert the following (and redesignate subsequent paragraphs accordingly):

(142) Virginia Beach—Bus Rapid Transit.

In section 3037(c), after paragraph (142), relating to Virginia Railway Express, insert the following (and redesignate subsequent paragraphs accordingly):

(143) Washington State Ferries and Ferry Facilities.

In item 15 of the table contained in section 3038, strike ''Gettysburt'' and insert ''Gettysburg''.

In item number 25 of such table, strike ''$750,000.00'' and insert ''$2,850,000.00''.

In item number 26 of such table, strike ''$750,000.00'' and insert ''$2,850,000.00''.

In item 85 of such table, strike ''Pasadena'' and all that follows through ''centers'' and insert ''Pasadena to Montclair, CA Gold Line Light Rail Foothill Extension intermodal centers''.

In item 97 of such table, strike ''$1,750,000.00'' and insert ''$3,750,000.00''.

In item 98 of such table, strike ''vehabilitation'' and insert ''rehabilitation''.

In item 132 of such table, strike ''Gold Line phase II rail project'' and insert ''light rail Foothill Extension''.

In item 162 of such table, after ''Construct'' insert ''Foothill Transit''.

At the end of such table, add the following:

Project	FY 05	FY 06	FY 07
356. Jesup, GA - Historic depot and bus station rehabilitation	$320,000.00	$330,000.00	$350,000.00
357. Renaissance Square, NY - Intermodal center, below grade transit center with association joint development, including community college and performing arts center	$2,240,000.00	$2,310,000.00	$2,450,000.00

Project	FY 05	FY 06	FY 07
358. Boysville of Michigan - Vans purchase	$1,075,200.00	$1,108,800.00	$1,176,000.00

In section 3039(b), strike ''4 nonprofit'' and insert ''4 geographically diverse nonprofit''.

In section 3039(c)(1), strike ''transit operations'' and insert ''transit bus operations''.

Redesignate section 3040 as section 1829, move such redesignated section from title III to the end of subtitle H of title I, redesignate subsequent sections of title III accordingly, and conform the table of contents accordingly.

In section 3042(a)(1), strike ''For carrying out'' and insert the following:

(A) IN GENERAL.—For carrying out

In section 3042(a)(1), redesignate subparagraphs (A) through (F) as clauses (i) through (vi), respectively, move such clauses 2 ems to the right, and after clause (vi) (as so redesignated) insert the following:

(B) PUBLIC TRANSPORTATION NATIONAL SECURITY STUDY.—

(i) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Secretary shall enter into an agreement with the National Academy of Sciences to conduct a study and evaluation of the value major public transportation systems in the United States serving the 38 urbanized areas that have a population of more than 1,000,000 individuals provide to the Nation's security and the ability of such systems to accommodate the evacuation, egress or ingress of people to or from critical locations in times of emergency.

(ii) ALTERNATIVE ROUTES.—For each system described in clause (i) the study shall identify—

(I) potential alternative routes for evacuation using other transportation modes such as highway, air, marine, and pedestrian activities; and

(II) transit routes that, if disrupted, do not have sufficient transit alternatives available.

(iii) REPORT.—Not later than 24 months after the date of entry into the agreement, the Academy shall submit to the Secretary and the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Banking, Housing and Urban Affairs of the Senate a final report on the results of the study and evaluation, together with such recommendations as the Academy considers appropriate.

(iv) FUNDING.—Of the amounts made available under section 5338(d) of title 49, United States Code, $250,000 shall be available for each of fiscal years 2005 and 2006 to carry out this subparagraph.

At the end of title III, insert the following and conform the table of contents accordingly:

SEC. 3045. COOPERATIVE PROCUREMENT.

(a) REVIEW OF COOPERATIVE PROCUREMENT; AUTHORITY TO INCREASE FEDERAL SHARE.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Secretary shall undertake a 30-day review of efforts to use cooperative procurement to determine whether benefits are sufficient to formally incorporate cooperative procurement into the mass transit program. In particular the Secretary shall review the progress made under the pilot program authorized under section 166 of division F of the Consolidated Appropriations Act, 2004 (49 U.S.C. 5397 note; 118 Stat. 309), based on experience to date in the pilot program and any available reports to Congress submitted under such section 166. The Secretary shall also consider information gathered from grantees about cooperative procurement, whether or not related to the pilot program.

(2) NOTIFICATION OF CONGRESS.—The Secretary shall notify 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 results of the review required under paragraph (1), including a finding of sufficient benefit or insufficient benefit and the reasons for that finding.

In subparagraph (V) that is proposed to be inserted in section 31102(b)(1) of title 49, United States Code, by section 4102(a)(6) of the bill, strike ''placing out of service'' and insert ''prohibiting the operation of''.

In section 4120(e), strike ''2004,''.

In section 4121(a), after ''mellitus'' insert ''who are applying for an exemption from the physical qualification standards''.

In section 4121(a), strike ''qualify'' and insert ''be exempted from the physical qualification standards''.

In section 4122(c), strike ''2004,''.

In section 4128, insert at the end the following:

(f) INSPECTION, REPAIR, AND MAINTENANCE OF INTERMODAL EQUIPMENT.—Section 31136 of title 49, United States Code, is amended by adding at the end the following:

''(g) INSPECTION, REPAIR, AND MAINTENANCE OF INTERMODAL EQUIPMENT.—The Secretary, or an employee of the Department of Transportation designated by the Secretary, may inspect intermodal equipment, and copy related maintenance and repair records for such equipment, on demand and display of proper credentials to inspect intermodal equipment.''.

(g) JURISDICTION OVER EQUIPMENT PROVIDERS.—Section 31132(1) of such title is amended by inserting after ''towed vehicle'' the following: ''(including intermodal equipment, including trailers, chassis and associated devices, commonly used for the transportation of intermodal freight via highway)''.

In section 4208(a)(1), insert after ''challenge'' the following: ''duplicate or fraudulent''.

At the end of title IV, insert the following (and conform the table of contents of the bill accordingly):

SEC. 4212. APPLICABILITY TO HOUSEHOLD GOODS MOTOR CARRIERS.

(a) IN GENERAL.—The provisions of title 49, United States Code, and this Act (including any amendments made by this Act) relating to the transportation of household goods shall only apply to household goods motor carriers.

(b) HOUSEHOLD GOODS MOTOR CARRIER DEFINED.—In this section, the term ''household goods motor carrier'' means a motor carrier as defined in section 13102(12) of title 49, United States Code, which, in the ordinary course of its business of providing transportation of household goods, offers some or all of the following additional services: binding and nonbinding estimates, inventorying, protective packing and unpacking of individual items, and loading and unloading at personal residences.

Title V, after section 5102, insert the following:

SEC. 5103. FINDINGS.

The Congress finds the following:

(1) Research and development are critical to developing and maintaining a transportation system that meets the goals of safety, mobility, economic vitality, efficiency, equity, and environmental protection.

(2) Federally sponsored surface transportation research and development has produced many successes. The development of rumble strips has increased safety; research on materials has increased the lifespan of pavements, saving money and reducing the disruption caused by construction; and Geographic Information Systems have improved the management and efficiency of transit fleets.

(3) Despite these important successes, the Federal surface transportation research and development investment represents less than one percent of overall government spending on surface transportation.

(4) While Congress increased funding for overall transportation programs by about 40 percent in the Transportation Equity Act for the 21st Century, funding for transportation research and development remained relatively flat.

(5) The Federal investment in research and development should be balanced between short-term applied and long-term fundamental research and development. The investment should also cover a wide range of research areas, including research on materials and construction, research on operations, research on transportation trends and human factors, and research addressing the institutional barriers to deployment of new technologies.

(6) Therefore, Congress finds that it is in the United States interest to increase the Federal investment in transportation research and development, and to conduct research in critical research gaps, in order to ensure that the transportation system meets the goals of safety, mobility, economic vitality, efficiency, equity, and environmental protection.

Title V, section 5201(b) of the bill in the matter proposed to be inserted in section 502(a) of title 23, United States Code, strike paragraphs (5) through (7) and insert the following:

''(5) STAKEHOLDER INPUT.—Federal surface transportation research and development activities shall address the needs of stakeholders. Stakeholders include States, metropolitan planning organizations, local governments, the private sector, researchers, research sponsors, and other affected parties, including public interest groups.

''(6) COMPETITION AND PEER REVIEW.—Except as otherwise provided in this Act, the Secretary shall award all grants, contracts, and cooperative agreements for research and development under this Act based on open competition and peer review of proposals.

''(7) PERFORMANCE REVIEW AND EVALUATION.—To the maximum extent practicable, all surface transportation research and development projects shall include a component of performance measurement and evaluation. Performance measures shall be established during the proposal stage of a research and development project and shall, to the maximum extent possible, be outcome-based. All evaluations shall be made readily available to the public.''.

Title V, section 5203(a) of the bill, in the matter proposed to be inserted in section 507(d)(1) of title 23, United States Code, strike ''a national research agenda for the program'' and insert ''the national research agenda as set forth in the Transportation Research Board Special Report 268 as described in subsection (e)''.

Title V, section 5203(a) of the bill, in the matter proposed to be inserted in section 507(e) of title 23, United States Code, insert at the end the following:

''(8) CONTENTS.—The program established under subsection (d)(1) shall carry out research and development called for in the Transportation Research Board Special Report 268, entitled 'Surface Transportation Environmental Research: A Long-Term Strategy', published in 2002, which included the following research and development areas:

''(1) Human Health.

''(2) Ecology and Natural Systems.

''(3) Environmental and Social Justice.

''(4) Emerging Technologies.

''(5) Land Use.

''(6) Planning and Performance Measures.

Title V, section 5204(b) of the bill, in the matter proposed to be inserted in section 503(c)(2)(A) of title 23, United States Code, after ''materials,'' insert ''recycled materials (including taconite tailings and foundry sand),''

Title V, section 5205(a)(2) of the bill, strike ''$10,000,000'' and insert ''$8,500,000''.

Title V, strike 5205(d) of the bill and insert the following:

(d) GARRETT A. MORGAN TECHNOLOGY AND TRANSPORTATION EDUCATION PROGRAM.—

(1) IN GENERAL.—Section 504 of title 23, United States Code, as amended by this section, is further amended by adding at the end the following new subsection:

''(d) GARRETT A. MORGAN TECHNOLOGY AND TRANSPORTATION EDUCATION PROGRAM.—

''(1) IN GENERAL.—The Secretary shall establish the Garrett A. Morgan Technology and Transportation Education Program to improve the preparation of students, particularly women and minorities, in science, technology, engineering, and mathematics through curriculum development and other activities related to transportation.

''(2) AUTHORIZED ACTIVITIES.—The Secretary shall award grants under this subsection on the basis of competitive, peer review. Grants awarded under this subsection may be used for enhancing science, technology, engineering, and mathematics at the elementary and secondary school level through such means as—

''(A) internships that offer students experience in the transportation field;

''(B) programs that allow students to spend time observing scientists and engineers in the transportation field; and

''(C) developing relevant curriculum that uses examples and problems related to transportation.

''(3) APPLICATION AND REVIEW PROCEDURES.—

''(A) IN GENERAL.—An entity described in subparagraph (C) seeking funding under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Such application, at a minimum, shall include a description of how the funds will be used and a description of how the funds will be used to serve the purposes described in paragraph (2).

''(B) PRIORITY.—In making awards under this subsection, the Secretary shall give priority to applicants that will encourage the participation of women and minorities.

''(C) ELIGIBILITY.—Local education agencies and State education agencies, which may partner with institutions of higher education, businesses, or other entities, shall be eligible to apply for grants under this subsection.

''(4) DEFINITIONS.—For purposes of this subsection—

''(A) the term 'institution of higher education' has the meaning given that term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001);

''(B) the term 'local educational agency' has the meaning given that term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801); and

''(C) the term 'State educational agency' has the meaning given that term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).''.

(2) FUNDING.—Of the amounts made available by section 5101(a)(2) of this Act, $500,000 for 2004 and $1,000,000 for each of fiscal years 2005 through 2009 shall be available to carry out section 504(d) of title 23, United States Code.

Title V, section 5209, redesignate subsections (b) and (c) as subsections (c) and (d).

Title V, section 5209, after subsection (a) insert the following:

(b) PROGRAMMATIC EVALUATIONS.—Within 3 years after the first research and development project grants, cooperative agreements, or contracts are awarded under this section, the Comptroller General shall review the program under this section, and recommend improvements. The review shall assess the degree to which projects funded under this section have addressed the research and development topics identified in the Transportation Research Board Special Report 260, including identifying those topics which have not yet been addressed.

Title V, section 5205 of the bill, in the matter proposed to be inserted in section 504 of title 23, United States Code, redesignate subsections (f) and (g) as subsections (g) and (h), respectively.

Title V, section 5205 of the bill, insert after subsection (e) the following:

(f) TRANSPORTATION EDUCATION DEVELOPMENT PILOT PROGRAM.—Section 504 of title 23, United States Code, is amended by inserting after subsection (e) the following:

''(f) TRANSPORTATION EDUCATION DEVELOPMENT PILOT PROGRAM.—

''(1) ESTABLISHMENT.—The Secretary shall establish a program to make grants to institutions of higher education that in partnership with industry or State Departments of Transportation will develop, test, and revise new curricula and education programs to train individuals at all levels of the transportation workforce.

''(2) SELECTION OF GRANT RECIPIENTS.—In selecting applications for awards under this subsection, the Secretary shall consider—

''(A) the degree to which the new curricula or education program meets the specific needs of a segment of the transportation industry, States, or regions;

''(B) providing for practical experience and on-the-job training;

''(C) proposals oriented toward practitioners in the field rather than the support and growth of the research community;

''(D) the degree to which the new curricula or program will provide training in areas other than engineering, such as business administration, economics, information technology, environmental science, and law;

''(E) programs or curricula in nontraditional departments which train professionals for work in the transportation field, such as materials, information technology, environmental science, urban planning, and industrial technology; and

''(F) industry or a State's Department of Transportation commitment to the program.

''(3) FUNDING.—Of the amounts made available by section 5101(a)(2) of this Act, $1,500,000 for each of fiscal years 2005 through 2009 shall be available to carry out this subsection.

''(4) LIMITATIONS.—The amount of a grant under this subsection shall not exceed $250,000 per year. After a recipient has received 3 years of Federal funding under this subsection, Federal funding may equal no more than 75 percent of a grantee's program costs.''.

Title V, subtitle B, is amended by adding at the end the following:

SEC. 5213. TRANSPORTATION RESEARCH AND DEVELOPMENT STRATEGIC PLANNING.

(a) AMENDMENT.—Section 508 of title 23, United States Code, is amended to read as follows:

''§ 508. Transportation research and development strategic planning

''(a) IN GENERAL.—

''(1) DEVELOPMENT.—Not later than 1 year after the date of enactment of the Surface Transportation Research and Development Act of 2004, the Secretary shall develop a 5-year transportation research and development strategic plan to guide Federal transportation research and development activities. This plan shall be consistent with section 306 of title 5, sections 1115 and 1116 of title 31, and any other research and development plan within the Department of Transportation.

''(2) CONTENTS.—The strategic plan developed under paragraph (1) shall—

''(A) describe the primary purposes of the transportation research and development program, which shall include, at a minimum—

''(i) reducing congestion and improving mobility;

''(ii) promoting safety;

''(iii) promoting security;

''(iv) protecting and enhancing the environment;

''(v) preserving the existing transportation system; and

''(vi) improving the durability and extending the life of transportation infrastructure;

''(B) for each purpose, list the primary research and development topics that the Department intends to pursue to accomplish that purpose, which may include the fundamental research in the physical and natural sciences, applied research, technology development, and social science research intended for each topic; and

''(C) for each research and development topic, describe—

''(i) the anticipated annual funding levels for the period covered by the strategic plan; and

''(ii) the additional information the Department expects to gain at the end of the period covered by the strategic plan as a result of the research and development in that topic area.

''(3) CONSIDERATIONS.—In developing the strategic plan, the Secretary shall ensure that the plan—

''(A) reflects input from a wide range of stakeholders;

''(B) includes and integrates the research and development programs of all the Department's operating administrations, including aviation, transit, rail, and maritime; and

''(C) takes into account how research and development by other Federal, State, private sector, and not-for-profit institutions contributes to the achievement of the purposes identified under paragraph (2)(A), and avoids unnecessary duplication with these efforts.

''(4) PERFORMANCE PLANS AND REPORTS.—In reports submitted under sections 1115 and 1116 of title 31, the Secretary shall include—

''(A) a summary of the Federal transportation research and development activities for the previous fiscal year in each topic area;

''(B) the amount of funding spent in each topic area;

''(C) a description of the extent to which the research and development is meeting the expectations set forth in paragraph (2)(C)(ii); and

''(D) any amendments to the strategic plan.

''(b) The Secretary shall submit to Congress an annual report, along with the President's annual budget request, describing the amount spent in the last completed fiscal year on transportation research and development and the amount proposed in the current budget for transportation research and development.

''(c) NATIONAL RESEARCH COUNCIL REVIEW.—The Secretary shall enter into an agreement for the review by the National Research Council of the details of each—

''(1) strategic plan under section 508;

''(2) performance plan required under section 1115 of title 31; and

''(3) program performance report required under section 1116 of title 31,

with respect to transportation research and development.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 5 of title 23, United States Code, is amended by striking the item related to section 508 and inserting the following:

''508. Transportation research and development strategic planning.''.

Title V, in section 5302 of the bill in the matter proposed to be inserted in section 5506(e)(C)(ii) of title 49, United States Code, insert ''and'' after the semicolon.

Title V, in section 5302 of the bill, in the matter proposed to be inserted in section 5506(e)(2)(C) of title 49, United States Code, strike clause (iv) in such matter.

Title V, in section 5302 of the bill, in the matter proposed to be inserted in section 5506(e)(2)(C)(iii) of title 49, United States Code, strike ''; and'' and insert the following: ''who, as a group, have published a total at least 50 refereed journal publications on highway or public transportation research during the preceding 5 years.''.

Title V, in section 5302 of the bill in the matter proposed to be inserted in section 5506(f)(2)(B)(ii) of title 49, United States Code, insert ''and'' after the semicolon.

Title V, in section 5302 of the bill, in the matter proposed to be inserted in section 5506(f)(2)(B) of title 49, United States Code, strike clause (iv) in such matter.

Title V, in section 5302 of the bill, in the matter proposed to be inserted in section 5506(f)(2)(B)(iii) of title 49, United States Code, strike ''; and'' and insert the following: ''who, as a group, have published a total at least 20 refereed journal publications on highway or public transportation research during the preceding 5 years.''.

Title V, strike section 5501 and insert the following:

SEC. 5501. BUREAU OF TRANSPORTATION STATISTICS.

Section 111 of title 49, United States Code, is amended to read as follows:

''§ 111. Bureau of Transportation Statistics

''(a) ESTABLISHMENT.—There is established in the Department of Transportation a Bureau of Transportation Statistics.

''(b) DIRECTOR.—

''(1) APPOINTMENT.—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) QUALIFICATIONS.—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 statistics.

''(3) REPORTING.—The Director shall report directly to the Secretary.

''(4) TERM.—The term of the Director shall be 5 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 shall be responsible for carrying out the following duties:

''(1) PROVIDING DATA, STATISTICS, AND ANALYSIS TO TRANSPORTATION DECISIONMAKERS.—Ensuring that the statistics compiled under paragraph (5) are designed to support transportation decisionmaking by the Federal Government, State and local governments, metropolitan planning organizations, transportation-related associations, the private sector (including the freight community), and the public.

''(2) COORDINATING COLLECTION OF INFORMATION.—Working 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.

''(3) DATA MODERNIZATION.—Continually improving surveys and data collection methods to improve the accuracy and utility of transportation statistics.

''(4) ENCOURAGING DATA STANDARDIZATION.—Encouraging the standardization of data, data collection methods, and data management and storage technologies for data collected by the Bureau, the operating administrations of the Department of Transportation, States, local governments, metropolitan planning organizations, and private sector entities.

''(5) COMPILING TRANSPORTATION STATISTICS.—Compiling, analyzing, and publishing a comprehensive set of transportation statistics on the performance and impacts of the national transportation system, including statistics on—

''(A) productivity in various parts of the transportation sector;

''(B) traffic flows for all modes of transportation;

''(C) other elements of the Intermodal Transportation Database established under subsection (g);

''(D) travel times and measures of congestion;

''(E) vehicle weights and other vehicle characteristics;

''(F) demographic, economic, and other variables influencing traveling behavior, including choice of transportation mode, and goods movement;

''(G) transportation costs for passenger travel and goods movement;

''(H) availability and use of mass transit (including the number of passengers served by each mass transit authority) and other forms of for-hire passenger travel;

''(I) frequency of vehicle and transportation facility repairs and other interruptions of transportation service;

''(J) safety and security for travelers, vehicles, and transportation systems;

''(K) consequences of transportation for the human and natural environment;

''(L) the extent, connectivity, and condition of the transportation system, building on the National Transportation Atlas Database developed under subsection (g); and

''(M) transportation-related variables that influence the domestic economy and global competitiveness.

''(6) NATIONAL SPATIAL DATA INFRASTRUCTURE.—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.

''(7) ISSUING GUIDELINES.—Issuing guidelines for the collection of information by the Department of Transportation required for statistics to be compiled under paragraph (5) in order to ensure that such information is accurate, reliable, relevant, and in a form that permits systematic analysis. The Bureau shall review and report to the Secretary of Transportation on the sources and reliability of the statistics proposed by the heads of the operating administrations of the Department to measure outputs and outcomes as required by the Government Performance and Results Act of 1993, and the amendments made by such Act, and shall carry out such other reviews of the sources and reliability of other data collected or statistical information published by the heads of the operating administrations of the Department as shall be requested by the Secretary.

''(8) MAKING STATISTICS ACCESSIBLE.—Making the statistics published under this subsection readily accessible.

''(d) INFORMATION NEEDS ASSESSMENT.—

''(1) IN GENERAL.—Within 60 days after the date of the enactment of the Transportation Equity Act: A Legacy for Users, the Secretary shall enter into an arrangement with the National Research Council to develop and publish a National Transportation Information Needs Assessment (referred to in this subsection as the 'Assessment'). The Assessment shall be transmitted to the Secretary and the Congress not later than 24 months after such arrangement is entered into.

''(2) CONTENT.—The Assessment shall—

''(A) identify, in priority order, transportation data that is not being collected by the Bureau, Department of Transportation operating administrations, or other Federal, State, or local entities, but is needed to improve transportation decisionmaking at the Federal, State, and local level and to fulfill the requirements of subsection (c)(5);

''(B) recommend whether the data identified in subparagraph (A) should be collected by the Bureau, other parts of the Department, or by other Federal, State, or local entities, and whether any data is a higher priority than data currently being collected;

''(C) identify any data the Bureau or other Federal, State, and local entities is collecting that is not needed;

''(D) describe new data collection methods (including changes in surveys) and other changes the Bureau or other Federal, State, and local entities should implement to improve the standardization, accuracy, and utility of transportation data and statistics; and

''(E) estimate the cost of implementing any recommendations.

''(3) CONSULTATION.—In developing the Assessment, the National Research Council shall consult with the Department's Advisory Council on Transportation Statistics and a representative cross-section of transportation community stakeholders as well as other Federal agencies, including the Environmental Protection Agency, the Department of Energy, and the Department of Housing and Urban Development.

''(4) REPORT TO CONGRESS.—Not later than 6 months after the National Research Council transmits the Assessment under paragraph (1), the Secretary shall transmit a report to Congress that describes—

''(A) how the Department plans to fill the data gaps identified under paragraph (2)(A);

''(B) how the Department plans to stop collecting data identified under paragraph (2)(C);

''(C) how the Department plans to implement improved data collection methods and other changes identified under paragraph (2)(D);

''(D) the expected costs of implementing subparagraphs (A), (B), and (C) of this paragraph;

''(E) any findings of the Assessment under paragraph (1) with which the Secretary disagrees, and why; and

''(F) any proposed statutory changes needed to implement the findings of the Assessment under paragraph (1).

''(e) INTERMODAL TRANSPORTATION DATA BASE.—

''(1) IN GENERAL.—In consultation with the Under Secretary for Policy, the Assistant Secretaries, and the heads of the operating administrations of the Department of Transportation, the Director shall establish and maintain a transportation data base for all modes of transportation.

''(2) USE.—The data base shall be suitable for analyses carried out by the Federal Government, the States, and metropolitan planning organizations.

''(3) CONTENTS.—The data base shall include—

''(A) information on the volumes and patterns of movement of goods, including local, interregional, and international movement, by all modes of transportation and intermodal combinations, and by relevant classification;

''(B) information on the volumes and patterns of movement of people, including local, interregional, and international movements, by all modes of transportation (including bicycle and pedestrian modes) and intermodal combinations, and by relevant classification;

''(C) information on the location and connectivity of transportation facilities and services; and

''(D) a national accounting of expenditures and capital stocks on each mode of transportation and intermodal combination.

''(f) NATIONAL TRANSPORTATION LIBRARY.—

''(1) IN GENERAL.—The Director shall establish and maintain a National Transportation Library, which 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 make statistics readily accessible under subsection (c)(8).

''(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).

''(g) NATIONAL TRANSPORTATION ATLAS DATA BASE.—

''(1) IN GENERAL.—The Director shall develop and maintain geospatial data bases that depict—

''(A) transportation networks;

''(B) flows of people, goods, vehicles, and craft over the networks; and

''(C) social, economic, and environmental conditions that affect or are affected by the networks.

''(2) INTERMODAL NETWORK ANALYSIS.—The data bases shall be able to support intermodal network analysis.

''(h) 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 authority of subsection (c)(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.

''(i) RESEARCH AND DEVELOPMENT GRANTS.—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) for—

''(1) investigation of the subjects specified in subsection (c)(5) and research and development of new methods of data collection, standardization, management, integration, dissemination, interpretation, and analysis;

''(2) demonstration programs by States, local governments, and metropolitan planning organizations to harmonize data collection, reporting, management, storage, and archiving to simplify data comparisons across jurisdictions;

''(3) development of electronic clearinghouses of transportation data and related information, as part of the National Transportation Library under subsection (f); and

''(4) development and improvement of methods for sharing geographic data, in support of the national transportation atlas data base under subsection (g) and the National Spatial Data Infrastructure developed under Executive Order No. 12906.

''(j) LIMITATIONS ON STATUTORY CONSTRUCTION.—Nothing in this section shall be construed—

''(1) to authorize the Bureau to require any other department or agency to collect data; or

''(2) to reduce the authority of any other officer of the Department of Transportation to collect and disseminate data independently.

''(k) 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 individual authorized by the Director to examine any individual report provided under subsection (c).

''(2) COPIES OF REPORTS.—

''(A) IN GENERAL.—No department, bureau, 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 individual 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 nonstatistical 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.

''(l) TRANSPORTATION STATISTICS ANNUAL REPORT.—The Director shall transmit to the President and Congress a Transportation Statistics Annual Report which shall include information on items referred to in subsection (c)(5), documentation of methods used to obtain and ensure the quality of the statistics presented in the report, and recommendations for improving transportation statistical information.

''(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) PROCEEDS OF DATA PRODUCT SALES.—Notwithstanding section 3302 of title 31, United States Code, 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.

''(o) ADVISORY COUNCIL ON TRANSPORTATION STATISTICS.—

''(1) ESTABLISHMENT.—The Director of the Bureau of Transportation Statistics shall establish an Advisory Council on Transportation Statistics.

''(2) FUNCTION.—It shall be the function of the Advisory Council established under this subsection to—

''(A) advise the Director of the Bureau of Transportation Statistics on the quality, reliability, consistency, objectivity, and relevance of transportation statistics and analyses collected, supported, or disseminated by the Bureau of Transportation Statistics and the Department of Transportation;

''(B) provide input to and review the report to Congress under subsection (d)(4); and

''(C) advise the Director on methods to encourage harmonization and interoperability of transportation data collected by the Bureau, the operating administrations of the Department of Transportation, States, local governments, metropolitan planning organizations, and private sector entities.

''(3) MEMBERSHIP.—The Advisory Council established under this subsection shall be composed of not fewer than 9 and not more than 11 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, 1 member shall have expertise in statistics, and 1 member shall have experience in transportation safety. At least 1 member shall be a senior official of a State department of transportation. Members shall include representation of a cross-section of transportation community stakeholders.

''(4) TERMS OF APPOINTMENT.—(A) Except as provided in subparagraph (B), members shall be appointed to staggered terms not to exceed 3 years. A member may be renominated for one additional 3-year term.

''(B) Members serving on the Advisory Council on Transportation Statistics as of the date of enactment of the Transportation Equity Act: A Legacy for Users shall serve until the end of their appointed terms.

''(5) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act shall apply to the Advisory Council established under this subsection, except

that section 14 of such Act shall not apply to such Advisory Council.''.

Title V, strike section 5603(h)of the bill and insert the following:

(h) ADVISORY COMMITTEE.—

(1) IN GENERAL.—The Secretary shall establish an Advisory Committee to advise the Secretary on carrying out this subtitle.

(2) MEMBERSHIP.—The Advisory Committee shall have no more than 20 members, be balanced between metropolitan and rural interests, and include, at a minimum—

(A) a representative from a State highway department;

(B) a representative from a local highway department who is not from a metropolitan planning organization;

(C) a representative from a State, local, or regional transit agency;

(D) a representative from a metropolitan planning organization;

(E) a private sector user of intelligent transportation system technologies;

(F) an academic researcher with expertise in computer science or another information science field related to intelligent transportation systems, and who is not an expert on transportation issues;

(G) an academic researcher who is a civil engineer;

(H) an academic researcher who is a social scientist with expertise in transportation issues;

(I) a representative from a not-for-profit group representing the intelligent transportation system industry;

(J) a representative from a public interest group concerned with safety;

(K) a representative from a public interest group concerned with the impact of the transportation system on land use and residential patterns; and

(L) members with expertise in planning, safety, and operations.

(3) DUTIES.—The Advisory Committee shall, at a minimum, perform the following duties:

(A) Provide input into the development of the Intelligent Transportation System aspects of the strategic plan under section 508 of title 23, United States Code.

(B) Review, at least annually, areas of intelligent transportation systems research being considered for funding by the Department, to determine—

(i) whether these activities are likely to advance either the state-of-the-practice or state-of-the-art in intelligent transportation systems;

(ii) whether the intelligent transportation system technologies are likely to be deployed by users, and, if not, to determine the barriers to deployment; and

(iii) the appropriate roles for government and the private sector in investing in the research and technologies being considered.

(4) REPORT.—Not later than February 1 of each year after the date of enactment of this Act, the Secretary shall transmit to the Congress, a report including—

(A) all recommendations made by the Advisory Committee during the preceding calendar year;

(B) an explanation of how the Secretary has implemented those recommendations; and

(C) for recommendations not implemented, the reasons for rejecting the recommendations.

(5) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Advisory Committee shall be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

Title V, section 5605(b), insert after paragraph (1) the following (and redesignate subsequent paragraphs accordingly):

(2) utilize interdisciplinary approaches to develop traffic management strategies and tools to address multiple impacts of congestion concurrently;

Title V, redesignate sections 5607 through 5609 as sections 5608 through 5610 (and conform the table of contents of the bill accordingly).

Title V, after section 5606, insert the following:

SEC. 5607. ROAD WEATHER RESEARCH AND DEVELOPMENT PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish a road weather research and development program to—

(1) maximize use of available road weather information and technologies;

(2) expand road weather research and development efforts to enhance roadway safety, capacity, and efficiency while minimizing environmental impacts; and

(3) promote technology transfer of effective road weather scientific and technological advances.

(b) STAKEHOLDER INPUT.—In carrying out this section, the Secretary shall consult with the National Oceanic and Atmospheric Administration, the National Science Foundation, the American Association of State Highway and Transportation Officials, nonprofit organizations, and the private sector.

(c) CONTENTS.— The program established under this section shall solely carry out research and development called for in the National Research Council's report entitled ''A Research Agenda for Improving Road Weather Services''. Such research and development includes—

(1) integrating existing observational networks and data management systems for road weather applications;

(2) improving weather modeling capabilities and forecast tools, such as the road surface and atmospheric interface;

(3) enhancing mechanisms for communicating road weather information to users, such as transportation officials and the public; and

(4) integrating road weather technologies into an information infrastructure.

(d) ACTIVITIES.— In carrying out this section, the Secretary shall—

(1) enable efficient technology transfer;

(2) improve education and training of road weather information users, such as State and local transportation officials and private sector transportation contractors; and

(3) coordinate with transportation weather research programs in other modes, such as aviation.

(e) FUNDING.——

(1) IN GENERAL.—In awarding funds under this section, the Secretary shall give preference to applications with significant matching funds from non-Federal sources.

(2) FUNDS FOR ROAD WEATHER RESEARCH AND DEVELOPMENT.—Of the amounts made available by section 5101(a)(5), $4,000,000 shall be available to carry out this section for each of fiscal years 2004 through 2009.

Title V, redesignate section 5609 as section 5610.

Title V, after section 5608, insert the following:

SEC. 5609. CENTERS FOR SURFACE TRANSPORTATION EXCELLENCE.

(a) ESTABLISHMENT.—The Secretary shall establish 3 centers for surface transportation excellence.

(b) GOALS.—The goals of the centers for surface transportation excellence are to promote and support strategic national surface transportation programs and activities relating to the work of State departments of transportation in the areas of environment, rural safety, and project finance.

(c) ROLE OF CENTERS.—To achieve the goals set forth in subsection (b), the Secretary shall establish the 3 centers as follows:

(1) ENVIRONMENTAL EXCELLENCE.—To provide technical assistance, information sharing of best practices, and training in the use of tools and decision-making processes that can assist States in planning and delivering environmentally sound surface transportation projects.

(2) RURAL SAFETY.—To provide research, training, and outreach on innovative uses of technology to enhance rural safety and economic development, assess local community needs to improve access to mobile emergency treatment, and develop online and seminar training needs of rural transportation practitioners and policy-makers.

(3) PROJECT FINANCE.—To provide support to State transportation departments in the development of finance plans and project oversight tools and to develop and offer training in state of the art financing methods to advance projects and leverage funds.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Of the amounts made available under section 5101(a)(1), the Secretary shall make available $2,000,000 for each of fiscal years 2004 through 2009 to carry out this section.

(2) ALLOCATION OF FUNDS.—Of the funds made available under paragraph (1) the Secretary shall use such amounts as follows:

(A) 40 percent to establish the Center for Environmental Excellence.

(B) 30 percent to establish the Center for Excellence in Rural Safety.

(C) 30 percent to establish the Center for Excellence in Project Finance.

(3) APPLICABILITY OF TITLE 23.—Funds authorized 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 shall be 100 percent.

(e) PROGRAM ADMINISTRATION.—

(1) COMPETITION.—A party entering into a contract, cooperative agreement, or other transaction with the Secretary, or receiving a grant to perform research or provide technical assistance under this section shall be selected on a competitive basis, to the maximum extent practicable.

(2) STRATEGIC PLAN.—The Secretary shall require each center to develop a multiyear strategic plan that describes—

(A) the activities to be undertaken; and

(B) how the work of the center is coordinated with the activities of the Federal Highway Administration and the various other research, development, and technology transfer activities authorized by this title. Such plans shall be submitted to the Secretary by January 1, 2005 and each year thereafter.

In subsection (d) as proposed to be inserted in section 5213 of title 49, United States Code, by section 6001(a) of the bill (page 769), insert at the end the following:

''(4) RESERVATION OF RIGHTS.—The right to alter, amend or repeal interstate compacts entered into under this subsection is expressly reserved.

In subsection (c) as proposed to be inserted in section 5214 of title 49, United States Code, by section 6001(a) of the bill (page 790), strike ''The consent'' and insert the following:

''(1) IN GENERAL.—The consent

In such subsection (c), insert at the end the following:

''(4) RESERVATION OF RIGHTS.—The right to alter, amend or repeal interstate compacts entered into under this subsection is expressly reserved.

Page 772, lines 23 and 24, strike ''no less frequently than every 4 years'' and insert ''periodically, according to a schedule that the Secretary determines to be appropriate''.

Page 773, at the end of line 2, insert the following:

The metropolitan planning organization shall prepare and update such plan every 4 years (or more frequently, if the metropolitan planning organization elects to update more frequently) in the case of each of the following:

''(A) any area designated as nonattainment, as defined in section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)); and

''(B) any area that was nonattainment and subsequently designated to attainment in accordance with section 107(d)(3) of that Act (42 U.S.C. 7407(d)(3)) and that is subject to a maintenance plan under section 175A of that Act (42 U.S.C. 7505a).

In the case of any other area required to have a transportation plan in accordance with the requirements of this subsection, the metropolitan planning organization shall prepare and update such plan every 4 years unless the metropolitan planning organization elects to update more frequently.

Page 788, at the end of line 25, insert the following: ''Such program shall cover a period of 4 years and be updated every 4 years or more frequently if the Governor elects to update more frequently.

Page 802, before line 16, insert the following:

(c) REGULATIONS.—Not later than 18 months after the date of enactment of this Act, the Secretary shall promulgate regulations that are consistent with the amendments made by this section relating to the Clean Air Act.

In section 6002, strike subsection (c) (page 818) and insert the following:

(c) EXISTING ENVIRONMENTAL REVIEW PROCESSES.—Nothing in this section shall be deemed to affect any existing environmental review process approved by the Secretary.

In section 7003 (pages 825 and 826), insert after paragraph (1) the following (and redesignate subsequent paragraphs of such section accordingly):

(2) in paragraph (8) by striking ''national response team'' each place it appears and inserting ''National Response Team'';

In section 7019, strike subsection (b) on page 847 and insert the following:

(b) EMINENT HAZARDS.—Section 5122(b)(1)(B) is amended by striking ''or ameliorate the'' and inserting ''or mitigate the''.

In section 7020(c) (page 848), strike ''is amended'' and all that follows through ''(2) by adding'' and insert ''is amended by adding''.

Page 855, strike line 16 and all the follows through line 7 on page 856 and insert the following:

SEC. 8101. DISCRETIONARY SPENDING LIMITS FOR THE HIGHWAY AND MASS TRANSIT CATEGORIES.

(a) LIMITS.—(1) Section 251(c)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(A) in subparagraph (A), by striking ''$31,834,000,000'' and inserting ''$28,052,000,000''; and

(B) in subparagraph (B), by striking ''$1,462,000,000'' and inserting ''$1,436,000,000'' and by striking ''$6,629,000,000'' and inserting ''$6,271,000,000''.

(2) Section 251(c)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by inserting a dash after ''2005'', by redesignating the remaining portion of such paragraph as subparagraph (C) and by moving it two ems to the right, and by inserting after the dash the following new subparagraphs:

''(A) for the highway category: $30,585,000,000 in outlays;

''(B) for the mass transit category: $1,554,000,000 in new budget authority and $6,787,000,000 in outlays; and''.

(3) Section 251(c)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by inserting a dash after ''2006'', by redesignating the remaining portion of such paragraph as subparagraph (C) and by moving it two ems to the right, and by inserting after the dash the following new subparagraphs:

''(A) for the highway category: $33,271,000,000 in outlays;

''(B) for the mass transit category: $1,671,000,000 in new budget authority and $7,585,000,000 in outlays; and''.

(4) Section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by redesignating paragraphs (4) through (9) as paragraphs (7) through (12) and inserting after paragraph (3) the following new paragraphs:

''(4) with respect to fiscal year 2007—

''(A) for the highway category: $35,248,000,000 in outlays; and

''(B) for the mass transit category: $1,785,000,000 in new budget authority and $8,110,000,000 in outlays;

''(5) with respect to fiscal year 2008—

''(A) for the highway category: $36,587,000,000 in outlays; and

''(B) for the mass transit category: $1,890,000,000 in new budget authority and $8,517,000,000 in outlays; and

''(6) with respect to fiscal year 2009—

''(A) for the highway category: $37,682,000,000 in outlays; and

''(B) for the mass transit category: $2,017,000,000 in new budget authority and $8,968,000,000 in outlays;''.

(b) DEFINITIONS.—Section 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in subparagraph (B), by—

(A) striking ''the Transportation Equity Act for the 21st Century and the Surface Transportation Extension Act of 2003'' and inserting ''the Transportation Equity Act: A Legacy for Users''; and

(B) inserting before the period at the end the following new clauses:

''(v) 69-8158-0-7-401 (Motor Carrier Safety Grants).

''(vi) 69-8159-0-7-401 (Motor Carrier Safety Operations and Programs).'';

(2) in subparagraph (C), by—

(A) inserting ''(and successor accounts)'' after ''budget accounts''; and

(B) striking ''the Transportation Equity Act for the 21st Century and the Surface Transportation Extension Act of 2003 or for which appropriations are provided pursuant to authorizations contained in those Acts (except that appropriations provided pursuant to section 5338(h) of title 49, United States Code, as amended by the Transportation Equity Act for the 21st Century, shall not be included in this category)'' and inserting ''the Transportation Equity Act: A Legacy for Users or for which appropriations are provided pursuant to authorizations contained in that Act''; and

(3) in subparagraph (D)(ii), by striking ''section 8103 of the Transportation Equity Act for the 21st Century'' and inserting ''section 8103 of the Transportation Equity Act: A Legacy for Users''.

SEC. 8102. ADJUSTMENTS TO ALIGN HIGHWAY SPENDING WITH REVENUES.

Subparagraphs (B) through (E) of section 251(b)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 are amended to read as follows:

''(B) ADJUSTMENT TO ALIGN HIGHWAY SPENDING WITH REVENUES.—(i) When the President submits the budget under section 1105 of title 31, United States Code, OMB shall calculate and the budget shall make adjustments to the highway category for the budget year and each outyear as provided in clause (ii)(I)(cc).

''(ii)(I)(aa) OMB shall take the actual level of highway receipts for the year before the current year and subtract the sum of the estimated level of highway receipts in subclause (II) plus any amount previously calculated under item (bb) for that year.

(bb) OMB shall take the current estimate of highway receipts for the current year and subtract the estimated level of receipts for that year.

''(cc) OMB shall add one-half of the sum of the amount calculated under items (aa) and (bb) to the obligation limitations set forth in the section 8103 of the Transportation Equity Act: A Legacy for Users and, using current estimates, calculate the outlay change resulting from the change in obligations for the budget year and the first outyear and the outlays flowing therefrom through subsequent fiscal years. After making the calculations under the preceding sentence, OMB shall adjust the amount of obligations set forth in that section for the budget year and the first outyear by adding one-half of the sum of the amount calculated under items (aa) and (bb) to each such year.

''(II) The estimated level of highway receipts for the purposes of this clause are—

''(aa) for fiscal year 2004, $30,572,000,000;

''(bb) for fiscal year 2005, $34,260,000,000;

''(cc) for fiscal year 2006, $35,586,000,000;

''(dd) for fiscal year 2007, $36,570,000,000;

''(ee) for fiscal year 2008, $37,603,000,000; and

''(ff) for fiscal year 2009, $38,651,000,000.

''(III) In this clause, the term 'highway receipts' means the governmental receipts credited to the highway account of the Highway Trust Fund.

''(C) In addition to the adjustment required by subparagraph (B), when the President submits the budget under section 1105 of title 31, United States Code, for fiscal year 2006, 2007, 2008, or 2009, OMB shall calculate and the budget shall include for the budget year and each outyear an adjustment to the limits on outlays for the highway category and the mass transit category equal to—

''(i) the outlays for the applicable category calculated assuming obligation levels consistent with the estimates prepared pursuant to subparagraph (D), as adjusted, using current technical assumptions; minus

''(ii) the outlays for the applicable category set forth in the subparagraph (D) estimates, as adjusted.

''(D)(i) When OMB and CBO submit their final sequester report for fiscal year 2004, that report shall include an estimate of the outlays for each of the categories that would result in fiscal years 2005 through 2009 from obligations at the levels specified in section 8103 of the Transportation Equity Act: A Legacy for Users using current assumptions.

''(ii) When the President submits the budget under section 1105 of title 31, United States Code, for fiscal year 2006, 2007, 2008, or 2009, OMB shall adjust the estimates made in clause (i) by the adjustments by subparagraphs (B) and (C).

''(E) OMB shall consult with the Committees on the Budget and include a report on adjustments under subparagraphs (B) and (C) in the preview report.''.

SEC. 8103. LEVEL OF OBLIGATION LIMITATIONS.

(a) HIGHWAY CATEGORY.—For the purposes of section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, the level of obligation limitations for the highway category is—

(1) for fiscal year 2004, $34,309,000,000;

(2) for fiscal year 2005, $35,671,000,000;

(3) for fiscal year 2006, $36,719,000,000;

(4) for fiscal year 2007, $37,800,000,000;

(5) for fiscal year 2008, $38,913,000,000; and

(6) for fiscal year 2009, $40,061,000,000.

(b) MASS TRANSIT CATEGORY.—For the purposes of section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, the level of obligation limitations for the mass transit category is—

(1) for fiscal year 2004, $7,266,000,000;
(2) for fiscal year 2005, $7,750,000,000;
(3) for fiscal year 2006, $8,266,000,000;
(4) for fiscal year 2007, $8,816,000,000;
(5) for fiscal year 2008, $9,403,000,000; and
(6) for fiscal year 2009, $10,029,000,000.

For purposes of this subsection, the term ''obligation limitations'' means the sum of budget authority and obligation limitations.

SEC. 8104. ENFORCEMENT OF GUARANTEE.

Clause 3 of rule XXI of the Rules of the House of Representatives is amended—

(1) by striking ''Transportation Equity Act for the 21st Century'' and inserting ''Transportation Equity Act: A Legacy for Users''; and

(2) by adding at the end the following: ''For purposes of this clause, any obligation limitation relating to surface transportation projects under section 1602 of the Transportation Equity Act for the 21st Century and section 1702 of the Transportation Equity Act: A Legacy for Users shall be assumed to be administered on the basis of sound program management practices that are consistent with past practices of the administering agency permitting States to decide High Priority Project funding priorities within State program allocations.''.

At the end of the bill, insert the following (and conform the table of contents of the bill accordingly):

TITLE IX—RAIL PROVISIONS

SEC. 9001. HIGH-SPEED RAIL CORRIDOR DEVELOPMENT.

(a) CORRIDOR DEVELOPMENT.—

(1) AMENDMENTS.—Section 26101 of title 49, United States Code, is amended—

(A) in the section heading, by striking ''**PLANNING**'' and inserting ''**DEVELOPMENT**'';

(B) in the heading of subsection (a), by striking ''PLANNING'' and inserting ''DEVELOPMENT'';

(C) by striking ''corridor planning'' each place it appears and inserting ''corridor development'';

(D) in subsection (b)(1)—

(i) by inserting '', or if it is an activity described in subparagraph (M)'' after ''high-speed rail improvements'';

(ii) by striking ''and'' at the end of subparagraph (K);

(iii) by striking the period at the end of subparagraph (L) and inserting ''; and''; and

(iv) by adding at the end the following new subparagraph:

''(M) the acquisition of locomotives, rolling stock, track, and signal equipment.''; and

(E) in subsection (c)(2), by striking ''planning'' and inserting ''development''.

(2) CONFORMING AMENDMENT.—The item relating to section 26101 in the table of sections of chapter 261 of title 49, United States Code, is amended by striking ''planning'' and inserting ''development''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 26104 of title 49, United States Code, is amended to read as follows:

''§ 26104. Authorization of appropriations

''(a) FISCAL YEARS 2005 THROUGH 2012.—There are authorized to be appropriated to the Secretary—

''(1) $70,000,000 for carrying out section 26101; and

''(2) $30,000,000 for carrying out section 26102, for each of the fiscal years 2005 through 2012.

''(b) FUNDS TO REMAIN AVAILABLE.—Funds made available under this section shall remain available until expended.''.

SEC. 9002. ALASKA RAILROAD.

(a) GRANTS.—The Secretary shall make grants to the Alaska railroad for capital rehabilitation and improvements benefiting its passenger operations.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary.

The CHAIRMAN pro tempore. Pursuant to House Resolution 593, the gentleman from Alaska (Mr. YOUNG) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment under consideration would make improvements to H.R. 3550 as well as to make some technical corrections. More specifically, it would require more oversight of the use of Federal funds for transportation projects.

It allows funds to be used for additional planning activities under a pilot program. It would allow new activities under the Federal lands highway program to improve how projects are developed in conjunction with wildlife along the highways.

It would allow the Secretary to let States assume the responsibility of the Secretary for transportation enhancements, recreational trails and ITS projects.

It would require the Secretary to conduct a rulemaking to ensure that States are repairing or replacing damaged features on the National Highway System with highway features that have been tested, evaluated, and found to be acceptable under certain guidelines.

It makes a technical change to ensure that only new interstate facilities are eligible under the interstate system for construction of toll pilot programs.

It designates new highways for high-priority corridors on the National Highway System. It would require the Secretary to conduct a pavement-marking system evaluation study to improve safety on the highways.

It creates a national clearinghouse for the purpose of assembling and disassembling information relating to improvement of roadway work-zone safety.

It makes procedural improvements to the planning requirements for metropolitan areas in States regarding the Clean Air Act.

It directs the Secretary to create a model statute for the States to use when developing drunk-driving detection, prevention, and enforcement programs.

The budget title sets discretionary spending limits on outlays for the highway and mass transit budget categories and for new budget authority for the mass transit category and continues the budgetary fire walls for highway and transit programs.

It would improve the calculation of revenue-aligned budget authority, or RABA, to provide more accurate information of revenue to the Highway Trust Fund.

Finally, it sets the annual obligation limitations for the highway and transit programs for the fiscal years 2004 to 2009.

Mr. Chairman, I reserve the balance of my time.

Mr. OBERSTAR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the gentleman from Alaska has adequately explained the manager's amendment. It needs no further elaboration, and I support the amendment.

The CHAIRMAN pro tempore. Is there any Member opposed to the amendment?

MODIFICATION TO AMENDMENT NO. 1 OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Mr. Chairman, I ask unanimous consent that the amendment be modified in the form at the desk.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment No. 1 offered by Mr. YOUNG of Alaska:

(1) On page 66 of the amendment, strike ''Page 501, strike line 3 and all that follows through line 15.'' and insert ''Page 501, strike line 3 and all that follows through page 502, line 15.''.

(2) On page 66 of the amendment, after the amendment relating to section 3037(b)(15), insert the following:

In section 3037(b)(21), strike ''-Franklin''.

(3) On page 68 of the amendment, after the amendment relating to section 3037(c)(44), insert the following:

In section 3037(c), after paragraph (82) relating to Montgomery and Prince George's Counties, insert the following:

(83) Nashville—Tennessee Commuter Rail.

Mr. YOUNG of Alaska (during the reading). Mr. Chairman, I ask unanimous consent that the modification of the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alaska?

There was no objection.

The CHAIRMAN pro tempore. Is there objection to the modification offered by the gentleman from Alaska?

There was no objection.

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentleman from Alaska (Mr. YOUNG).

The amendment, as modified, was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 2 printed in House Report 108–456.

AMENDMENT NO. 2 OFFERED BY MS. EDDIE BERNICE JOHNSON OF TEXAS

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Ms. EDDIE BERNICE JOHNSON of Texas:

In title I, section 1103 of the bill—

(1) redesignate subsections (c) and (b) as subsections (d) and (e), respectively; and

(2) insert after subsection (b) the folowing:

(c) REPORT.—Section 104(j) of title 23, United States Code, is amended by striking ''submit to Congress a report'' and inserting ''transmit to Congress a report, and also make such report available to the public in a user-friendly format via the Internet,''.

The CHAIRMAN pro tempore. Pursuant to House Resolution 593, the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I yield myself as much time as I might consume.

Mr. Chairman, this amendment would dramatically improve an existing law provision, section 104(j), that was enacted as part of TEA 21.

Currently, the U.S. Department of Transportation produces an annual report to Congress on the use of Federal transportation funds by program, by type of investment, and by location within the States. My amendment would simply require that this information be provided to the public as well as via the Internet.

This is a nonpartisan amendment. It is broadly supported by a wide array of program partners, county officials, cities, mayors, metropolitan planning organizations, planners, architects and others.

Consider the current state of practice. Today, if you search the U.S. DOT's Web site for a section 104(j) report, you get ''no documents match.''

Now, the first question that will be asked is: Will this impose a burden on my State? No, absolutely not. This amendment would not impose any additional burden on the States.

Mr. OBERSTAR. Mr. Chairman, will the gentlewoman yield?

Ms. EDDIE BERNICE JOHNSON of Texas. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, we have reviewed the gentlewoman's amendment, we have been discussing it for quite some time in committee. This will make it possible to put that information that is already required to be reported on the Internet, and we have agreed on our side to accept the amendment.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentlewoman yield?

Ms. EDDIE BERNICE JOHNSON of Texas. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. First, Mr. Chairman, let me congratulate the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) for this amendment, and more than that for being able to communicate with the ranking member and myself on your wishes in your district, and being so kind to me when I was in your district this last year. I do thank you for that.

I have reviewed this amendment with the gentleman from Minnesota (Mr. OBERSTAR), and we are willing to accept the amendment.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, reclaiming my time, I want to thank the chairman and the ranking member for their cooperation.

Mr. Chairman, I might add that this is not a heavy burden on the FHWA or U.S. DOT bureaucracy. This information is already collected, processed, and provided for the use of State Departments of Transportation, in a user-friendly format for those users. This amendment simply requires that the same information already being processed be provided to the taxpayers and their representatives.

Why ''user-friendly''? Lack of ease of Congressional oversight on this report led to a $5 billion discrepancy between Table 1 and Table 4(e) in this report in fiscal year 2000.

Because it is not electronically available as a manipulatable table, any summation that is not presented in the table must be done by hand, which is very difficult.

So, Federal Highway and the public would have a better product as a result of this amendment and the improved access to this information would improve the accuracy of the reporting. It is my belief that better reporting will lend much greater confidence to us as lawmakers as we fight to increase future spending through FHWA.

Federal funds for public transportation have long operated under much more stringent reporting measures.

My amendment is a simple change that would provide our constituents with some information about how their transportation taxes are being invested. They deserve to know if their tax dollars are being invested back into their community, or if the State is spending them elsewhere, and better understand how and where these resources are being invested on their behalf.

After all, we are talking about how more than $200 billion in the taxpayers' money will be spent over the next 6 years.

By adopting my amendment, this Congress can provide some very basic transparency and accountability with Americans' tax dollars in the Federal surface transportation program.

The time has come for FHWA to deliver us and the public a report that is more than a small stack of computer runs that can only be understood by a handful of financial experts at Federal Highway and U.S. DOT.

Let me close by simply urging my colleagues to accept this modest improvement to current law. It is one of the small things we can do to provide for more transparency and accountability to this process.

Taxpayers pay for this bill, and they deserve to understand more about how their tax dollars are spent on transportation infrastructure.

Mr. Chairman, I ask for all of my colleagues to join me in supporting this simple amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. Is there any Member in opposition to the amendment?

If not, the question is on the amendment offered by the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

The amendment was agreed to.

□ 1430

The CHAIRMAN pro tempore (Mr. SIMPSON). It is now in order to consider amendment No. 3 printed in House Report 108–456.

AMENDMENT NO. 3 OFFERED BY MR. FLAKE

Mr. FLAKE. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. FLAKE:

At the end of section 1103, add the following:

(e) SUBTRACTION OF EARMARKS FROM SURFACE TRANSPORTATION PROGRAM FUNDING.—

(1) IN GENERAL.—Section 104(b)(3) of title 23, United States Code, is amended—

(A) in subparagraph (B) by striking ''subparagraph (A)'' and inserting ''subparagraphs (A) and (C)''; and

(B) by adding at the end the following:

''(C) SUBTRACTION OF EARMARKS.——

''(i) IN GENERAL.—Amounts to be apportioned to a State under subparagraph (A) for each of fiscal years 2004 through 2009 shall be reduced by the aggregate amount made available to the State (and recipients in the State) out of the Highway Trust Fund for that fiscal year for projects described in sections 1702, 3037, and 3038 of the Transportation Equity Act: A Legacy for Users.

''(ii) EFFECT ON MINIMUM GUARANTEE.—In determining a State's percentage return from the Highway Trust Fund (other than the Mass Transit Account) for purposes of section 105 for a fiscal year, the Secretary shall treat amounts subtracted under clause (i) for that fiscal year as amounts apportioned to the State for the surface transportation program for that fiscal year.

''(iii) REAPPORTIONMENT.—Amounts subtracted from a State for a fiscal year under this subparagraph shall be reapportioned among the States under the formula in subparagraph (A).''.

The CHAIRMAN pro tempore. Pursuant to House Resolution 593, the gentleman from Arizona (Mr. FLAKE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, growing up in a family of 11 kids, 10 brothers and sisters, I learned the economic principle of scarcity pretty early. We always had enough food, meat and potatoes, to go around but there was rarely enough dessert. Every Sunday, no matter how large the family got, we had one half gallon of ice cream to split amongst us. One particular Sunday, as the ice cream was being scooped by one brother, we always had at least two monitors to make sure each portion was equal, I noticed that my brother made the scoops, the monitors were distracted for a minute, and he carefully slid the half gallon that was supposed to be empty under the kitchen sink. I rushed over there and found that he had left about a quarter of the carton full and he was going to retrieve it later.

I have discovered that things like that happen all the time around here in Congress, in one area in particular, the highway bill, where, instead of leaving a portion at the bottom not to be distributed equally, it is taken right off

the top. The process is called earmarking. It is a process that is getting worse and worse and worse around here.

In 1982, there were a total of 10 earmarks in the highway authorization bill. In 1987, President Reagan vetoed the bill because there were 152 earmarks, something he thought was way out of line. Six years later, there were 500 earmarks in the bill; six years later, 1,800; and now we are up to, I think, just north of 3,000 earmarks in the bill and climbing. What that means is that portions are taken off the top and not distributed to the other States, like Arizona, like Georgia, like Florida, like Texas, like California. For years, we have been shorted from what we ought to receive in the formula.

Let me just give an example. I should say that this is just in the authorization process. We have not even gotten to appropriations this year. There will likely be hundreds, perhaps more than a thousand more transportation earmarks in the appropriation bill. Last year, for example, in the omnibus bill that was passed in December, there were over 600 earmarks relating to transportation, a total of $1.4 billion. That is $1.4 billion that comes off the top, that is not distributed by formula to the States, one of those States being Arizona. Mr. Chairman, we cannot continue to do business like this. We cannot.

My amendment is simple. It simply says that the amount the States received in high-priority programs would be subtracted from their formula totals of the surface transportation program. This prevents the minimum guarantee program from backfilling what comes out. What it does essentially is says that if you want an earmark, that is fine, but that earmark should come out of your own State's formula, not everyone else's.

I am not saying at all that nobody ought to get earmarks. A lot of people complain legitimately that some governors or some State officials do not fund what they ought to fund, that they ignore Republican districts, they ignore Democrat districts and do not spread the money equally around.

This is not saying that Members cannot get earmarks. All it is saying is that you ought to discuss that among your own delegation from your State and decide, do we want to put money here or there or should we give the State more flexibility to spend money on its priorities. That, in essence, is the amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. Who claims the time in opposition?

Mr. OBERSTAR. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman is recognized for 5 minutes.

Mr. OBERSTAR. Mr. Chairman, I yield myself such time as I may consume.

The thrust of this amendment is to adversely affect States, and Members in States, who put priority on transit projects, bus-related projects by deducting dollar for dollar from their apportionments the funds that Members have decided their State needs, their district needs, that is in the interest of their constituents and deducting that from the core surface transportation program apportionment to the individual State, and then it would redistribute those dollars elsewhere in the country. That is totally contrary to the basic principle of Member high-priority projects.

As former Chairman Bud Shuster used to say, Members of Congress are not potted plants. We know our districts. We know what the needs are. Chairman YOUNG has reiterated that principle, that Members understand the needs of their State, and when they are bypassed, when the State DOT does not address the needs in their districts, then we give them an opportunity once every 6 years to do that in the transportation bill, to designate projects according to the needs that Members see best.

The pending amendment would undermine that principle, would redistribute dollars, would take money away from some States, give it to others, punish some because they think transit is more important than a highway project in their State, Member projects.

In addition to that, a Member that has designated a project for interstate maintenance, for congestion mitigation and air quality improvement, for a bridge project, for a national highway system, will be adversely affected by this amendment. Members that have highway priorities as well will find their project simply thrown to the wind and redistributed around the country. That is not adhering to the principle that we have established. It may be very well intentioned, but its effect is highly adverse, undermines the principle that Members of Congress know their districts, are responding to the needs of their constituents, are recommending investments and, in many cases, giving States flexibility as we do in Minnesota. If they are not ready to move ahead with a project I have designated, they can use that dollar amount for a project elsewhere in the State. Its effect is severely adverse.

I will be happy to yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, I also rise in opposition.

I understand what the gentleman from Arizona is trying to do, and I want to compliment the gentleman. He is one of the few people in this body who did not ask me for any earmarks. I do thank him for that. I understand what he is trying to say.

But I have to remind everybody about earmarks in this legislation. It is, in fact, a request from Members, and it is the one time they might have an opportunity to represent their district. That is very true. I have some Members in this body that get no money out of DOT in their district because they are sparsely populated and all the money goes to the large urban areas. This is one time there is a fairness doctrine. Every nickel that is earmarked in this bill goes to a form of transportation. No dollars go outside that for any other purpose, regardless of what you might read. It goes to a form of transportation.

I know what the gentleman is trying to do. He is right about what the appropriators have done in the past and will probably continue to do. This is an amendment that has good thought but does not have great merit. Because I do think it, in fact, will impede those States that have had projects of national significance or projects of high priority. They will be penalized from getting those projects accomplished.

I thank the gentleman for his presentation. I understand what the gentleman from Arizona is trying to do, but I do believe that the amendment is inappropriate at this time.

Mr. OBERSTAR. Mr. Chairman, I reserve the balance of my time.

Mr. FLAKE. Mr. Chairman, I yield 1 minute to the gentleman from Indiana (Mr. PENCE).

(Mr. PENCE asked and was given permission to revise and extend his remarks.)

Mr. PENCE. I thank the gentleman for yielding me this time.

Mr. Chairman, with great respect to the chairman and the ranking member of the Committee on Transportation and Infrastructure, I rise in strong support of the Flake fair amendment because it is simply that. It is only fair that we would deduct, as the gentleman from Arizona suggests, the amount that has been earmarked specifically by Members of those States from the formula for distributing assets under the transportation bill rather than excluding them and then allowing the formula to only be placed on those which have not been designated as being of particular national significance. It seems to me the money is spent in those States, it is spent on infrastructure projects that the Members of those States can point to with pride and appreciation because of their significance, but it ought not to work a detriment, as it so distinctly does to States like Indiana, that I have the privilege of serving, States like Arizona and so many States in the Union that have to wait until after the special projects to divide up what is left.

I support the Flake fair amendment strongly.

Mr. Chairman, I want to commend the gentleman from Arizona for his hard work on this fair and sensible amendment.

The Flake amendment would solve inequities in TEA–LU by ensuring that the apportion formula can function as intended. Currently, earmarks secured by each member stand apart from the Minimum Guarantee formula. This drastically changes the actual rate of return, as some states perform far worse in this process, losing hundreds of millions of dollars.

Mr. Chairman, this is unacceptable. If we are truly concerned about, and fighting for, equity, why do we not subtract these earmarks

from the formula totals in the Surface Transportation Program, thus ensuring equity? Why create an environment in which states must fight one another for extra projects, when instead the formula could be allowed to function as designed?

Mr. Chairman, we cannot allow some of our states to experience a reduction in core programs. The great highway infrastructure of each state serves more than just the citizens in that state. In fact, my home state of Indiana is affectionately known as the Crossroads of America for that very reason. Hoosier Highways serve the whole country through interstate commerce, personal and business travel, and military mobility. For this reason, I am in strong support of Mr. FLAKE's amendment, subtracting the amount of earmarks from state formula totals, and furthering equity between all states.

I urge my colleagues to support the Flake amendment.

Mr. FLAKE. Mr. Chairman, who has the right to close?

The CHAIRMAN pro tempore. The gentleman from Minnesota has the right to close.

Mr. FLAKE. Mr. Chairman, I yield myself the balance of my time.

I respect the chairman and the ranking member. I would simply say that we are not potted plants here; and as a Member who is not a potted plant, I know when my State is not being dealt with fairly. My State, the State of Florida, the State of Texas, the State of California, many other donor States are not being dealt with fairly.

I am not saying that no Member should be able to earmark, and so this notion that Members cannot designate projects is not what I am saying. I am simply saying, if you do, then take that out of your own State's formula. Do not take it from other States. If you have the right to earmark, you should not have the right to earmark funds for Arizona to be spent elsewhere.

Mr. OBERSTAR. Mr. Chairman, I yield myself the balance of my time.

I just want to point out to the gentleman from Indiana, whom I greatly respect, that the total for Indiana under TEA LU would be $4.96 billion, a substantial increase of funding over TEA 21.

The point again is that we have distributed these dollars according to a percentage of the total funding available under TEA LU to give Members the authority to designate projects to address transportation needs that they see by their best lights from their constituents in their districts and not be bypassed and run over by State DOTs. It has worked in TEA 21, and it is going to work here.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Arizona (Mr. FLAKE).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. FLAKE. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Arizona (Mr. FLAKE) will be postponed.

It is now in order to consider amendment No. 4 printed in House Report 108–456.

AMENDMENT NO. 4 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The Chairman pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Ms. JACKSON-LEE of Texas:

After section 1105 of the bill, insert the following (and redesignate subsequent sections of the bill, and conform the table of contents of the bill, accordingly):

SEC. 1106. FEDERAL SHARE PAYABLE.

Section 120(j)(1) of title 23, United States Code, is amended by striking the last sentence and inserting the following: ''If such public, quasi-public, or private agency has built, improved, or maintained such facilities using Federal funds, the credit under this paragraph shall be reduced by a percentage equal to the percentage of the total cost of such activities that was derived from Federal funds. In the preceding sentence, the term 'Federal funds' does not include loans of Federal funds or other financial assistance that must be repaid to the Government.''.

The CHAIRMAN pro tempore. Pursuant to House Resolution 593, the gentlewoman from Texas (Ms. JACKSON-LEE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

Let me, first of all, again thank the chairman and ranking member for this opportunity to rebuild America's infrastructure and to create jobs. I again ask the President to join us in that effort, as opposed to utilizing a veto on what is a vital and necessary effort. Might I also say that I support the complete funding, the original funding, that was planned for this legislation.

My amendment, Mr. Chairman, will not cost the Federal Government a single dollar. Support for this amendment does not equate to promotion or support for toll roads per se. But what it does is it provides flexibility. I would ask my colleagues to support it.

The amendment would simply change the calculation of toll credits by basing them on the proportion of non-Federal investment in toll projects. In addition, it would provide the flexibility necessary for local communities. Support of this amendment does not equate to promotion or support of toll roads, as I indicated. However, the amendment does recognize that State legislatures that have chosen to pursue tolling should be able to have access to toll credits to invest in transportation options such as transit, bicycles, rail and pedestrian infrastructure.

I am gratified to say that we have the support of many organizations across the Nation, including Florida and States of that size, including Just Transportation Alliances, a project of Texas Citizen Fund.

Mr. Chairman, amendment No. 46 would simply change the calculation of toll credits by basing them on the proportion of non-federal investment in toll projects.

Support of this amendment does not equate to promotion or support of toll roads per se. However, the amendment does recognize that State Legislatures that have chosen to pursue tolling should be able to have access to toll credits to invest in transportation options such as transit, bicycles, rail, and pedestrian infrastructure.

Toll credits create flexibility in the federal aid program. Similar to the Programmatic Match provisions of STP, they will allow the expenditure of non-federal funds on one project to serve as the match on another project through toll credits. The benefit of having toll credits is to enable a project, highways or transit, to exchange a toll credit for non-federal share of a project's cost. This amendment does not provide any additional money—it simply uses up more of the federal funds in the State's apportionment, but it does provide greater financial flexibility in determining the best possible mix of funding sources for projects. Without this flexibility, State DOT's will have a significantly diminished reservoir of toll credits from which to draw and little choice but to focus on meeting the growing demands for road maintenance.

Support of this amendment does not mean that you promote or support toll roads per se. However, support of this amendment does recognize that State Legislatures that have chosen to pursue tolling should be able to have access to toll credits to invest in transportation options, such as transit, bicycles, rail, and pedestrian infrastructure, as well as road maintenance.

To reiterate, this amendment does not provide any additional money. It simply provides greater financial flexibility by allowing the use of federal funds in a State's apportionment. Without this flexibility, State DOT's will have a significantly diminished number of toll credits and will likely only focus on the growing demands for road maintenance.

My colleagues, if your State does tolling, you will benefit from this amendment. In my State, I have broad support from the Texas Department of Transportation, MPOs, local and State officials, and transit organizations.

Mr. Chairman, I would hope that you and Mr. OBERSTAR would work with me to see what can be developed between now and House floor action to give States that have decided to toll more flexibility with toll credits so that they can invest in all transportation options.

I have a constituent who is an independent contractor who hauls U.S. mail from Houston throughout the country. His main route takes him through the east coast, and he complains that the tolls are extremely burdensome. The increased toll prices are a testament of the shift from the States to the drivers—the customers, of the cost to invest in much needed transportation options such as transit enhancement projects, bicycle, rail, and pedestrian infrastructure, as well as road maintenance.

This constituent cited that the Delaware Watergap bridge is about 2/10 of a mile in length, yet its tolls mount up to $13.75 each

way. The Pennsylvania Turnpike, according to his account, cost him $150.75 in tolls since it has been increased from $98. This illustrates how the consumer, the drivers, are shouldering the burden of the States' need to raise funds that could be easily offset through toll credits.

For the reasons stated above, Mr. Chairman, I ask my colleagues to support the Jackson-Lee amendment No. 46 as made in order by the Committee on Rules. Please vote for the consumer. Vote for transit safety. Vote for reasonable toll costs. This is a bipartisan amendment that affects most toll-States.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. Who claims time in opposition to the amendment?

Mr. YOUNG of Alaska. Mr. Chairman, I reluctantly rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Alaska is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. I thank the gentleman for yielding me this time.

I respect the gentlewoman's good intention. As we heard on a previous amendment, there was a good intention but an unfortunate result, and there would be a similar unfortunate result here. I have never been supportive of toll roads. Current law allows toll credits only when that toll road has been built without Federal aid. This amendment would extend an already, in my view, unacceptable principle further. It would extend to roads built with Federal assistance the credit that then could be applied to other projects. I just think that that is not a good policy direction.

I do not think we ought to be encouraging more toll road developments. It is not going to expand the universe of roads. Toll roads are just kind of a one-time hit. We are establishing in this legislation a national program of continuing existence with the Highway Trust Fund.

□ 1445

The only problem with it is we are not putting enough money into it for the next 6 years, and we will do that after the next year after we get through this election. So we really ought not to be moving in this direction, and I assume the chairman agrees with me on this.

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

I will say that to the gentleman I do think the amendment has some merit; but as the gentleman mentioned, now with the shortage of dollars, et cetera, I would suggest that we continue to work with the gentlewoman as we go through this process and see if we cannot reach a solution to it. And I think that can be achieved. But at this time I would oppose the amendment.

Mr. Chairman, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas (Mr. BURGESS).

Mr. BURGESS. Mr. Chairman, I thank the gentlewoman from Texas for yielding me this time.

Mr. Chairman, I rise today in support of the Jackson-Lee amendment that would simply change the calculation of toll credits by basing them on the proportion of non-Federal investment in toll projects made by respective States. The amendment recognizes that if a State legislature has chosen to pursue tolling, then it should be able to have access to toll credits to invest in another transportation options such as transit, rail, pedestrian or cycle paths.

My State's legislature, the Texas State legislature, passed a bill that created a revolution in the way Texas funds transportation projects. I believe that States should be granted more authority to deliver corridors faster, and in exchange we will give them enhanced accountability. Texas is a leader in bringing private enterprise and local control back into the transportation funding equation. I believe this amendment would allow my State to continue that option.

The amendment concerning toll credits helps create the needed flexibility in the Federal-aid program. The amendment will allow the expenditure of non-Federal funds as to one project to serve as the local match on another project in the form of toll credits. The benefit of having toll credits is to enable a highway or transit project to exchange a toll credit for the non-Federal share of the project's cost made by that State. The Jackson-Lee amendment will not cost the Federal Government a single dollar. Currently, any highway or transit project that uses even one dollar of Federal funding is ineligible for toll credits even though the greatest majority of the funding may be non-Federal. The Jackson-Lee amendment will apply toll credits only to the non-Federal funding portion of any transit or highway project.

Costs of heavy congestion, pollution, and, in fact, safety and the loss of lives are too great in all States. We must do more to respond to our exploding transportation needs. Budgets are getting increasingly tighter. We need to find different ways to get resources necessary to respond to those transportation needs.

Mr. Chairman, I believe it is our responsibility to get in the hands of the President a bill that he can sign, and I believe this helps facilitate that process.

Mr. YOUNG of Alaska. Mr. Chairman, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), a senior member of the Committee on Transportation and Infrastructure.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I know that this is an amendment that the State of Texas would like to have. I am happy to support my friend from Texas. In fact, I offered the same amendment in committee.

The amendment would change the calculation of toll credits by basing them on the proportion of non-Federal investment in toll projects. Support of this amendment does not mean that we promote or support toll roads per se, but supporting this amendment does recognize that State legislators that have chosen to pursue tolling should be able to have access to toll credits to invest in transportation options such as transit, bicycle, rail, and pedestrian infrastructure as well as road maintenance.

Toll credits create flexibility in the Federal-aid programs. Similar to the Programmatic Match provisions of the Surface Transportation Program, toll credits allow the expenditure of non-Federal funds on one project to serve as the match on another project. The benefit of having toll credits is to enable either a highway or a transit project to exchange a toll credit for non-Federal share of a project's cost.

Mr. Chairman, I include my statement for the RECORD.

Mr. Chairman, I'm happy to support my friend from Texas' amendment. In fact I offered this same amendment in Committee. The amendment would change the calculation of toll credits by basing them on the proportion of non-federal investment in toll projects.

Support of this amendment does not mean that you promote or support toll roads per se. But supporting this amendment does recognize that State Legislatures that have chosen to pursue tolling should be able to have access to toll credits to invest in transportation options, such as transit, bicycles, rail, and pedestrian infrastructure, as well as road maintenance.

Toll credits create flexibility in the federal aid program. Similar to the Programmatic Match provisions of the Surface Transportation Program, toll credits allow the expenditure of non-federal funds on one project to serve as the match on another project. The benefit of having toll credits is to enable either a highway or transit project to exchange a toll credit for non-federal share of a project's cost.

This amendment does not provide any additional money. It simply provides greater financial flexibility by allowing the use of federal funds in a state's apportionment. Without this flexibility, State DOT's will have a significantly diminished number of toll credits and will likely only focus on the growing demands for road maintenance.

My fellow members, if your state does tolling, you will benefit from this amendment. In my state, I have broad support from the Texas Department of Transportation, MPOs, local and state officials, and transit organizations.

Mr. Chairman, I urge you to support this amendment so that we can give States that have decided to toll more flexibility with toll credits so that they can invest in all transportation options.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself the balance of my time.

Let me thank the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) for her leadership on the issue. She offered this in committee. Let me again say to the ranking member and the chairman, this is not a promotion of toll roads. Toll credits are not additional money. They are what is commonly referred to as ''soft match.'' We simply want the flexibility to allow States to be able to use these dollars for bicycle trails, pedestrian walks, rail, other transit projects. We believe this is a real commitment to transportation needs in America. We support this legislation. We ask our colleagues to support us to give wider flexibility to the many States who will benefit from having the option of using toll credits, no more Federal money, more flexibility, and more opportunity to serve the people of the United States of America.

Argument: If the toll revenues were actually used for the other projects, states wouldn't have an issue.

Response: States may earn toll credits under section 120(j) only when they spend ''toll revenue'' on capital expenditures on toll projects serving interstate traffic, and only in years the state meets a Maintenance of Effort test. The requirement that the ''toll revenues'' be spent on capital expenditures would also seem to address your concerns regarding section 129(a) of title 23.

The restrictive provisions of section 129(a) of title 23 are really nothing that wouldn't already be in the Indenture of Trust for the bonds issued to build the toll facility from FHWA's Innovative Finance: ''The credit the state can earn for any Federal fiscal year is determined by the amount of toll revenue used by toll authorities for capital expenditures to build or improve public highway facilities that serve interstate travel. To qualify for the credit, the state's total non-Federal highway and transit transportation capital expenditures must equal or exceed the average of prior years. This is called the maintenance of effort (MOE) calculation. The MOE test is required at the time the credit amount is established. Expenditures for routine maintenance—e.g., snow removal, mowing—debt service, or costs of collecting tolls cannot be included.''

Toll credits create flexibility in the federal aid program. Similar to the Programmatic Match provisions of Surface Transportation Program, it allows the expenditure of non-federal funds on one project to serve as the match on another project through toll credits.

The idea is to give states as much flexibility as possible to allow them to address as many transportation needs as possible with the limited financial resources available to them. The traveling public in not overly concerned if the funds spent on a project are federal or state, only that the transportation infrastructure is being improved so they can get where they're going faster and safer. Keep in mind that the federal funds, are in fact paid by citizens of every state and sent to DC and then returned to their states—and in Texas' case, we receive less than what we originally sent.

In today's environment there are not many toll road projects that can be financed 100 percent without some form of federal assistance, especially in states without mature toll systems where exess revenue from the established toll roads could be used to expand the system.

By not discouraging the use of federal assistance on toll roads, the amendment might actually allow for more projects to be built sooner—states can finance roads through a mix of toll road bonds and federal assistance, when they would not be financially viable as a 100 percent bond financed project. Then once the toll revenues are expended they can be used as match for federal funds on other projects. We believe the policy of federal/state transportation programs should be to build as many transportation projects as soon as possible to address the mobility issues.

The whole idea of required match seems to again ignore the fact that it is the citizens of the states who originally pay the tax and as in the case of Texas only receive a portion back. Average Rate of Return for Texas is 87 cents for each dollar sent in federal gas tax by Texans to the Federal Highway Trust Funds. Texas is one of the largest donor states.

WHAT IS A TOLL CREDIT?

USDOT allows the States to accumulate credits to be applied to the non-Federal share of certain highway and transit projects. The credits are based on toll revenues used to build, improve, or maintain certain highways, bridges, or tunnels.

If a toll road is built and no federal money is involved, then the State D.O.T. can be given credit for the amount of the road to use as a federal match. Toll credits are not additional money. They are what is commonly referred to as a ''soft match.'' The state can utilize toll credits to match federal funds in place of their state match. By using toll credits to substitute for the required non-federal match on a Federal-aid project, federal funding can be effectively increased to 100 percent. State and local funds notmally used for matching may then be directed to other transportation projects.

EXAMPLES

North Texas Turnpike Authority builds a $100 million toll road in Dallas with no federal money whatsoever in it.

USDOT would give TxDOT $100 million in toll credits. TxDOT can use $100 million as matching funds for other projects.

TxDOT wants to build a road at a cost of $100 million. A federal road is usually an 80–20 match. 80 percent of the money is federal; 20 percent is state.

Instead of Texas gas tax money being used for the 20 percent match ($20 million), all $100 million comes from the federal government for the road.

You now have $80 million left in toll credits ($100 million − $20 million for the new road = $80 million) that you can apply to another project, including transit projects.

The toll credits can be used to draw down federal dollars for transit. That is new money in a more real sense of the term because it can help a county (for instance) with its local match. It can actually be leveraged to bring in new non-roadway projects.

THE PROBLEM

The project can have no federal money in it. For example, SH 130 will not qualify because federal funds have been used.

Texas is embarking on a program to build more toll roads. We believe that a better calculation would be prorated. If the state funded 20 percent of the toll roads' cost, then the state should receive that 20 percent in toll credits.

THE SOLUTION

Texas would like to see the current statutory provisions for accumulating and calculating toll credits liberalized to ensure that we are getting the most credit that we can as the state begins developing more toll projects in the next reauthorization bill. The current statutory provisions only give us toll credits for 100% non-federally funded toll projects.

The reality is that we will have a mixture of funding sources for our projects, including federal funds in nearly every project we build. We believe that we should be allowed to receive toll credits for the portion of non-federal funds spent on toll projects. For example, if 80% of the toll project cost is non-federal, then we should receive toll credits for 80% of the project cost. Currently, in this example, we would get no toll credits for this investment.

LEGISLATIVE LANGUAGE

The drafted amendment would modify the method by which toll credits are calculated. The amendment would change the calculation to make the credits based on the proportion of non-federal investment in toll projects.

TX DOT thinks that this language will provide additional flexibility in our project financing program. the benefit of having toll credits is to enable a project (highways or transit) to exchange a toll credit for non-federal share of a project's cost.

For example, a project usually requiring a 20% non-federal match could instead use toll credits and increase the federal share to 100% of the project cost. While this does not provide additional money (it simply uses up more of the federal funds in the state's apportionment), it does provide greater financial flexibility in determining the best possible mix of funding sources for our projects. The benefits of having toll credits available may be even greater for transit projects, which typically end up with a 50%/50% federal/state match.

Mr. YOUNG of Alaska. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. SIMPSON). The question is on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE) will be postponed.

It is now in order to consider amendment No. 5 printed in House Report 108–456.

AMENDMENT NO. 5 OFFERED BY MR. SHADEGG

Mr. SHADEGG. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. SHADEGG:

At the end of subtitle A of title I, add the following (and conform the table of contents of the bill accordingly):

SEC. 1125. ADDITION OF PARTICULATE MATTER AREAS TO CMAQ.

Section 104(b)(2) of title 23, United States Code, is amended—

(1) in subparagraph (B)—

(A) in the matter preceding clause (i) by striking ''ozone or carbon monoxide'' and inserting ''ozone, carbon monoxide, or particulate matter (in this paragraph referred to as 'PM–2.5 or PM–10')'' ;

(B) by striking clause (i) and inserting the following:

''(i) 1.0, if at the time of apportionment, the area is a maintenance area;'';

(C) in clause (vi) by striking ''or'' after the semicolon;

(D) in clause (vii)—

(i) by striking ''area as described in section 149(b) for ozone'' and inserting ''area for ozone (as described in section 149(b)) or for PM–2.5 or PM–10''; and

(ii) by striking the period at the end and inserting a semicolon; and

(E) by adding at the end the following:

''(viii) 1.0 if, at the time of apportionment, any county that is not designated as a nonattainment or maintenance area under the 1-hour ozone standard is designated as nonattainment under the 8-hour ozone standard; or

''(ix) 1.2 if, at the time of apportionment, the area is not a nonattainment or maintenance area as described in section 149(b) for ozone or carbon monoxide, but is an area designated as nonattainment under the PM–2.5 or PM–10 standard.'';

(2) by striking subparagraph (C) and inserting the following:

''(C) ADDITIONAL ADJUSTMENT FOR CARBON MONOXIDE AREAS.—If, in addition to being designated as a nonattainment or maintenance area for ozone as described in section 149(b), any county within the area was also classified under subpart 3 of part D of title I of the Clean Air Act (42 U.S.C. 7512 et seq.) as a nonattainment or maintenance area described in section 149(b) for carbon monoxide, the weighted nonattainment or maintenance area population of the county, as determined under clauses (i) through (vi) or (viii) of subparagraph (B), shall be further multiplied by a factor of 1.2.'';

(3) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and

(4) by inserting after subparagraph (C) the following:

''(D) ADDITIONAL ADJUSTMENT FOR PM-2.5 OR PM-10 AREAS.—If, in addition to being designated as a nonattainment or maintenance area for ozone or carbon monoxide, or both, as described in section 149(b), any county within the area was also designated under the PM–2.5 or PM–10 standard as a nonattainment or maintenance area, the weighted nonattainment or maintenance area population of those counties shall be further multiplied by a factor of 1.2.''.

The CHAIRMAN pro tempore. Pursuant to House Resolution 593, the gentleman from Arizona (Mr. SHADEGG) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Chairman, I yield myself such time as I may consume.

I rise in support of this amendment. It is largely a technical amendment.

In our Nation we face a serious air quality problem with tiny particles of dust and chemicals. This particulate matter is a health hazard because people breathe it in, and it irritates their lungs and can cause severe respiratory problems, and we have tried to deal with it.

There are two types of particulate matter considered by the EPA. One is PM–10, which is a fairly fine particulate matter, and the second is PM–2.5, an extremely fine particulate matter. Both are produced by vehicles driving on both paved and unpaved roads. Current law allows States to obligate funds under the Congestion Management and Air Quality Improvement Act, referred to as CMAQ, to areas which are not in attainment for either, but it does not distinguish between PM–10 and PM–2.5. The other body has passed legislation which would allow funds to be allocated to achieve attainment on PM–2.5. My amendment ensures that States will be able to use these funds to achieve attainment on both, particularly PM–10, and also on PM–2.5, which is the language which the Senate has adopted.

This language is absolutely essential because areas which are not in attainment for PM–10 incur significant costs in order to clean up their air and meet the standards for them and to curb emissions, particularly emissions of these pollutants from roads. Measures which States and counties and cities have to take include purchasing specially designed streetsweepers, curbing, paving, and stabilizing the shoulders of paved roads; paving, vegetating, and chemically stabilizing access points on unpaved roads; timing traffic lights; and using reformulated gasoline.

Vehicles on both paved and unpaved roads are significant sources of PM–10. And for example, in my State of Arizona in my hometown of Phoenix, PM–10 is estimated to be produced from traffic on both paved and unpaved roads.

In addition, my amendment would strengthen the position of the House in going into conference, as the House version of the bill currently does not have any language similar to that in the provision.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. Who claims time in opposition to the amendment?

Mr. OBERSTAR. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Minnesota (Mr. OBERSTAR) is recognized for 5 minutes.

Mr. OBERSTAR. Mr. Chairman, I yield myself such time as I may consume.

I compliment the gentleman on raising a very important issue. I also want to point out to the House that this is a complex aspect of transportation law involving Congestion Mitigation and Air Quality Improvement issues. It involves a very technical aspect of the particulate standards, the air quality standards, for coarse particulate matter or fine particulate matter, those that are 10 or 2.5.

In principle, I think I would be in favor of what the gentleman is trying to accomplish, but the language of the wording gives us some trouble yet. And if the gentleman would bear with us through the bill and into conference, I think we can get this matter worked out in a manner that is acceptable to achieve the objective he is seeking.

Mr. SHADEGG. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Arizona.

Mr. SHADEGG. Mr. Chairman, as I understand from discussions with the gentleman's staff, the concern he has is, I guess, two points. One is not with PM–10, which I think the gentleman would agree with me that funds be used under CMAQ to mitigate PM–10 pollution at this point; but as I understand it, the gentleman has some concern with whether or not PM–2.5 can be mitigated with these funds as the Senate is trying to do. Is that correct?

Mr. OBERSTAR. Mr. Chairman, that is essentially, broadly stated, the issue.

Mr. SHADEGG. Mr. Chairman, will the gentleman continue to yield?

Mr. OBERSTAR. I yield to the gentleman from Arizona, with further comment in how that issue would be interpreted and how it would be applied.

Mr. SHADEGG. Mr. Chairman, I understand that there is a second concern with an impact on the formula were the language of the current amendment, in fact, adopted. Is that also correct?

Mr. OBERSTAR. Mr. Chairman, exactly. The question is, How will the funds be allocated? And I think we need to just understand that better and have it spelled out more clearly so that we understand what is happening and we do not run into something we did not anticipate.

Mr. SHADEGG. Mr. Chairman, will the gentleman continue to yield?

Mr. OBERSTAR. I yield further to the gentleman from Arizona.

Mr. SHADEGG. Mr. Chairman, as I understand the offer that is being made by the ranking member, the gentleman agrees to work in conference to address the importance of being able to fund the cleanup of PM–10 particulate matter and ensure that the law continues to allow CMAQ funds to be used to clean up PM–10 materials.

Mr. OBERSTAR. Mr. Chairman, exactly. I think what we would like to do is exchange some language and refine that language and refer to the original CMAQ and look at the distribution tables, allocation of funds; and I think we will be able to find a way to accommodate the gentleman's objective.

Mr. SHADEGG. Mr. Chairman, will the gentleman continue to yield?

Mr. OBERSTAR. I yield to the gentleman from Arizona.

Mr. SHADEGG. Mr. Chairman, with that understanding, and I have always had a good working relationship with the gentleman, if the majority will also commit to work on the PM–10 issue and to work with me to ensure that funds can be used to clean up PM–10, I would be amenable to withdrawing that amendment with the understanding that it will be worked on in

conference so that we can ensure CMAQ funds can be used to clean up PM–10 materials, because that is an important issue to my constituents and, quite frankly, to all the States of the West.

Mr. PETRI. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Wisconsin.

Mr. PETRI. Mr. Chairman, I can state for the majority that we will work with the gentleman and with the minority leader on this matter.

Mr. OBERSTAR. Mr. Chairman, I reserve the balance of my time.

Mr. SHADEGG. Mr. Chairman, I yield myself such time as I may consume.

With the understanding I have just reached with the ranking member and the spokesman on behalf of the majority, it is my understanding that we will all work together to assure that CMAQ funds can be used to address PM–10 pollutants as they currently can, as they would be then in the future under the legislation. That is extremely important to me and to the States I represent and to the States of the West.

Mr. OBERSTAR. Mr. Chairman, I yield myself the balance of my time.

I thank the gentleman for a very dignified discussion and outcome. I think it is in the best interest of good policy, and we will work with the gentleman in the coming weeks as we go forward.

Mr. Chairman, I yield back the balance of my time.

Mr. SHADEGG. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The CHAIRMAN pro tempore. The amendment is withdrawn.

It is now in order to consider amendment No. 6 printed in House report 108–456.

AMENDMENT NO. 6 OFFERED BY MR. SCHIFF

Mr. SCHIFF. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. SCHIFF:

In the matter proposed to be inserted by section 1208 of the bill as section 167(b)(4) of title 23, United States Code, strike ''if the operators of such vehicles pay'' in subparagraph (B) and all that follows through the period at the end of subparagraph (C) and insert the following:

if the agency—

''(i) establishes a program that addresses how those qualifying low emission and energy-efficient vehicles are selected and certified;

''(ii) establishes requirements for labeling qualifying low emission and energy-efficient vehicles (including procedures for enforcing those requirements);

''(iii) continuously monitors, evaluates, and reports to the Secretary on performance; and

''(iv) imposes such restrictions on the use on high occupancy vehicle lanes by vehicles that do not satisfy established occupancy requirements as are necessary to ensure that the performance of individual high occupancy vehicle lanes, and the entire high occupancy vehicle lane system, will not become seriously degraded.

The CHAIRMAN pro tempore. Pursuant to House Resolution 593, the gentleman from California (Mr. SCHIFF) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. Mr. Chairman, I yield myself such time as I may consume.

The car pool lane has been a tremendous success at reducing air pollution and alleviating traffic jams since it was introduced 3 decades ago. The idea works because it is a simple trade-off, more choice for more responsibility. We can use this powerful trade-off to encourage more than just car pooling. Hybrid gas electric cars have doubled the gas mileage of standard cars, which means they fight air pollution as surely as car pooling does; and unlike other clean car technologies, they are also now available in meaningful numbers.

□ 1500

This fledgling technology has great potential, but we need to help it get off the ground further. There is a small tax deduction for purchasing a hybrid car, but expanding this deduction would cost money at a time when we are tightening our fiscal belts.

Instead, we can use the incentive of the car pool lanes to encourage drivers to purchase hybrid cars without affecting the U.S. Treasury's bottom line. Both the administration and the Senate have recognized the potential of this approach. Their versions of the transportation bill permits State and local jurisdictions to allow hybrids in the car pool lane, even if the driver is alone. For cities with heavy air pollution, this could be an effective tool to coax drivers into cleaner cars. It also takes decisions about this issue out of Washington and puts them in the hands of local communities.

My amendment would accomplish the same goal by removing a mandate for a toll requirement. This lets States and local governments decide for themselves whether to allow hybrids in the car pool lane, whether to charge a toll or not.

Some say this risks overcrowding the car pool lane, but my amendment requires local governments to monitor the effect of letting in hybrids and impose restrictions, if necessary. Thus, if a toll became necessary, one could be charged.

More to the point, hybrid cars are less than ½ of 1 percent of the cars on the road today, and a car pool lane crowded with hybrids is a problem many governments would love to have.

Mr. Chairman, I yield 2 minutes to my colleague, the gentleman from California (Mr. ISSA), and thank him for his work on this issue.

Mr. ISSA. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, as you perhaps know, H.R. 243, the Hybrid Vehicle Incentive Act, which I authored in the previous Congress and again in this Congress, serves to do a similar incentive program for HOV use by hybrid vehicles. Since it is tied up in the energy bill and since the transportation language was at best vague as to whether or not charges must occur, I thank my colleague for his leadership in seeing that there was an easy remedy to ensure that municipalities and States could charge zero, thus eliminating the requirement to put a toll on these efficient vehicles that are leading the way toward ending or at least reducing our dependence on foreign oil.

Mr. SCHIFF. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. SIMPSON). Who claims time in opposition to the amendment?

Mr. YOUNG of Alaska. Mr. Chairman, I claim the time in opposition.

The CHAIRMAN pro tempore. The gentleman from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Chairman, we have reviewed this amendment, and I believe, with consultation, we have agreed to the amendment.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I thank the chairman for yielding.

Mr. Chairman, I want to frame this issue here carefully. The purpose of the HOV lanes is to encourage more people to ride in a car than to continue encouraging single-occupancy vehicle travel. Now, the idea of an exemption for hybrid vehicles was to encourage their development, their production, and that is happening in California, to the great credit of that State. So now we are seeing sort of the hybrid vehicle production take off. But in that process, the principle of HOV lanes seems to be falling behind, with more single-passenger vehicles traveling.

So the language of the gentleman's amendment is not perfectly clear. We would be willing to accept language that makes it clear that the State can choose to exempt a hybrid vehicle, not that they are required to exempt. Is that the intent of the gentleman's amendment, that the State will have the choice, not that they are required to exempt from paying a toll on an HOV toll lane?

Mr. SCHIFF. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the intent is to give States the option, not the mandate, to charge a toll. If the States choose, they may allow hybrids; if they chose to allow hybrids under the condition of a toll, they would have that capability as well. We do not want to mandate that. Hopefully, I hope it would not be necessary.

If at some point down the road there were so many hybrids on the road that it was creating a clogging of the HOV lanes, States would be able to uninvite them to the HOV lanes or charge a toll.

So, yes, that is the intention of the amendment.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. SCHIFF. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I agree with the chairman, we could accept the amendment, with the understanding as we get into conference, this language needs to be tightened up.

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I will agree with that. I think it should be tightened up. It is something that both the author and, of course, the gentleman from California have spoken on; and we will continue working with you to see if we cannot make it adaptable to everybody.

Mr. Chairman, I yield back the balance of my time.

Mr. SCHIFF. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as I understand it, the amendment is acceptable, and in conference there will be additional language added to further clarify that the States may charge a toll if they so choose, but are not required.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California (Mr. SCHIFF).

The amendment was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 7 printed in House Report 108–456.

AMENDMENT NO. 7 OFFERED BY MR. VITTER

Mr. VITTER. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Mr. VITTER:

At the end of section 1301(b)(1), add the following:

The Interstate Route 49 Corridor shall receive priority consideration under this paragraph.

The CHAIRMAN pro tempore. Pursuant to House Resolution 593, the gentleman from Louisiana (Mr. VITTER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. VITTER).

Mr. VITTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is an amendment to officially represent a vitally important corridor, I–49, and specifically recognize it as qualifying under the new National Corridor Infrastructure Improvement program. I think everyone will agree that this is exactly the sort of crucial corridor for economic purposes, military uses, the movement of agricultural products, all sorts of key uses, that this program is about. So the purpose of the amendment would be to formally recognize in the bill, to make sure that it qualifies. There is no specific amount of money associated with I–49 through this amendment, just to ensure that it fully qualifies under that improvement program.

Again, I–49 is such a corridor of national significance because of the movement of ag products from the heartland of the country to our ports in the south and across the globe; because of defense and security issues, I–49 links so many of our military bases; because of trade, again, agriculture is perhaps the biggest example of that, but it is an enormous trade corridor into the heartland of the country; because of energy, moving energy from Louisiana and the Gulf of Mexico into the country; and because of safety concerns.

That is the reason, that is the purpose behind that amendment. I intend to withdraw the amendment in a few moments after engaging in a short colloquy with the chairman.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. Who claims the time in opposition?

Mr. YOUNG of Alaska. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, very simply stated, this amendment would bypass the determination of the Secretary to make decisions on corridors and substitute judgment in this body for that of the Secretary looking at a national picture, and that is the wrong way to proceed. We should not do that.

Mr. VITTER. Mr. Chairman, I yield such time as he may consume to the gentleman from Louisiana (Mr. JOHN).

Mr. JOHN. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, of course I fully support funding of I–49, which runs right through the Seventh District of Louisiana, right through the heartland of Louisiana. Completion of this very important interstate system from Canada to New Orleans is an incredibly important corridor, from the Midwest of America down to the coast and for the economics of trade, and it is an incredibly important program.

I have worked very hard over the last few years to make sure that I–49 South was given a high priority designation in TEA 21, and also I–49 North, as a high priority corridor. This amendment today I think reinstates the importance of I–49 as a priority for Congress, and I fully support it.

However, there is a larger issue at hand. I think we need more funding for this bill to accelerate funding for I–49 and other projects across the Nation. Each Member in this body believes that highways running through their district are a priority, and they are correct. Improved transportation infrastructure means economic development; it means good American jobs. But the only way that we can see these priorities met is to increase the funding for this bill in Congress.

The I–49 Congressional Caucus is working with the chairman and the ranking member on a way to complete the funding for this project, and many other projects; and I pledge to create new jobs and expand economic development for the full funding of I–49 and other high-significant and regional priorities.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin (Mr. PETRI).

Mr. PETRI. Mr. Chairman, I think the gentleman from Louisiana knows that this Member, at least, has met on a number of occasions both here in Washington and down in New Orleans and other places in Louisiana with groups who are supporting this high-priority project. It is an important project. But there are a lot of important projects in our country. Our committee is trying to come up with the resources to meet a variety of needs.

I would urge the gentleman to work with the committee and the process, rather than attempting to single out his particular project in this way, because it is not going to work politically here in the House, given all the other regions and their concerns.

But what the gentleman is saying is important. He does have an important project, and we are eager to work with the gentleman to try to come up with the resources necessary to help move it forward.

Mr. VITTER. Mr. Chairman, I yield 1 minute to the gentleman from Alaska (Mr. YOUNG), to have a conversation in the form of a colloquy.

Mr. YOUNG of Alaska. Mr. Chairman, I would like to offer the gentleman from Louisiana (Mr. VITTER) my support for this route. I have had the privilege of speaking to the gentleman from Louisiana (Mr. MCCRERY), the gentleman from Louisiana (Mr. VITTER), the gentleman from Louisiana (Mr. JOHN), everybody involved in this area; and my attention as time goes by as we go to the conference, this will be one of the routes that is considered as a high priority, because it is badly needed, not only for the State of Louisiana, but for the other States in proximity too.

I would like to say that we had enough money to do everything, but I am not going to say we do. But this is one of the areas that I am very strongly in support of, and I will do everything I can to see that we achieve those goals.

Mr. VITTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the gentleman very much for that pledge of support, and I look forward to working with the gentleman proactively as the process moves along.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 8 printed in House Report 108–456.

AMENDMENT NO. 8 OFFERED BY MR. GRAVES

Mr. GRAVES. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Mr. GRAVES:

At the end of subtitle D of title I, add the following (and conform the table of contents accordingly):

SEC. 1408. RENTED OR LEASED MOTOR VEHICLES.

(a) IN GENERAL.—Subchapter I of chapter 301 of title 49, United States Code, is amended by adding at the end the following:

"§ 30106. Rented or leased motor vehicle safety and responsibility

''(a) IN GENERAL.—Provided that there is no negligence or criminal wrongdoing on the part of the owner of a motor vehicle, no such owner engaged in the trade or business of renting or leasing motor vehicles may be held liable under State law for harm caused by a person to himself or herself, another person, or to property, which results or arises from that person's use, operation, or possession of a rented or leased motor vehicle, by reason of being the owner of such motor vehicle.

''(b) CONSTRUCTION.—Subsection (a) shall not apply if such owner does not maintain the required limits of financial responsibility for such vehicle, as required by State law in the State in which the vehicle is registered.

''(c) APPLICABILITY AND EFFECTIVE DATE.—Notwithstanding any other provision of law, this section shall apply with respect to any action commenced on or after the date of enactment of this section without regard to whether the harm that is the subject of the action or the conduct that caused the harm occurred before such date of enactment.

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

''(1) MOTOR VEHICLE.—The term 'motor vehicle' shall have the meaning given the term under section 13102(14) of this title.

''(2) OWNER.—The term 'owner' means a person who is—

''(A) a record or beneficial owner, lessor, or lessee of a motor vehicle;

''(B) entitled to the use and possession of a motor vehicle subject to a security interest in another person; or

''(C) a lessor, lessee, or bailee of a motor vehicle, in the trade or business of renting or leasing motor vehicles, having the use or possession of such motor vehicle, under a lease, bailment, or otherwise.

''(3) PERSON.—The term 'person' means any individual, corporation, company, limited liability company, trust, association, firm, partnership, society, joint stock company, or any other entity.

''(4) STATE.—The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, any other territory or possession of the United States, or any political subdivision of any such State, commonwealth, territory, or possession.''.

(b) CLERICAL AMENDMENT.—The analysis for such chapter is amended by inserting after the item relating to section 30105 the following:

''30106. Rented or leased motor vehicle safety and responsibility.''.

The CHAIRMAN pro tempore. Pursuant to House Resolution 593, the gentleman from Missouri (Mr. GRAVES) and a Member opposed each will be recognized for 5 minutes.

The Chair recognizes the gentleman from Missouri (Mr. GRAVES).

Mr. GRAVES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am here today to correct an inequity as I see it in the car and truck renting and leasing industry. By reforming vicarious liability to establish a national standard that all but a small handful of States already follow, we will restore fair competition to the car and truck renting and leasing industry and lower costs and increase choices for all consumers.

Currently, a small number of States impose vicarious liability, or liability without fault, on companies simply because they own a vehicle involved in an accident. Whether or not the vehicle is at fault is irrelevant. These vicarious liability lawsuits cost consumers nationwide over $100 million annually.

These laws apply to where the accident occurs. It does not matter where the car or truck was rented or leased. Since companies cannot prevent their vehicles from being driven to a vicarious liability State, they cannot prevent their exposure from these laws and then raise their rates accordingly. These higher costs have driven many small companies out of business, reducing the consumer choice and competition that keeps costs down.

While this amendment seeks to level the playing field, I want to emphasize that the provisioning will not allow car and truck renting and leasing companies to escape liability if they are at fault. Accident victims will continue to be compensated according to individual State law.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. Who claims time in opposition to the amendment?

Mr. OBERSTAR. Mr. Chairman, I claim the time in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Minnesota (Mr. OBERSTAR) is recognized for 5 minutes.

Mr. OBERSTAR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the gentleman from Missouri has been quite persistent and thoughtful in his pursuit of this amendment and very genuine, and I think one of the adversely affected companies is located in the State of Missouri and has expressed their concerns about the effects of current law.

□ 1515

The gentleman has sought a way to provide some relief. I rise in very strong opposition to the language, with great respect for the gentleman, a member of our committee.

It would supersede State law in 15 States that have already adopted laws to apply vicarious liability to car rental companies. The reason they have done so is that if a car rental company rents to a person who has no insurance, the rental company is the one that is best suited to assume the responsibility. They have done this action in their judgment in the best interest of the consumer.

Now, we have not had hearings in depth that would explore all aspects of this issue. It is a very complex issue of State law, and it varies from one part of the country to another. But States, as far as we can ascertain, that have adopted such a policy have concluded that, without it, harm to innocent children, to bystanders would go totally uncompensated, even if the rental car company had leased, say, to an obvious drug abuser or someone with a very bad driving record.

States, including mine of Minnesota, have reached an independent policy determination on this matter. I do not think Congress should weigh in to supersede the State judgment on this matter.

Mr. Chairman, I reserve the balance of my time.

Mr. GRAVES. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. BOUCHER), the amendment cosponsor.

Mr. BOUCHER. Mr. Chairman, I thank the gentleman for yielding me this time, and today I rise to join with him in support of a common sense reform that will eliminate antiquated vicarious liability statutes, benefit consumers, and protect the victims of accidents.

Vicarious liability laws for rental cars in a handful of States drive up costs for consumers nationwide by an average of $100 million annually. These laws prevent unlimited damages against companies that rent or lease vehicles solely because they own a vehicle that is involved in an accident, not because they have done anything wrong. These companies are not negligent, not at fault, and could do nothing to have prevented the accident.

Consumers pay $100 million annually resulting from these unfair laws because companies must build the costs of arbitrary damage awards into their rental and lease rates. Regardless of where a car or truck rental company is headquartered or where the vehicle is rented or leased, the company is subject to vicarious liability, even if its vehicle is driven to a vicarious liability State and is involved in an accident. Therefore, the laws of a mere handful of States drive up rental rates nationwide for all rental consumers.

I urge approval of this common sense reform.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Chairman, my own State of New York is one of the most active car rental markets in the country. We also have a huge number of uninsured drivers who rent cars because, in New York City, a lot of people do not own cars. New York has forbidden car rental companies to ask their customers if they own automobile insurance in order to allow the largest number of people access to rent the cars.

Since New York has made the policy decision to mandate car rental companies to rent to uninsured drivers, New York needs vicarious liability to protect innocent bystanders who are injured by these uninsured drivers. Why should not New York and other States have the ability to make that policy determination? Why should we arrogate to ourselves to tell the 15 States that have chosen to have vicarious liability but not to limit car rentals to only people who can prove that they have their own personal insurance, that is the trade-off; why should we tell them that is the wrong policy decision? That should be left to the States.

There is nothing wrong with a State deciding that it is in the interests of the people of that State for uninsured drivers, who may be uninsured because they do not own their own cars, to be able to rent cars, but to be able to say to the car rental companies, you must take vicarious liability so that you do not shift the burden of paying for an accident to the pedestrian or the hospital or the taxpayers. This is a perfectly reasonable thing to do. Fifteen States have chosen to do it.

To pass this amendment is to say that we are going to obviate the policy choices that those States have made and shift the burden on to innocent victims of accidents in those States. We should not do it. Let the States decide this question, as they have.

Mr. Chairman, I urge opposition to this amendment.

Mr. GRAVES. Mr. Chairman, I yield myself such time as I may consume. The amendment requires that vehicles be covered, still be covered by the State-established minimum insurance levels for vicarious liability.

The bottom line is, if we limit vicarious liabilities, they are still going to be covered by the minimum standard. There is never going to be an instance where the vehicle goes out there and is not insured.

Mr. Chairman, I reserve the balance of my time.

Mr. OBERSTAR. How much time is remaining on both sides, Mr. Chairman?

The CHAIRMAN pro tempore (Mr. SIMPSON). The gentleman from Minnesota (Mr. OBERSTAR) has 1 minute remaining; the gentleman from Missouri (Mr. GRAVES) has 2 minutes remaining.

Mr. OBERSTAR. Mr. Chairman, I reserve the balance of my time.

Mr. GRAVES. Mr. Chairman, I yield myself such time as I may consume.

I had several and, unfortunately, due to the speed in which amendments were moving this morning, we are not going to get to all of them. We have the House majority whip, the gentleman from Missouri (Mr. BLUNT) who wanted to speak on this, and also the gentleman from Georgia (Mr. BURNS).

Mr. Chairman, this amendment I think makes sense. It is a consumer amendment. It is going to save consumers $100 million annually.

The fact that a company can be liable simply because they own the vehicle even though they were not involved I think is ridiculous.

The bottom line is that this is still going to require that vehicles be covered by the State-established minimum levels for insurance. There is never going to be a situation where a vehicle goes out there or someone goes out there that there is not a lease to State minimum standard. That is still going to be in place.

What this simply says, there is unlimited liability in this situation where we have a vicarious liability law in a State. We are trying to put together some sort of a national standard. I think it makes sense. I think it is good for the consumer, and it is going to make a big difference.

Mr. Chairman, I yield back the balance of my time.

Mr. OBERSTAR. Mr. Chairman, I yield 30 seconds to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT of Virginia. Mr. Chairman, I just think this is an unfortunate situation to have 5 minutes to debate this important issue.

The question is, who will take the risk? If the rental car agency is not going to provide the insurance for the drivers, who will? Are they responsible or required to have insurance? Will the victims of negligence have to pay their own bills?

This is just unfortunate. We have 50 different States, 50 different laws. They have all dealt with this situation individually. It is unconscionable to try to decide this in a 5-minute debate. I hope we defeat the amendment.

Mr. OBERSTAR. Mr. Chairman, I yield myself such time as I may consume.

If I allow another person to use my car and that person has an accident, I am liable. Why should rental car companies be different? If States choose to make them liable under these circumstances, as our State of Minnesota does, then why should the Congress substitute a different judgment for that of the States?

Without extensive hearings, without a deep inquiry into this subject matter, this is an inappropriate time, inappropriate amendment, inappropriate place to do it, and the amendment preferably should be withdrawn and we could work on it, perhaps through conference, otherwise defeated.

Mr. CONYERS. Mr. Chairman, I submit the following letter for the RECORD.

NATIONAL CONFERENCE OF STATE LEGISLATURES,
Washington, DC, April 1, 2004.

Hon. DENNIS HASTERT,
Speaker, House of Representatives, Washington, DC.

Hon. NANCY PELOSI,
Minority Leader, House of Representatives, Washington, DC.

Subject: Amendment 8 to H.R. 3550.

DEAR SPEAKER HASTERT AND REPRESENTATIVE PELOSI: On behalf of the National Conference of State Legislatures, I am writing to express strong, bipartisan opposition to the passage of Amendment Number 8 to H.R. 3550, ''The Transportation Equity Act: A Legacy For Users.'' This amendment is a blatant attempt by the U.S. Congress to preempt existing state laws regarding vicarious liability for rental car owners. This amendment has been introduced without the benefit of a hearing or debate on how this amendment would impact existing state laws.

Tort reform and liability are areas of law that have been traditionally regulated by the states. NCSL supports state efforts to reform or not to reform their own vicarious liability statutes. Perhaps even more egregious is the fact that this federal effort to preempt state laws has been orchestrated without the benefit of input from the states. At the very least, Congress should have held a hearing and discussion of this very important issue.

If you need any additional information, please contact NCSL Senior Committee Director for the Law and Criminal Justice Committee Susan Parnas Frederick at (202) 624-3566 (susan.frederick@ncsl.org).

Respectfully,

DENTON DARRINGTON,
Idaho State Senate, Chair NCSL Standing Committee on Law & Criminal Justice.

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendment offered by the gentleman from Missouri (Mr. GRAVES).

The amendment was rejected.

The CHAIRMAN pro tempore. It is now in order to consider Amendment No. 9 printed in House report 108–456.

AMENDMENT NO. 9 OFFERED BY MR. CHOCOLA

Mr. CHOCOLA. Mr. Chairman, I offer an amendment.

The Chairman pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. CHOCOLA:

At the end of title I, insert the following (and conform the table of contents accordingly):

SEC. 1819. ENGINE IDLING IN HEAVY-DUTY VEHICLES.

(a) VERIFICATION.—Not later than 180 days after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall verify those idling reduction technologies with the potential for fuel savings and emissions reductions and publish a list of such technologies in the Federal Register.

(b) VEHICLE WEIGHT EXEMPTION.—Section 127 of title 23, United States Code, is amended by adding at the end the following:

''(i) VEHICLE WEIGHT EXEMPTION RELATING TO ENGINE IDLING IN HEAVY-DUTY VEHICLES.—

''(1) IN GENERAL.—In order to promote reduction of fuel use and emissions due to engine idling, the maximum gross vehicle weight limit and the axle weight limit under subsection (a) for any motor vehicle

equipped with an idling reduction technology verified by the Environmental Protection Agency shall be increased by the Secretary of Transportation by an amount necessary to compensate for the additional weight of the idling reduction system, except that the weight increase shall be no greater than 400 pounds.

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

''(A) IDLING REDUCTION TECHNOLOGY.—The term 'idling reduction technology' means a device or system of devices utilized to reduce long-duration idling of a vehicle.

''(B) HEAVY-DUTY VEHICLE.—The term 'heavy-duty vehicle' means a vehicle that has a gross vehicle weight rating greater than 8,500 pounds and is powered by a diesel engine.

''(C) LONG-DURATION IDLING.—The term 'long-duration idling' means the operation of a main drive engine, for a period greater than 15 consecutive minutes, where the main drive engine is not engaged in gear. Such term does not apply to routine stoppages associated with traffic movement or congestion.''.

The CHAIRMAN pro tempore. Pursuant to House Resolution 593, the gentleman from Indiana (Mr. CHOCOLA) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Indiana (Mr. CHOCOLA).

Mr. CHOCOLA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment is simple, straightforward, and based on common sense. I think we have all driven down the highway and have seen trucks parked at night at rest areas and truck stops and we have seen that they are idling or running. The reason that they are doing that is because the drivers inside require electric power to run their heat or cooling or microwave or whatever other electronics they may have in their cab.

The problem with the trucks idling or running all night is that they use fuel and they emit pollutions into the environment. So my amendment simply would allow a 400-pound exemption to encourage trucks to utilize on-board independent power systems.

According to studies by the EPA and others, long-haul trucks, they idle up to 8 hours per day over 300 days per year. They consume about .8 gallons of diesel fuel each hour that they idle, and that adds up to over 1,900 gallons per year, and they emit 19 metric tons of carbon dioxide into the atmosphere while they are idling. So by reducing the unnecessary truck idling, we can save fuel, we can reduce greenhouse gases, we can cut air pollution, and we can save money.

For the past 6 years, the companies in the country that have worked on these independent, on-board power systems, they have worked with the EPA and they have worked with the Department of Transportation to come up with systems that provide the power necessary to run the heating, air-conditioning, and other electronic needs. The tests that they have run on these systems have yielded a 65.5 percent reduction in the idle time of trucks that use them and a 59.6 percent reduction in fuel consumption.

According to the EPA, we would reduce greenhouse gases, we would reduce nitrogen oxides, we would reduce particulate matter emissions, and save nearly $3,000 a year in fuel costs and lower engine maintenance costs as well.

I think my home State of Indiana is a great example. Indiana alone has 17,000 truck parking spaces; and if you drive down the highway at night, every one of them is filled.

So, Mr. Chairman, I believe that by offering this exemption we can encourage the use of this technology, resulting in reduced truck emissions, reduced fuel consumption. It would be very beneficial to the United States, and I think that everyone can agree that this is a very beneficial amendment.

The amendment is supported by the American Lung Association, the American Trucking Association, the National Association of Truck Stop Operators, and the EPA, and Schneider International, the Nation's largest trucking fleet.

Mr. Chairman, the bottom line is we are asking for a one-half of 1 percent weight exemption to implement a very common-sense solution that helps our environment, helps our energy needs, and certainly I think we should pass this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. OBERSTAR. Mr. Chairman, I claim the time in opposition, and I yield myself such time as I may consume.

Mr. Chairman, again, this is like, as so often we will see on these amendments on the floor, an amendment that is well intentioned but has adverse consequences. I support the environmental benefits that can be achieved with clean air technologies. In the manager's amendment, the chairman and I have worked on it and our staff have worked on congestion mitigation, air quality improvement, and surface transportation program funds, the largest of the core programs, to assure that these funds may be used to support stand-alone truck electrification technologies, because we saw in testimony in hearings that there are such technologies that are very, very low-weight, with high benefits.

This issue came up in the House-Senate Energy Conference, and I addressed this issue in the Conference and raised objections. Mr. Chairman, 400 pounds may seem insignificant, but it will have serious consequences on safety of our driving public and on the roads. Bigger trucks, more road damage. If all trucks had that extra 400 pounds, $600 million a year in extra road damage. Over the life of this bill, that will add up to over $3.5 billion in road damage.

The point is, why are we picking, or why pick 400 pounds? There is a wide range of technologies that have far less weight that have very significant improvements that show idling reduction technologies do, in fact, pay for themselves and reduce costs in less than 2 years. There are other technologies that will provide the same clean air benefits as the one addressed in this amendment.

□ 1530

So I think rather than just pick out one particular technology, one that weighs 400 pounds or less, whatever, this is not the right way to approach the issue.

Mr. Chairman, I reserve the balance of my time.

Mr. CHOCOLA. Mr. Chairman, I yield myself such time as I may consume.

This is a very commonsense approach to a real problem that we have in our Nation's highways and Nation's environment; 400 pounds is one-half of 1 percent weight exemption on an 80,000 pound rig. So adding 400 pounds is a relatively lightweight solution. So I think it is very much based on common sense.

It is a simple approach to a real need we have. It is a specific solution that I think that we can implement today by passing this amendment that will not only help our environment; it will help our Nation's reliance on foreign energy.

Over $3,000 a year, as the price of fuel goes up and savings goes up, that will be beneficial to every single American. I do not think when you take the risk-reward analysis that the risk is too great when we add ½ of 1 percent to an 80,000 pound rig, as compared to the reward that really every American is going to benefit.

Mr. Chairman, I reserve the balance of my time.

Mr. OBERSTAR. Mr. Chairman, I yield such time as he may consume to the gentleman from Alaska (Mr. YOUNG), the chairman of the committee.

Mr. YOUNG of Alaska. Mr. Chairman, I deeply respect my good friend that has offered this amendment, but I have a couple questions.

One, I have had the privilege of visiting a private company; it has developed a truck stop process whereby the trucks do have the same thing my colleague wants. What I understand his amendment does is he wants to raise the weight of the truck 400 pounds of added equipment to the truck so they do not have to stop at a truck stop. Is that correct?

Mr. CHOCOLA. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Indiana.

Mr. CHOCOLA. Mr. Chairman, that is correct.

Mr. YOUNG of Alaska. Mr. Chairman, well, I am just concerned about that because this company called Idle Air, it has done an outstanding job, and they are trying to do the job right without any government money or support. And they are doing exactly what my colleague wants to do, but the truck does have to go and they have their waiting time that they have to rest, refuel their trucks, et cetera.

And it seems to me if we add this extra 400 pounds for additional equipment, it would be detrimental to that individual company. That concerns me somewhat. I am sort of taking sides on that issue is what I am saying. With your proposal, would that hurt the company?

Mr. OBERSTAR. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana (Mr. CHOCOLA).

Mr. CHOCOLA. Mr. Chairman, this solution gives all options available. Certainly the Idle Air technology is still very valid. It is very beneficial. And trucks that travel routes where Idle Air technology is available, they certainly can avail themselves of that. But the technology that I am promoting is portable. It can be installed on any truck in the Nation. So it makes the benefits of the Idle Air technology available nationwide.

And so by adding this exemption, every truck has the opportunity to enjoy the reduced idling benefits even if the Idle Air technology is not available in their region.

Mr. OBERSTAR. Mr. Chairman, I yield such time as he may consume to the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Mr. Chairman, we do have some problems with weight limitation on these trucks. Four hundred pounds does not sound like much; but if you add all the trucks up, we do not know the ramifications of the weight factor on the roads. And I really think the gentleman is on the right track, but I think we have to consider what that would do if, in fact, we raise that limitation to 400 pounds, do we raise the limitation on other aspects of the trucks such as a new engine which adds 3,000 pounds to the truck. We have not done that yet.

So I think we need to look at the total wear and tear on the road.

Mr. CHOCOLA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I do think it is a commonsense approach to a problem that we have. There are different ways to approach this problem that have benefits. But the one I am suggesting makes available to every truck on the Nation's highways the opportunity to incorporate reduced idling technology anywhere in the country in that they can have the opportunity to shut their engine off at night, quit polluting our air, quit using fuel unnecessarily. And I think everyone will benefit from that.

We can continue to look for new solutions, but this is something we can do today to help our trucking industry, help our economy, create jobs, and help our environment all at the same time.

Mr. Chairman, I yield back the balance of my time.

Mr. OBERSTAR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, very simply, trucks come to a truck stop. They want to use this 400-pound technology to run their Air King unit. There is better technology, does not have the weight, they can plug it in and not put that added weight on the roadway. We should not accept this amendment.

The CHAIRMAN pro tempore (Mr. SIMPSON). The question is on the amendment offered by the gentleman from Indiana (Mr. CHOCOLA).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. CHOCOLA. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN (pro tempore). Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Indiana (Mr. CHOCOLA) will be postponed.

It is now in order to consider amendment No. 10 printed in House Report 108–456.

AMENDMENT NO. 10 OFFERED BY MR. BAIRD

Mr. BAIRD. Mr. Chairman, I offer an amendment.

The Chairman pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mr. BAIRD:

Title I, at the end of subtitle H add the following:

SEC. 1819. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) the Buy America test required by Public Law 97–424 needs to be applied to an entire bridge project and not only to component parts of such project;

(2) the law clearly states that domestic materials must be used in Federal highway projects unless there is a finding that the inclusion of domestic materials will increase the cost of the overall project by more than 25 percent;

(3) uncertainty regarding how to apply Buy America laws for major bridge projects threatens the domestic bridge industry;

(4) the Nation's unemployment rate continues to hover around 5.6 percent, steps are needed to protect American workers and the domestic bridge building industry; and

(5) the Buy America Act was designed to ensure that, when taxpayer money is spent on direct Federal Government procurement and infrastructure projects, these expenditures stimulate United States production and job creation.

The CHAIRMAN pro tempore. Pursuant to House Resolution 593, the gentleman from Washington (Mr. BAIRD) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Washington (Mr. BAIRD).

Mr. BAIRD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I support the underlying transportation bill that will put America back to work, relieve congestion on our roadways, and streamline the permitting process.

I appreciate the opportunity to speak on behalf of my amendment that will strengthen the Buy America Act. The Nation's unemployment rate continues to hover around 5.6 percent. In a district such as mine, that number is considerably higher.

As we all know, the intent of the Buy America law was to ensure that when taxpayer money is spent on direct Federal Government procurement and infrastructure projects, those expenditures will stimulate U.S. production and U.S. job creation.

My sense of the Congress resolution is intended to reinforce that commitment. This resolution does not cost the Federal Government any money, but it will help the working men and women in my district and others around this Nation keep their steel jobs and earn a decent living.

My resolution will also strengthen our domestic steel industry, which is critical to our national security and ultimately to the future economic success of our country. Simply put, highway project managers have identified a way to circumvent the Buy America law as it applies to bridge projects that use Federal funds. My resolution is needed to clarify that law and close the loophole before it completely subverts the intent of Congress when the original Buy America provisions were enacted as part of the highway bill more than 20 years ago.

The original Buy America provision provided that domestic iron and steel would be used in Federal transportation projects unless its use increased the overall project contract by more than 25 percent. The problem that is emerging in the highway bridge industry is that project managers have begun to attempt to circumvent the Buy America Act by breaking bridge projects into component parts and applying the 25 percent test individually rather than to the entire project as required under law.

As it turns out, by breaking the project into smaller components, foreign steel providers are advantaged because it is possible to create situations where the 25 percent test is exceeded on smaller components, even though the test, if it were applied to the overall project, would be required.

The steel bridge fabricating industry increasingly is being forced to fight this misinterpretation of the law which, left unchallenged, could devastate the steel bridge industry. Most recently, on the Wilson Bridge project between Maryland and Virginia, the bridge industry argued successfully that the original bid process developed by the Maryland Department of Transportation, which initially called for dividing the project into smaller component projects, violated the Buy America Act. Maryland revised its procedures and now domestic mills and fabricators are building that bridge.

Congress needs to deliver a clear message to the Federal Highway Administration and to bridge managers across the country that Buy America provisions apply to the overall bridge project and we must, end any confusion or misinterpretation of the law.

Mr. Chairman, I urge my colleagues to support this important resolution.

Mr. Chairman, I reserve the balance of my time.

Mr. YOUNG of Alaska. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Alaska is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Chairman, I thank the chairman for yielding me this time.

I appreciate the intent of the gentleman from Washington (Mr. BAIRD). It is a sense of Congress amendment to clarify that the Buy America Act applies to overall projects and not just to component parts. It is in keeping with the purpose, the thrust of our intent to keep more jobs in America, not let them go overseas, keep products that go into our highway and bridge program built in America, not built overseas.

And I can speak from personal experience. In the harbor between Duluth and Lake Superior, when a new bridge was being built 22 years ago and the bridge had been bid and the State of Wisconsin was the one responsible for building that bridge, they allowed $1 million of Japanese steel to go into the center arch span.

That is when I sprang to the defense of American steel and got the amendment that has now been in law for all these years that we have American steel in U.S. Federal-aid highway programs. So I am in accord with the purpose of the gentleman.

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

I am going to ask for a voice vote, and I really am not in opposition to it; but I do not have anybody else speaking on this amendment.

Mr. Chairman, I yield back my time.

Mr. BAIRD. Mr. Chairman, I yield myself such time as I may consume. I thank my distinguished chairman and ranking member for their prior leadership on this and their continuing and steadfast support of Buy America provisions.

This is not only a jobs issue, this is not only a safety issue, it is a homeland security issue. We must maintain a vibrant and strong domestic steel fabrication industry. We must not allow entities to circumvent the intent of the Buy America provision.

This resolution helps the sense of the Congress clarify that intent, and I urge its passage.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Washington (Mr. BAIRD).

The amendment was agreed to.

It is now in order to consider amendment No. 11 printed in House Report 108–456.

AMENDMENT NO. 11 OFFERED BY MR. HOLT

Mr. HOLT. Mr. Chairman, I offer an amendment.

The Chairman pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Mr. HOLT:

At the end of title I, insert the following (and conform the table of contents accordingly):

SEC. 1819. NEW JERSEY REGULATIONS.

Nothing in Federal law or regulation shall be construed as preventing the State of New Jersey from prohibiting large single trucks or twin-trailer combinations from using highways on the Interstate System, the New Jersey Turnpike, and the Atlantic City Expressway in the State of New Jersey, unless such trucks or combinations are traveling to a terminal or making pickups or deliveries on other roads in the State of New Jersey.

The CHAIRMAN pro tempore. Pursuant to House Resolution 593, the gentleman from New Jersey (Mr. HOLT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. HOLT).

MODIFICATION TO AMENDMENT NO. 11 OFFERED BY MR. HOLT

Mr. HOLT. Mr. Chairman, I ask unanimous consent to modify my amendment at the desk with an amendment.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modification offered by Mr. HOLT to amendment No. 11:

(1) On line 4 of the amendment, strike ''large single trucks or twin-trailer combinations'' and insert ''trucks that are specifically allowed by Federal law to travel on the national network''.

(2) On line 5 of the amendment, strike ''Interstate System'' and insert ''national network''.

The CHAIRMAN pro tempore. Is there objection to the modification of the amendment?

Mr. OBERSTAR. Mr. Chairman, reserving the right to object, under my reservation may I inquire of our Chair whether the majority has seen the language.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, we have not seen the language yet as far as the amendment. It is my indication I do not think we are going to object, but I would like to be able to read the language first. I do not think we have any objections to it.

Mr. PETRI. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. Further reserving the right to object, I yield to the gentleman from Wisconsin.

Mr. PETRI. Mr. Chairman, it is my understanding that the gentleman did misdraft the original amendment. We are still going to oppose the amendment as redrafted on the merits, but extend him the courtesy of correcting his drafting error.

Mr. OBERSTAR. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the modification offered by the gentleman from New Jersey (Mr. HOLT)?

There was no objection.

The CHAIRMAN pro tempore. The amendment is modified.

The gentleman from New Jersey (Mr. HOLT) is recognized for 5 minutes.

Mr. HOLT. Mr. Chairman, I yield myself such time as I may consume.

I appreciate the courtesy so we can at least consider the perfected form of this amendment.

The need for my amendment is precipitated by a recent court decision that would lift a ban that has been in effect in the State of New Jersey since 1999 that restricts the roads on which the very wide 102-inch or wider trucks travel.

And this amendment would uphold current restrictions and current policy, maintain current policy and, thus, by extension, affirm the right of States to regulate the super-sized trucks on roads that are not part of the national network.

In 1999 the then Secretary of Transportation and his associate at the Federal Highway Administration, the administrator, in writing and in person with Members of Congress and concerned State and local officials, categorically affirmed that, quote, ''nothing in Federal law or regulation would prevent New Jersey from banning large single or twin-trailer combinations from the subject routes unless they were traveling to a terminal or making pick ups or deliveries on these routes.''

And with that clarification, the State of New Jersey, the former Governor, Governor Whitman, subsequently adopted new limitations on what roads large trucks may and may not use.

NOTICE

Incomplete record of House proceedings. Except for concluding business which follows, today's House proceedings will be continued in the next issue of the Record.

CONFERENCE REPORT ON H.R. 3108, PENSION FUNDING EQUITY ACT OF 2004

Mr. BOEHNER submitted the following conference report and statement on the bill (H.R. 3108) to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to temporarily replace the 30-year Treasury rate with a rate based on long-term corporate bonds for certain pension plan funding requirements, and for other purposes:

CONFERENCE REPORT (H. REPT. 108–457)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3108), to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to temporarily replace the 30-year Treasury rate with a rate based on long-term corporate bonds for certain pension plan funding requirements, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

1. SHORT TITLE.

This Act may be cited as the ''Pension Funding Equity Act of 2004''.

TITLE I—PENSION FUNDING

SEC. 101. TEMPORARY REPLACEMENT OF 30-YEAR TREASURY RATE.

(a) EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) DETERMINATION OF PERMISSIBLE RANGE.—

(A) IN GENERAL.—Clause (ii) of section 302(b)(5)(B) of the Employee Retirement Income Security Act of 1974 is amended by redesignating subclause (II) as subclause (III) and by inserting after subclause (I) the following new subclause:

''(II) SPECIAL RULE FOR YEARS 2004 AND 2005.—In the case of plan years beginning after December 31, 2003, and before January 1, 2006, the term 'permissible range' means a rate of interest which is not above, and not more than 10 percent below, the weighted average of the rates of interest on amounts invested conservatively in long-term investment grade corporate bonds during the 4-year period ending on the last day before the beginning of the plan year. Such rates shall be determined by the Secretary of the Treasury on the basis of 2 or more indices that are selected periodically by the Secretary of the Treasury and that are in the top 3 quality levels available. The Secretary of the Treasury shall make the permissible range, and the indices and methodology used to determine the average rate, publicly available.''.

(B) SECRETARIAL AUTHORITY.—Subclause (III) of section 302(b)(5)(B)(ii) of such Act, as redesignated by subparagraph (A), is amended—

(i) by inserting ''or (II)'' after ''subclause (I)'' the first place it appears, and

(ii) by striking ''subclause (I)'' the second place it appears and inserting ''such subclause''.

(C) CONFORMING AMENDMENT.—Subclause (I) of section 302(b)(5)(B)(ii) of such Act is amended by inserting ''or (III)'' after ''subclause (II)''.

(2) DETERMINATION OF CURRENT LIABILITY.—Clause (i) of section 302(d)(7)(C) of such Act is amended by adding at the end the following new subclause:

''(IV) SPECIAL RULE FOR 2004 AND 2005.—For plan years beginning in 2004 or 2005, notwithstanding subclause (I), the rate of interest used to determine current liability under this subsection shall be the rate of interest under subsection (b)(5).''.

(3) CONFORMING AMENDMENT.—Paragraph (7) of section 302(e) of such Act is amended to read as follows:

''(7) SPECIAL RULE FOR 2002.—In any case in which the interest rate used to determine current liability is determined under subsection (d)(7)(C)(i)(III), for purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2002, the current liability for the preceding plan year shall be redetermined using 120 percent as the specified percentage determined under subsection (d)(7)(C)(i)(II).''.

(4) PBGC.—Clause (iii) of section 4006(a)(3)(E) of such Act is amended by adding at the end the following new subclause:

''(V) In the case of plan years beginning after December 31, 2003, and before January 1, 2006, the annual yield taken into account under subclause (II) shall be the annual rate of interest determined by the Secretary of the Treasury on amounts invested conservatively in long-term investment grade corporate bonds for the month preceding the month in which the plan year begins. For purposes of the preceding sentence, the Secretary of the Treasury shall determine such rate of interest on the basis of 2 or more indices that are selected periodically by the Secretary of the Treasury and that are in the top 3 quality levels available. The Secretary of the Treasury shall make the permissible range, and the indices and methodology used to determine the rate, publicly available.''.

(b) INTERNAL REVENUE CODE OF 1986.—

(1) DETERMINATION OF PERMISSIBLE RANGE.—

(A) IN GENERAL.—Clause (ii) of section 412(b)(5)(B) of the Internal Revenue Code of 1986 is amended by redesignating subclause (II) as subclause (III) and by inserting after subclause (I) the following new subclause:

''(II) SPECIAL RULE FOR YEARS 2004 AND 2005.—In the case of plan years beginning after December 31, 2003, and before January 1, 2006, the term 'permissible range' means a rate of interest which is not above, and not more than 10 percent below, the weighted average of the rates of interest on amounts invested conservatively in long-term investment grade corporate bonds during the 4-year period ending on the last day before the beginning of the plan year. Such rates shall be determined by the Secretary on the basis of 2 or more indices that are selected periodically by the Secretary and that are in the top 3 quality levels available. The Secretary shall make the permissible range, and the indices and methodology used to determine the average rate, publicly available.''.

(B) SECRETARIAL AUTHORITY.—Subclause (III) of section 412(b)(5)(B)(ii) of such Code, as redesignated by subparagraph (A), is amended—

(i) by inserting ''or (II)'' after ''subclause (I)'' the first place it appears, and

(ii) by striking ''subclause (I)'' the second place it appears and inserting ''such subclause''.

(C) CONFORMING AMENDMENT.—Subclause (I) of section 412(b)(5)(B)(ii) of such Code is amended by inserting ''or (III)'' after ''subclause (II)''.

(2) DETERMINATION OF CURRENT LIABILITY.—Clause (i) of section 412(l)(7)(C) of such Code is amended by adding at the end the following new subclause:

''(IV) SPECIAL RULE FOR 2004 AND 2005.—For plan years beginning in 2004 or 2005, notwithstanding subclause (I), the rate of interest used to determine current liability under this subsection shall be the rate of interest under subsection (b)(5).''.

(3) CONFORMING AMENDMENT.—Paragraph (7) of section 412(m) of such Code is amended to read as follows:

''(7) SPECIAL RULE FOR 2002.—In any case in which the interest rate used to determine current liability is determined under subsection (l)(7)(C)(i)(III), for purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2002, the current liability for the preceding plan year shall be redetermined using 120 percent as the specified percentage determined under subsection (l)(7)(C)(i)(II).''.

(4) LIMITATION ON CERTAIN ASSUMPTIONS.—Section 415(b)(2)(E)(ii) of such Code is amended by inserting '', except that in the case of plan years beginning in 2004 or 2005, '5.5 percent' shall be substituted for '5 percent' in clause (i)'' before the period at the end.

(5) ELECTION TO DISREGARD MODIFICATION FOR DEDUCTION PURPOSES.—Section 404(a)(1) of such Code is amended by adding at the end the following new subparagraph:

''(F) ELECTION TO DISREGARD MODIFIED INTEREST RATE.—An employer may elect to disregard subsections (b)(5)(B)(ii)(II) and (l)(7)(C)(i)(IV) of section 412 solely for purposes of determining the interest rate used in calculating the maximum amount of the deduction allowable under this paragraph.''.

(c) PROVISIONS RELATING TO PLAN AMENDMENTS.—

(1) IN GENERAL.—If this subsection applies to any plan or annuity contract amendment—

(A) such plan or contract shall be treated as being operated in accordance with the terms of the plan or contract during the period described in paragraph (2)(B)(i), and

(B) except as provided by the Secretary of the Treasury, such plan shall not fail to meet the requirements of section 411(d)(6) of the Internal Revenue Code of 1986 and section 204(g) of the Employee Retirement Income Security Act of 1974 by reason of such amendment.

(2) AMENDMENTS TO WHICH SECTION APPLIES.—

(A) IN GENERAL.—This subsection shall apply to any amendment to any plan or annuity contract which is made—

(i) pursuant to any amendment made by this section, and

(ii) on or before the last day of the first plan year beginning on or after January 1, 2006.

(B) CONDITIONS.—This subsection shall not apply to any plan or annuity contract amendment unless—

(i) during the period beginning on the date the amendment described in subparagraph (A)(i) takes effect and ending on the date described in subparagraph (A)(ii) (or, if earlier, the date the plan or contract amendment is adopted), the plan or contract is operated as if such plan or contract amendment were in effect; and

(ii) such plan or contract amendment applies retroactively for such period.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amendments made by this section shall apply to plan years beginning after December 31, 2003.

(2) LOOKBACK RULES.—For purposes of applying subsections (d)(9)(B)(ii) and (e)(1) of section 302 of the Employee Retirement Income Security Act of 1974 and subsections (l)(9)(B)(ii) and (m)(1) of section 412 of the Internal Revenue Code of 1986 to plan years beginning after December 31, 2003, the amendments made by this

section may be applied as if such amendments had been in effect for all prior plan years. The Secretary of the Treasury may prescribe simplified assumptions which may be used in applying the amendments made by this section to such prior plan years.

(3) TRANSITION RULE FOR SECTION 415 LIMITATION.—In the case of any participant or beneficiary receiving a distribution after December 31, 2003 and before January 1, 2005, the amount payable under any form of benefit subject to section 417(e)(3) of the Internal Revenue Code of 1986 and subject to adjustment under section 415(b)(2)(B) of such Code shall not, solely by reason of the amendment made by subsection (b)(4), be less than the amount that would have been so payable had the amount payable been determined using the applicable interest rate in effect as of the last day of the last plan year beginning before January 1, 2004.

SEC. 102. ELECTION OF ALTERNATIVE DEFICIT REDUCTION CONTRIBUTION.

(a) AMENDMENT OF ERISA.—Section 302(d) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1082(d)) is amended by adding at the end the following new paragraph:

''(12) ELECTION FOR CERTAIN PLANS.—

''(A) IN GENERAL.—In the case of a defined benefit plan established and maintained by an applicable employer, if this subsection did not apply to the plan for the plan year beginning in 2000 (determined without regard to paragraph (6)), then, at the election of the employer, the increased amount under paragraph (1) for any applicable plan year shall be the greater of—

''(i) 20 percent of the increased amount under paragraph (1) determined without regard to this paragraph, or

''(ii) the increased amount which would be determined under paragraph (1) if the deficit reduction contribution under paragraph (2) for the applicable plan year were determined without regard to subparagraphs (A), (B), and (D) of paragraph (2).

''(B) RESTRICTIONS ON BENEFIT INCREASES.—No amendment which increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits become nonforfeitable under the plan shall be adopted during any applicable plan year, unless—

''(i) the plan's enrolled actuary certifies (in such form and manner prescribed by the Secretary of the Treasury) that the amendment provides for an increase in annual contributions which will exceed the increase in annual charges to the funding standard account attributable to such amendment, or

''(ii) the amendment is required by a collective bargaining agreement which is in effect on the date of enactment of this subparagraph.

If a plan is amended during any applicable plan year in violation of the preceding sentence, any election under this paragraph shall not apply to any applicable plan year ending on or after the date on which such amendment is adopted.

''(C) APPLICABLE EMPLOYER.—For purposes of this paragraph, the term 'applicable employer' means an employer which is—

''(i) a commercial passenger airline,

''(ii) primarily engaged in the production or manufacture of a steel mill product or the processing of iron ore pellets, or

''(iii) an organization described in section 501(c)(5) of the Internal Revenue Code of 1986 and which established the plan to which this paragraph applies on June 30, 1955.

''(D) APPLICABLE PLAN YEAR.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'applicable plan year' means any plan year beginning after December 27, 2003, and before December 28, 2005, for which the employer elects the application of this paragraph.

''(ii) LIMITATION ON NUMBER OF YEARS WHICH MAY BE ELECTED.—An election may not be made under this paragraph with respect to more than 2 plan years.

''(E) NOTICE REQUIREMENTS FOR PLANS ELECTING ALTERNATIVE DEFICIT REDUCTION CONTRIBUTIONS.—

''(i) IN GENERAL.—If an employer elects an alternative deficit reduction contribution under this paragraph and section 412(l)(12) of the Internal Revenue Code of 1986 for any year, the employer shall provide, within 30 days of filing the election for such year, written notice of the election to participants and beneficiaries and to the Pension Benefit Guaranty Corporation.

''(ii) NOTICE TO PARTICIPANTS AND BENEFICIARIES.—The notice under clause (i) to participants and beneficiaries shall include with respect to any election—

''(I) the due date of the alternative deficit reduction contribution and the amount by which such contribution was reduced from the amount which would have been owed if the election were not made, and

''(II) a description of the benefits under the plan which are eligible to be guaranteed by the Pension Benefit Guaranty Corporation and an explanation of the limitations on the guarantee and the circumstances under which such limitations apply, including the maximum guaranteed monthly benefits which the Pension Benefit Guaranty Corporation would pay if the plan terminated while underfunded.

''(iii) NOTICE TO PBGC.—The notice under clause (i) to the Pension Benefit Guaranty Corporation shall include—

''(I) the information described in clause (ii)(I),

''(II) the number of years it will take to restore the plan to full funding if the employer only makes the required contributions, and

''(III) information as to how the amount by which the plan is underfunded compares with the capitalization of the employer making the election.

''(F) ELECTION.—An election under this paragraph shall be made at such time and in such manner as the Secretary of the Treasury may prescribe.''

(b) AMENDMENT OF 1986 CODE.—Section 412(l) of the Internal Revenue Code of 1986 (relating to applicability of subsection) is amended by adding at the end the following new paragraph:

''(12) ELECTION FOR CERTAIN PLANS.—

''(A) IN GENERAL.—In the case of a defined benefit plan established and maintained by an applicable employer, if this subsection did not apply to the plan for the plan year beginning in 2000 (determined without regard to paragraph (6)), then, at the election of the employer, the increased amount under paragraph (1) for any applicable plan year shall be the greater of—

''(i) 20 percent of the increased amount under paragraph (1) determined without regard to this paragraph, or

''(ii) the increased amount which would be determined under paragraph (1) if the deficit reduction contribution under paragraph (2) for the applicable plan year were determined without regard to subparagraphs (A), (B), and (D) of paragraph (2).

''(B) RESTRICTIONS ON BENEFIT INCREASES.—No amendment which increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits become nonforfeitable under the plan shall be adopted during any applicable plan year, unless—

''(i) the plan's enrolled actuary certifies (in such form and manner prescribed by the Secretary) that the amendment provides for an increase in annual contributions which will exceed the increase in annual charges to the funding standard account attributable to such amendment, or

''(ii) the amendment is required by a collective bargaining agreement which is in effect on the date of enactment of this subparagraph.

If a plan is amended during any applicable plan year in violation of the preceding sentence, any election under this paragraph shall not apply to any applicable plan year ending on or after the date on which such amendment is adopted.

''(C) APPLICABLE EMPLOYER.—For purposes of this paragraph, the term 'applicable employer' means an employer which is—

''(i) a commercial passenger airline,

''(ii) primarily engaged in the production or manufacture of a steel mill product or the processing of iron ore pellets, or

''(iii) an organization described in section 501(c)(5) and which established the plan to which this paragraph applies on June 30, 1955.

''(D) APPLICABLE PLAN YEAR.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'applicable plan year' means any plan year beginning after December 27, 2003, and before December 28, 2005, for which the employer elects the application of this paragraph.

''(ii) LIMITATION ON NUMBER OF YEARS WHICH MAY BE ELECTED.—An election may not be made under this paragraph with respect to more than 2 plan years.

''(E) ELECTION.—An election under this paragraph shall be made at such time and in such manner as the Secretary may prescribe.''

(c) EFFECT OF ELECTION.—An election under section 302(d)(12) of the Employee Retirement Income Security Act of 1974 or section 412(l)(12) of the Internal Revenue Code of 1986 (as added by this section) with respect to a plan shall not invalidate any obligation (pursuant to a collective bargaining agreement in effect on the date of the election) to provide benefits, to change the accrual of benefits, or to change the rate at which benefits become nonforfeitable under the plan.

(d) PENALTY FOR FAILING TO PROVIDE NOTICE.—Section 502(c)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(c)(3)) is amended by inserting ''or who fails to meet the requirements of section 302(d)(12)(E) with respect to any person'' after ''101(e)(2) with respect to any person''.

SEC. 103. MULTIEMPLOYER PLAN FUNDING NOTICES.

(a) IN GENERAL.—Section 101 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021) is amended by inserting after subsection (e) the following new subsection:

''(f) MULTIEMPLOYER DEFINED BENEFIT PLAN FUNDING NOTICES.—

''(1) IN GENERAL.—The administrator of a defined benefit plan which is a multiemployer plan shall for each plan year provide a plan funding notice to each plan participant and beneficiary, to each labor organization representing such participants or beneficiaries, to each employer that has an obligation to contribute under the plan, and to the Pension Benefit Guaranty Corporation.

''(2) INFORMATION CONTAINED IN NOTICES.—

''(A) IDENTIFYING INFORMATION.—Each notice required under paragraph (1) shall contain identifying information, including the name of the plan, the address and phone number of the plan administrator and the plan's principal administrative officer, each plan sponsor's employer identification number, and the plan number of the plan.

''(B) SPECIFIC INFORMATION.—A plan funding notice under paragraph (1) shall include—

''(i) a statement as to whether the plan's funded current liability percentage (as defined in section 302(d)(8)(B)) for the plan year to which the notice relates is at least 100 percent (and, if not, the actual percentage);

''(ii) a statement of the value of the plan's assets, the amount of benefit payments, and the ratio of the assets to the payments for the plan year to which the notice relates;

''(iii) a summary of the rules governing insolvent multiemployer plans, including the limitations on benefit payments and any potential benefit reductions and suspensions (and the potential effects of such limitations, reductions, and suspensions on the plan); and

''(iv) a general description of the benefits under the plan which are eligible to be guaranteed by the Pension Benefit Guaranty Corporation, along with an explanation of the limitations on the guarantee and the circumstances under which such limitations apply.

''(C) OTHER INFORMATION.—Each notice under paragraph (1) shall include any additional information which the plan administrator elects to include to the extent not inconsistent with regulations prescribed by the Secretary.

''(3) TIME FOR PROVIDING NOTICE.—Any notice under paragraph (1) shall be provided no later than two months after the deadline (including extensions) for filing the annual report for the plan year to which the notice relates.

''(4) FORM AND MANNER.—Any notice under paragraph (1)—

''(A) shall be provided in a form and manner prescribed in regulations of the Secretary,

''(B) shall be written in a manner so as to be understood by the average plan participant, and

''(C) may be provided in written, electronic, or other appropriate form to the extent such form is reasonably accessible to persons to whom the notice is required to be provided.''

(b) PENALTIES.—Section 502(c)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(c)(1)) is amended by striking ''or section 101(e)(1)'' and inserting '', section 101(e)(1), or section 101(f)''.

(c) REGULATIONS AND MODEL NOTICE.—The Secretary of Labor shall, not later than 1 year after the date of the enactment of this Act, issue regulations (including a model notice) necessary to implement the amendments made by this section.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2004.

SEC. 104. ELECTION FOR DEFERRAL OF CHARGE FOR PORTION OF NET EXPERIENCE LOSS.

(a) EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) IN GENERAL.—Section 302(b)(7) of the Employee Retirement Income Security Act of 1974 (29 U.S.C.1082(b)(7)) is amended by adding at the end the following new subparagraph:

''(F) ELECTION FOR DEFERRAL OF CHARGE FOR PORTION OF NET EXPERIENCE LOSS.—

''(i) IN GENERAL.—With respect to the net experience loss of an eligible multiemployer plan for the first plan year beginning after December 31, 2001, the plan sponsor may elect to defer up to 80 percent of the amount otherwise required to be charged under paragraph (2)(B)(iv) for any plan year beginning after June 30, 2003, and before July 1, 2005, to any plan year selected by the plan from either of the 2 immediately succeeding plan years.

''(ii) INTEREST.—For the plan year to which a charge is deferred pursuant to an election under clause (i), the funding standard account shall be charged with interest on the deferred charge for the period of deferral at the rate determined under section 304(a) for multiemployer plans.

''(iii) RESTRICTIONS ON BENEFIT INCREASES.—No amendment which increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits become nonforfeitable under the plan shall be adopted during any period for which a charge is deferred pursuant to an election under clause (i), unless—

''(I) the plan's enrolled actuary certifies (in such form and manner prescribed by the Secretary of the Treasury) that the amendment provides for an increase in annual contributions which will exceed the increase in annual charges to the funding standard account attributable to such amendment, or

''(II) the amendment is required by a collective bargaining agreement which is in effect on the date of enactment of this subparagraph.

If a plan is amended during any such plan year in violation of the preceding sentence, any election under this paragraph shall not apply to any such plan year ending on or after the date on which such amendment is adopted.

''(iv) ELIGIBLE MULTIEMPLOYER PLAN.—For purposes of this subparagraph, the term 'eligible multiemployer plan' means a multiemployer plan—

''(I) which had a net investment loss for the first plan year beginning after December 31, 2001, of at least 10 percent of the average fair market value of the plan assets during the plan year, and

''(II) with respect to which the plan's enrolled actuary certifies (not taking into account the application of this subparagraph), on the basis of the acutuarial assumptions used for the last plan year ending before the date of the enactment of this subparagraph, that the plan is projected to have an accumulated funding deficiency (within the meaning of subsection (a)(2)) for any plan year beginning after June 30, 2003, and before July 1, 2006.

For purposes of subclause (I), a plan's net investment loss shall be determined on the basis of the actual loss and not under any actuarial method used under subsection (c)(2).

''(v) EXCEPTION TO TREATMENT OF ELIGIBLE MULTIEMPLOYER PLAN.—In no event shall a plan be treated as an eligible multiemployer plan under clause (iv) if—

''(I) for any taxable year beginning during the 10-year period preceding the first plan year for which an election is made under clause (i), any employer required to contribute to the plan failed to timely pay any excise tax imposed under section 4971 of the Internal Revenue Code of 1986 with respect to the plan,

''(II) for any plan year beginning after June 30, 1993, and before the first plan year for which an election is made under clause (i), the average contribution required to be made by all employers to the plan does not exceed 10 cents per hour or no employer is required to make contributions to the plan, or

''(III) with respect to any of the plan years beginning after June 30, 1993, and before the first plan year for which an election is made under clause (i), a waiver was granted under section 303 of this Act or section 412(d) of the Internal Revenue Code of 1986 with respect to the plan or an extension of an amortization period was granted under section 304 of this Act or section 412(e) of such Code with respect to the plan.

''(vi) NOTICE.—If a plan sponsor makes an election under this subparagraph or section 412(b)(7)(F) of the Internal Revenue Code of 1986 for any plan year, the plan administrator shall provide, within 30 days of filing the election for such year, written notice of the election to participants and beneficiaries, to each labor organization representing such participants or beneficiaries, to each employer that has an obligation to contribute under the plan, and to the Pension Benefit Guaranty Corporation. Such notice shall include with respect to any election the amount of any charge to be deferred and the period of the deferral. Such notice shall also include the maximum guaranteed monthly benefits which the Pension Benefit Guaranty Corporation would pay if the plan terminated while underfunded.

''(vii) ELECTION.—An election under this subparagraph shall be made at such time and in such manner as the Secretary of the Treasury may prescribe.''

(2) PENALTY.—Section 502(c)(4) of such Act (29 U.S.C. 1132(c)(4)) is amended to read as follows:

''(4) The Secretary may assess a civil penalty of not more than $1,000 a day for each violation by any person of section 302(b)(7)(F)(vi).''

(b) INTERNAL REVENUE CODE OF 1986.—Section 412(b)(7) of the Internal Revenue Code of 1986 (relating to special rules for multiemployer plans) is amended by adding at the end the following new subparagraph:

''(F) ELECTION FOR DEFERRAL OF CHARGE FOR PORTION OF NET EXPERIENCE LOSS.—

''(i) IN GENERAL.—With respect to the net experience loss of an eligible multiemployer plan for the first plan year beginning after December 31, 2001, the plan sponsor may elect to defer up to 80 percent of the amount otherwise required to be charged under paragraph (2)(B)(iv) for any plan year beginning after June 30, 2003, and before July 1, 2005, to any plan year selected by the plan from either of the 2 immediately succeeding plan years.

''(ii) INTEREST.—For the plan year to which a charge is deferred pursuant to an election under clause (i), the funding standard account shall be charged with interest on the deferred charge for the period of deferral at the rate determined under subsection (d) for multiemployer plans.

''(iii) RESTRICTIONS ON BENEFIT INCREASES.—No amendment which increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits become nonforfeitable under the plan shall be adopted during any period for which a charge is deferred pursuant to an election under clause (i), unless—

''(I) the plan's enrolled actuary certifies (in such form and manner prescribed by the Secretary) that the amendment provides for an increase in annual contributions which will exceed the increase in annual charges to the funding standard account attributable to such amendment, or

''(II) the amendment is required by a collective bargaining agreement which is in effect on the date of enactment of this subparagraph.

If a plan is amended during any such plan year in violation of the preceding sentence, any election under this paragraph shall not apply to any such plan year ending on or after the date on which such amendment is adopted.

''(iv) ELIGIBLE MULTIEMPLOYER PLAN.—For purposes of this subparagraph, the term 'eligible multiemployer plan' means a multiemployer plan—

''(I) which had a net investment loss for the first plan year beginning after December 31, 2001, of at least 10 percent of the average fair market value of the plan assets during the plan year, and

''(II) with respect to which the plan's enrolled actuary certifies (not taking into account the application of this subparagraph), on the basis of the acutuarial assumptions used for the last plan year ending before the date of the enactment of this subparagraph, that the plan is projected to have an accumulated funding deficiency (within the meaning of subsection (a)) for any plan year beginning after June 30, 2003, and before July 1, 2006.

For purposes of subclause (I), a plan's net investment loss shall be determined on the basis of the actual loss and not under any actuarial method used under subsection (c)(2).

''(v) EXCEPTION TO TREATMENT OF ELIGIBLE MULTIEMPLOYER PLAN.—In no event shall a plan be treated as an eligible multiemployer plan under clause (iv) if—

''(I) for any taxable year beginning during the 10-year period preceding the first plan year for which an election is made under clause (i), any employer required to contribute to the plan failed to timely pay any excise tax imposed under section 4971 with respect to the plan,

''(II) for any plan year beginning after June 30, 1993, and before the first plan year for which an election is made under clause (i), the average contribution required to be made by all employers to the plan does not exceed 10 cents per hour or no employer is required to make contributions to the plan, or

''(III) with respect to any of the plan years beginning after June 30, 1993, and before the first plan year for which an election is made under clause (i), a waiver was granted under section 412(d) or section 303 of the Employee Retirement Income Security Act of 1974 with respect to the plan or an extension of an amortization period was granted under subsection (e)

or section 304 of such Act with respect to the plan.

''(vi) ELECTION.—An election under this subparagraph shall be made at such time and in such manner as the Secretary may prescribe.''

TITLE II—OTHER PROVISIONS

SEC. 201. 2-YEAR EXTENSION OF TRANSITION RULE TO PENSION FUNDING REQUIREMENTS.

(a) IN GENERAL.—Section 769(c) of the Retirement Protection Act of 1994, as added by section 1508 of the Taxpayer Relief Act of 1997, is amended—

(1) by inserting ''except as provided in paragraph (3),'' before ''the transition rules'', and

(2) by adding at the end the following:

''(3) SPECIAL RULES.—In the case of plan years beginning in 2004 and 2005, the following transition rules shall apply in lieu of the transition rules described in paragraph (2):

''(A) For purposes of section 412(l)(9)(A) of the Internal Revenue Code of 1986 and section 302(d)(9)(A) of the Employee Retirement Income Security Act of 1974, the funded current liability percentage for any plan year shall be treated as not less than 90 percent.

''(B) For purposes of section 412(m) of the Internal Revenue Code of 1986 and section 302(e) of the Employee Retirement Income Security Act of 1974, the funded current liability percentage for any plan year shall be treated as not less than 100 percent.

''(C) For purposes of determining unfunded vested benefits under section 4006(a)(3)(E)(iii) of the Employee Retirement Income Security Act of 1974, the mortality table shall be the mortality table used by the plan.''

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2003.

SEC. 202. PROCEDURES APPLICABLE TO DISPUTES INVOLVING PENSION PLAN WITHDRAWAL LIABILITY.

(a) IN GENERAL.—Section 4221 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1401) is amended by adding at the end the following new subsection:

''(f) PROCEDURES APPLICABLE TO CERTAIN DISPUTES.—

''(1) IN GENERAL.—If—

''(A) a plan sponsor of a plan determines that—

''(i) a complete or partial withdrawal of an employer has occurred, or

''(ii) an employer is liable for withdrawal liability payments with respect to the complete or partial withdrawal of an employer from the plan,

''(B) such determination is based in whole or in part on a finding by the plan sponsor under section 4212(c) that a principal purpose of a transaction that occurred before January 1, 1999, was to evade or avoid withdrawal liability under this subtitle, and

''(C) such transaction occurred at least 5 years before the date of the complete or partial withdrawal,

then the special rules under paragraph (2) shall be used in applying subsections (a) and (d) of this section and section 4219(c) to the employer.

''(2) SPECIAL RULES.—

''(A) DETERMINATION.—Notwithstanding subsection (a)(3)—

''(i) a determination by the plan sponsor under paragraph (1)(B) shall not be presumed to be correct, and

''(ii) the plan sponsor shall have the burden to establish, by a preponderance of the evidence, the elements of the claim under section 4212(c) that a principal purpose of the transaction was to evade or avoid withdrawal liability under this subtitle.

Nothing in this subparagraph shall affect the burden of establishing any other element of a claim for withdrawal liability under this subtitle.

''(B) PROCEDURE.—Notwithstanding subsection (d) and section 4219(c), if an employer contests the plan sponsor's determination under paragraph (1) through an arbitration proceeding pursuant to subsection (a), or through a claim brought in a court of competent jurisdiction, the employer shall not be obligated to make any withdrawal liability payments until a final decision in the arbitration proceeding, or in court, upholds the plan sponsor's determination.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to any employer that receives a notification under section 4219(b)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1399(b)(1)) after October 31, 2003.

SEC. 203. SENSE OF CONGRESS REGARDING DEFINED BENEFIT PENSION SYSTEM REFORM.

It is the sense of the Congress that the Congress must ensure the financial health of the defined benefit pension system by working to promptly implement—

(1) a permanent replacement for the pension discount rate used for defined benefit pension plan calculations, and

(2) comprehensive funding reforms for all defined benefit pension plans aimed at achieving accurate and sound pension funding to enhance retirement security for workers who rely on defined pension plan benefits, to reduce the volatility of contributions, to provide plan sponsors with predictability for plan contributions, and to ensure adequate disclosures for plan participants in the case of underfunded pension plans.

SEC. 204. EXTENSION OF TRANSFERS OF EXCESS PENSION ASSETS TO RETIREE HEALTH ACCOUNTS.

(a) AMENDMENT OF INTERNAL REVENUE CODE OF 1986.—Paragraph (5) of section 420(b) of the Internal Revenue Code of 1986 (relating to expiration) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2013''.

(b) AMENDMENTS OF ERISA.—

(1) Section 101(e)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(e)(3)) is amended by striking ''Tax Relief Extension Act of 1999'' and inserting ''Pension Funding Equity Act of 2004''.

(2) Section 403(c)(1) of such Act (29 U.S.C. 1103(c)(1)) is amended by striking ''Tax Relief Extension Act of 1999'' and inserting ''Pension Funding Equity Act of 2004''.

(3) Paragraph (13) of section 408(b) of such Act (29 U.S.C. 1108(b)(3)) is amended—

(A) by striking ''January 1, 2006'' and inserting ''January 1, 2014'', and

(B) by striking ''Tax Relief Extension Act of 1999'' and inserting ''Pension Funding Equity Act of 2004''.

SEC. 205. REPEAL OF REDUCTION OF DEDUCTIONS FOR MUTUAL LIFE INSURANCE COMPANIES.

(a) IN GENERAL.—Section 809 of the Internal Revenue Code of 1986 (relating to reductions in certain deduction of mutual life insurance companies) is hereby repealed.

(b) CONFORMING AMENDMENTS.—

(1) Subsections (a)(2)(B) and (b)(1)(B) of section 807 of such Code are each amended by striking ''the sum of (i)'' and by striking ''plus (ii) any excess described in section 809(a)(2) for the taxable year,''.

(2)(A) The last sentence of section 807(d)(1) of such Code is amended by striking ''section 809(b)(4)(B)'' and inserting ''paragraph (6)''.

(B) Subsection (d) of section 807 of such Code is amended by adding at the end the following new paragraph:

''(6) STATUTORY RESERVES.—The term 'statutory reserves' means the aggregate amount set forth in the annual statement with respect to items described in section 807(c). Such term shall not include any reserve attributable to a deferred and uncollected premium if the establishment of such reserve is not permitted under section 811(c).''

(3) Subsection (c) of section 808 of such Code is amended to read as follows:

''(c) AMOUNT OF DEDUCTION.—The deduction for policyholder dividends for any taxable year shall be an amount equal to the policyholder dividends paid or accrued during the taxable year.''

(4) Subparagraph (A) of section 812(b)(3) of such Code is amended by striking ''sections 808 and 809'' and inserting ''section 808''.

(5) Subsection (c) of section 817 of such Code is amended by striking ''(other than section 809)''.

(6) Subsection (c) of section 842 of such Code is amended by striking paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(7) The table of sections for subpart C of part I of subchapter L of chapter 1 of such Code is amended by striking the item relating to section 809.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 206. CLARIFICATION OF EXEMPTION FROM TAX FOR SMALL PROPERTY AND CASUALTY INSURANCE COMPANIES.

(a) IN GENERAL.—Section 501(c)(15)(A) of the Internal Revenue Code of 1986 is amended to read as follows:

''(A) Insurance companies (as defined in section 816(a)) other than life (including interinsurers and reciprocal underwriters) if—

''(i)(I) the gross receipts for the taxable year do not exceed $600,000, and

''(II) more than 50 percent of such gross receipts consist of premiums, or

''(ii) in the case of a mutual insurance company—

''(I) the gross receipts of which for the taxable year do not exceed $150,000, and

''(II) more than 35 percent of such gross receipts consist of premiums.

Clause (ii) shall not apply to a company if any employee of the company, or a member of the employee's family (as defined in section 2032A(e)(2)), is an employee of another company exempt from taxation by reason of this paragraph (or would be so exempt but for this sentence).''.

(b) CONTROLLED GROUP RULE.—Section 501(c)(15)(C) of the Internal Revenue Code of 1986 is amended by inserting '', except that in applying section 831(b)(2)(B)(ii) for purposes of this subparagraph, subparagraphs (B) and (C) of section 1563(b)(2) shall be disregarded'' before the period at the end.

(c) DEFINITION OF INSURANCE COMPANY FOR SECTION 831.—Section 831 of the Internal Revenue Code of 1986 is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

''(c) INSURANCE COMPANY DEFINED.—For purposes of this section, the term 'insurance company' has the meaning given to such term by section 816(a)).''.

(d) CONFORMING AMENDMENT.—Clause (i) of section 831(b)(2)(A) of the Internal Revenue Code of 1986 is amended by striking ''exceed $350,000 but''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2003.

(2) TRANSITION RULE FOR COMPANIES IN RECEIVERSHIP OR LIQUIDATION.—In the case of a company or association which—

(A) for the taxable year which includes April 1, 2004, meets the requirements of section 501(c)(15)(A) of the Internal Revenue Code of 1986, as in effect for the last taxable year beginning before January 1, 2004, and

(B) on April 1, 2004, is in a receivership, liquidation, or similar proceeding under the supervision of a State court,

the amendments made by this section shall apply to taxable years beginning after the earlier of the date such proceeding ends or December 31, 2007.

SEC. 207. CONFIRMATION OF ANTITRUST STATUS OF GRADUATE MEDICAL RESIDENT MATCHING PROGRAMS.

(a) FINDINGS AND PURPOSES.—

(1) FINDINGS.—Congress makes the following findings:

(A) For over 50 years, most United States medical school seniors and the large majority of graduate medical education programs (popularly known as ''residency programs'') have chosen to use a matching program to match medical students with residency programs to which they have applied. These matching programs have been an integral part of an educational system that has produced the finest physicians and medical researchers in the world.

(B) Before such matching programs were instituted, medical students often felt pressure, at an unreasonably early stage of their medical education, to seek admission to, and accept offers from, residency programs. As a result, medical students often made binding commitments before they were in a position to make an informed decision about a medical specialty or a residency program and before residency programs could make an informed assessment of students' qualifications. This situation was inefficient, chaotic, and unfair and it often led to placements that did not serve the interests of either medical students or residency programs.

(C) The original matching program, now operated by the independent non-profit National Resident Matching Program and popularly known as ''the Match,'' was developed and implemented more than 50 years ago in response to widespread student complaints about the prior process. This Program includes on its board of directors individuals nominated by medical student organizations as well as by major medical education and hospital associations.

(D) The Match uses a computerized mathematical algorithm, as students had recommended, to analyze the preferences of students and residency programs and match students with their highest preferences from among the available positions in residency programs that listed them. Students thus obtain a residency position in the most highly ranked program on their list that has ranked them sufficiently high among its preferences. Each year, about 85 percent of participating United States medical students secure a place in one of their top 3 residency program choices.

(E) Antitrust lawsuits challenging the matching process, regardless of their merit or lack thereof, have the potential to undermine this highly efficient, pro-competitive, and longstanding process. The costs of defending such litigation would divert the scarce resources of our country's teaching hospitals and medical schools from their crucial missions of patient care, physician training, and medical research. In addition, such costs may lead to abandonment of the matching process, which has effectively served the interests of medical students, teaching hospitals, and patients for over half a century.

(2) PURPOSES.—It is the purpose of this section to—

(A) confirm that the antitrust laws do not prohibit sponsoring, conducting, or participating in a graduate medical education residency matching program, or agreeing to do so; and

(B) ensure that those who sponsor, conduct or participate in such matching programs are not subjected to the burden and expense of defending against litigation that challenges such matching programs under the antitrust laws.

(b) APPLICATION OF ANTITRUST LAWS TO GRADUATE MEDICAL EDUCATION RESIDENCY MATCHING PROGRAMS.—

(1) DEFINITIONS.—In this subsection:

(A) ANTITRUST LAWS.—The term ''antitrust laws''—

(i) has the meaning given such term in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12(a)), except that such term includes section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to the extent such section 5 applies to unfair methods of competition; and

(ii) includes any State law similar to the laws referred to in clause (i).

(B) GRADUATE MEDICAL EDUCATION PROGRAM.—The term ''graduate medical education program'' means—

(i) a residency program for the medical education and training of individuals following graduation from medical school;

(ii) a program, known as a specialty or subspecialty fellowship program, that provides more advanced training; and

(iii) an institution or organization that operates, sponsors or participates in such a program.

(C) GRADUATE MEDICAL EDUCATION RESIDENCY MATCHING PROGRAM.—The term ''graduate medical education residency matching program'' means a program (such as those conducted by the National Resident Matching Program) that, in connection with the admission of students to graduate medical education programs, uses an algorithm and matching rules to match students in accordance with the preferences of students and the preferences of graduate medical education programs.

(D) STUDENT.—The term ''student'' means any individual who seeks to be admitted to a graduate medical education program.

(2) CONFIRMATION OF ANTITRUST STATUS.—It shall not be unlawful under the antitrust laws to sponsor, conduct, or participate in a graduate medical education residency matching program, or to agree to sponsor, conduct, or participate in such a program. Evidence of any of the conduct described in the preceding sentence shall not be admissible in Federal court to support any claim or action alleging a violation of the antitrust laws.

(3) APPLICABILITY.—Nothing in this section shall be construed to exempt from the antitrust laws any agreement on the part of 2 or more graduate medical education programs to fix the amount of the stipend or other benefits received by students participating in such programs.

(c) EFFECTIVE DATE.—This section shall take effect on the date of enactment of this Act, shall apply to conduct whether it occurs prior to, on, or after such date of enactment, and shall apply to all judicial and administrative actions or other proceedings pending on such date of enactment.

And the Senate agree to the same.

From the Committee on Education and the Workforce, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

JOHN BOEHNER,
HOWARD ''BUCK'' MCKEON,
SAM JOHNSON,
PATRICK J. TIBERI,

From the Committee on Ways and Means, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

WILLIAM THOMAS,
ROB PORTMAN,
Managers on the Part of the House.

CHUCK GRASSLEY,
JUDD GREGG,
MITCH MCCONNELL,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3108), to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to temporarily replace the 30-year Treasury rate with a rate based on long-term corporate bonds for certain pension plan funding requirements, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck all of the House bill after ''**SECTION**'' (page 2, line 3) and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

A. TEMPORARY REPLACEMENT OF INTEREST RATE USED FOR CERTAIN PENSION PLAN PURPOSES AND ALTERNATIVE DEFICIT REDUCTION CONTRIBUTION FOR CERTAIN PLANS

(Sec. 3 of the House bill, secs. 2–3 of the Senate Amendment, secs. 302 and 4006 of ERISA, and secs. 404, 412 and 415 of the Code)

PRESENT LAW

In general

Under present law, the interest rate on 30-year Treasury securities is used for several purposes related to defined benefit pension plans. Specifically, the interest rate on 30-year Treasury securities is used: (1) in determining current liability for purposes of the funding and deduction rules; (2) in determining unfunded vested benefits for purposes of Pension Benefit Guaranty Corporation (''PBGC'') variable rate premiums; and (3) in determining the minimum required value of lump-sum distributions from a defined benefit pension plan and maximum lump-sum values for purposes of the limits on benefits payable under a defined benefit pension plan.

The IRS publishes the interest rate on 30-year Treasury securities on a monthly basis. The Department of the Treasury does not currently issue 30-year Treasury securities. As of March 2002, the IRS publishes the average yield on the 30-year Treasury bond maturing in February 2031 as a substitute.

Funding rules

In general

The Internal Revenue Code (the ''Code'') and the Employee Retirement Income Security Act of 1974 (''ERISA'') impose minimum funding requirements with respect to defined benefit pension plans.[1] Under the funding rules, the amount of contributions required for a plan year is generally the plan's normal cost for the year (i.e., the cost of benefits allocated to the year under the plan's funding method) plus that year's portion of other liabilities that are amortized over a period of years, such as benefits resulting from a grant of past service credit.

Additional contributions for underfunded plans

Under special funding rules (referred to as the ''deficit reduction contribution'' rules),[2] an additional contribution to a plan is generally required if the plan's funded current liability percentage is less than 90 percent.[3]

[1] Code sec. 412; ERISA sec. 302. The Code also imposes limits on deductible contributions, as discussed below.

[2] The deficit reduction contribution rules apply to single-employer plans, other than single-employer plans with no more than 100 participants on any day in the preceding plan year. Single-employer plans with more than 100 but not more than 150 participants are generally subject to lower contribution requirements under these rules.

[3] Under an alternative test, a plan is not subject to the deficit reduction contribution rules for a plan

Continued

A plan's ''funded current liability percentage'' is the actuarial value of plan assets[4] as a percentage of the plan's current liability. In general, a plan's current liability means all liabilities to employees and their beneficiaries under the plan.

The amount of the additional contribution required under the deficit reduction contribution rules is the sum of two amounts: (1) the excess, if any, of (a) the deficit reduction contribution (as described below), over (b) the contribution required under the normal funding rules; and (2) the amount (if any) required with respect to unpredictable contingent event benefits.[5] The amount of the additional contribution cannot exceed the amount needed to increase the plan's funded current liability percentage to 100 percent.

The deficit reduction contribution is the sum of (1) the ''unfunded old liability amount,'' (2) the ''unfunded new liability amount,'' and (3) the expected increase in current liability due to benefits accruing during the plan year.[6] The ''unfunded old liability amount'' is the amount needed to amortize certain unfunded liabilities under 1987 and 1994 transition rules. The ''unfunded new liability amount'' is the applicable percentage of the plan's unfunded new liability. Unfunded new liability generally means the unfunded current liability of the plan (i.e., the amount by which the plan's current liability exceeds the actuarial value of plan assets), but determined without regard to certain liabilities (such as the plan's unfunded old liability and unpredictable contingent event benefits). The applicable percentage is generally 30 percent, but is reduced if the plan's funded current liability percentage. is greater than 60 percent.

Required interest rate and mortality table

Specific interest rate and mortality assumptions must be used in determining a plan's current liability for purposes of the special funding rule. The interest rate used to determine a plan's current liability must be within a permissible range of the weighted average[7] of the interest rates on 30-year Treasury securities for the four-year period ending on the last day before the plan year begins. The permissible range is generally from 90 percent to 105 percent.[8] The interest rate used under the plan must be consistent with the assumptions which reflect the purchase rates which would be used by insurance companies to satisfy the liabilities under the plan.[9]

The Job Creation and Worker Assistance Act of 2002[10] amended the permissible range of the statutory interest rate used in calculating a plan's current liability for purposes of applying the additional contribution requirements. Under this provision, the permissible range is from 90 percent to 120 percent for plan years beginning after December 31, 2001, and before January 1, 2004.

The Secretary of the Treasury is required to prescribe mortality tables and to periodically review (at least every five years) and update such tables to reflect the actuarial experience of pension plans and projected trends in such experience.[11] The Secretary of the Treasury has required the use of the 1983 Group Annuity Mortality Table.[12]

Full funding limitation

No contributions are required under the minimum funding rules in excess of the full funding limitation. In 2004 and thereafter, the full funding limitation is the excess, if any, of (1) the accrued liability under the plan (including normal cost), over (2) the lesser of (a) the market value of plan assets or (b) the actuarial value of plan assets.[13] However, the full funding limitation may not be less than the excess, if any, of 90 percent of the plan's current liability (including the current liability normal cost) over the actuarial value of plan assets. In general, current liability is all liabilities to plan participants and beneficiaries accrued to date, whereas the accrued liability under the full funding limitation may be based on projected future benefits, including future salary increases.

Timing of plan contributions

In general, plan contributions required to satisfy the funding rules must be made within 8½ months after the end of the plan year. If the contribution is made by such due date, the contribution is treated as if it were made on the last day of the plan year.

In the case of a plan with a funded current liability percentage of less than 100 percent for the preceding plan year, estimated contributions for the current plan year must be made in quarterly installments during the current plan year.[14] The amount of each required installment is 25 percent of the lesser of (1) 90 percent of the amount required to be contributed for the current plan year or (2) 100 percent of the amount required to be contributed for the preceding plan year.[15]

Funding waivers

Within limits, the IRS is permitted to waive all or a portion of the contributions required under the minimum funding standard for a plan year.[16] A waiver may be granted if the employer (or employers) responsible for the contribution could not make the required contribution without temporary substantial business hardship and if requiring the contribution would be adverse to the interests of plan participants in the aggregate. Generally, no more than three waivers may be granted within any period of 15 consecutive plan years.

If a funding waiver is in effect for a plan, subject to certain exceptions, no plan amendment may be adopted that increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits vest under the plan. In addition, the IRS is authorized to require security to be granted as a condition of granting a funding waiver if the sum of the plan's accumulated funding deficiency and the balance of any outstanding waived funding deficiencies exceeds $1 million.

Excise tax

An employer is generally subject to an excise tax if it fails to make minimum required contributions and fails to obtain a waiver from the IRS. [17] The excise tax is generally 10 percent of the amount of the funding deficiency. In addition, a tax of 100 percent may be imposed if the funding deficiency is not corrected within a certain period.

Deductions for contributions

Employer contributions to qualified retirement plans are deductible, subject to certain limits. In the case of a defined benefit pension plan, the employer generally may deduct the greater of: (1) the amount necessary to satisfy the minimum funding requirement of the plan for the year; or (2) the amount of the plan's normal cost for the year plus the amount necessary to amortize certain unfunded liabilities over ten years, but limited to the full funding limitation for the year. [18] However, the maximum amount of deductible contributions is generally not less than the plan's unfunded current liability. [19]

PBGC premiums

Because benefits under a defined benefit pension plan may be funded over a period of years, plan assets may not be sufficient to provide the benefits owed under the plan to employees and their beneficiaries if the plan terminates before all benefits are paid. The PBGC generally insures the benefits owed

year if (1) the plan's funded current liability percentage for the plan year is at least 80 percent, and (2) the plan's funded current liability percentage was at least 90 percent for each of the two immediately preceding plan years or each of the second and third immediately preceding plan years.

[4] The actuarial value of plan assets is the value determined under an actuarial valuation method that takes into account fair market value and meets certain other requirements. The use of an actuarial valuation method allows appreciation or depreciation in the market value of plan assets to be recognized gradually over several plan years. Sec. 412(c)(2); Treas. reg. sec. 1.412(c)(2)–1.

[5] A plan may provide for unpredictable contingent event benefits, which are benefits that depend on contingencies that are not reliably and reasonably predictable, such as facility shutdowns or reductions in workforce. An additional contribution is generally not required with respect to unpredictable contingent event benefits unless the event giving rise to the benefits has occurred.

[6] If the Secretary of the Treasury prescribes a new mortality table to be used in determining current liability, as described below, the deficit reduction contribution may include an additional amount.

[7] The weighting used for this purpose is 40 percent, 30 percent, 20 percent and 10 percent, starting with the most recent year in the four-year period. Notice 88–73, 1988–2 C.B. 383.

[8] If the Secretary of the Treasury determines that the lowest permissible interest rate in this range is unreasonably high, the Secretary may prescribe a lower rate, but not less than 80 percent of the weighted average of the 30-year Treasury rate.

[9] Code sec. 412(b)(5)(B)(iii)(II); ERISA sec. 302(b)(5)(B)(iii)(II). Under Notice 90–11, 1990–1 C.B. 319, the interest rates in the permissible range are deemed to be consistent with the assumptions reflecting the purchase rates that would be used by insurance companies to satisfy the liabilities under the plan.

[10] Pub. L. No. 107–147.

[11] Code sec. 412(1)(7)(C)(ii); ERISA sec. 302(d)(7)(C)(ii).

[12] Rev. Rul. 95–28, 1995–1 C.B. 74. The IRS and the Treasury Department have announced that they are undertaking a review of the applicable mortality table and have requested comments on related issues, such as how mortality trends should be reflected. Notice 2003–62, 2003–38 I.R.B. 576; Announcement 2000–7, 2000–1 C.B. 586.

[13] For plan years beginning before 2004, the full funding limitation was generally defined as the excess, if any, of (1) the lesser of (a) the accrued liability under the plan (including normal cost) or (b) a percentage (170 percent for 2003) of the plan's current liability (including the current liability normal cost), over (2) the lesser of (a) the market value of plan assets or (b) the actuarial value of plan assets, but in no case less than the excess, if any, of 90 percent of the plan's current liability over the actuarial value of plan assets. Under the Economic Growth and Tax Relief Reconciliation Act of 2001 (''EGTRRA''), the full funding limitation based on 170 percent of current liability is repealed for plan years beginning in 2004 and thereafter. The provisions of EGTRRA generally do not apply for years beginning after December 31, 2010.

[14] Code sec. 412(m); ERISA sec. 302(e).

[15] In connection with the expanded interest rate range available for 2002 and 2003, special rules apply in determining current liability for the preceding plan year for purposes of applying the quarterly contributions requirements to plan years beginning in 2002 (when the expanded range first applies) and 2004 (when the expanded range no longer applies). In each of those years (''present year''), current liability for the preceding year is redetermined, using the permissible range applicable to the present year. This redetermined current liability will be used for purposes of the plan's funded current liability percentage for the preceding year, which may affect the need to make quarterly contributions, and for purposes of determining the amount of any quarterly contributions in the present year, which is based in part on the preceding year.

[16] Code sec. 412(d); ERISA sec. 303.

[17] Code sec. 4971.

[18] Code sec. 404(a)(1).

[19] Code sec. 404(a)(1)(D). In the case of a plan that terminates during the year, the maximum deductible amount is generally not less than the amount needed to make the plan assets sufficient to fund benefit liabilities as defined for purposes of the PBGC termination insurance program (sometimes referred to as ''termination liability'').

under defined benefit pension plans (up to certain limits) in the event a plan is terminated with insufficient assets. Employers pay premiums to the PBGC for this insurance coverage.

PBGC premiums include a flat-rate premium and, in the case of an underfunded plan, a variable rate premium based on the amount of unfunded vested benefits. [20] In determining the amount of unfunded vested benefits, the interest rate used is 85 percent of the annual yield on 30-year Treasury securities for the month preceding the month in which the plan year begins.

Under the Job Creation and Worker Assistance Act of 2002, for plan years beginning after December 31, 2001, and before January 1, 2004, the interest rate used in determining the amount of unfunded vested benefits for PBGC variable rate premium purposes is increased to 100 percent of the annual yield on 30-year Treasury securities for the month preceding the month in which the plan year begins.

Lump-sum distributions

Accrued benefits under a defined benefit pension plan generally must be paid in the form of an annuity for the life of the participant unless the participant consents to a distribution in another form. Defined benefit pension plans generally provide that a participant may choose among other forms of benefit offered under the plan, such as a lump-sum distribution. These optional forms of benefit generally must be actuarially equivalent to the life annuity benefit payable to the participant.

A defined benefit pension plan must specify the actuarial assumptions that will be used in determining optional forms of benefit under the plan in a manner that precludes employer discretion in the assumptions to be used. For example, a plan may specify that a variable interest rate will be used in determining actuarial equivalent forms of benefit, but may not give the employer discretion to choose the interest rate.

Statutory assumptions must be used in determining the minimum value of certain optional forms of benefit, such as a lump sum.[21] That is, the lump sum payable under the plan may not be less than the amount of the lump sum that is actuarially equivalent to the life annuity payable to the participant, determined using the statutory assumptions. The statutory assumptions consist of an applicable mortality table (as published by the IRS) and an applicable interest rate.

The applicable interest rate is the annual interest rate on 30-year Treasury securities, determined as of the time that is permitted under regulations. The regulations provide various options for determining the interest rate to be used under the plan, such as the period for which the interest rate will remain constant (''stability period'') and the use of averaging.

Limits on benefits

Annual benefits payable under a defined benefit pension plan generally may not exceed the lesser of (1) 100 percent of average compensation, or (2) $165,000 (for 2004). [22] The dollar limit generally applies to a benefit payable in the form of a straight life annuity beginning no earlier than age 62. The limit is reduced if benefits are paid before age 62. In addition, if the benefit is not in the form of a straight life annuity, the benefit generally is adjusted to an equivalent straight life annuity. In making these reductions and adjustments, the interest rate used generally must be not less than the greater of (1) five percent; or (2) the interest rate specified in the plan. However, for purposes of adjusting a benefit in a form that is subject to the minimum value rules (including the use of the interest rate on 30-year Treasury securities), such as a lump-sum benefit, the interest rate used must be not less than the greater of: (1) the interest rate on 30-year Treasury securities; or (2) the interest rate specified in the plan.

HOUSE BILL

Interest rate for determining current liability and PBGC premiums

The House bill changes the interest rate used for plan years beginning after December 31, 2003, and before January 1, 2006, in determining current liability for funding and deduction purposes and in determining PBGC variable rate premiums. For these purposes, the House bill replaces the interest rate on 30-year Treasury securities with the rate of interest on amounts conservatively invested in long-term corporate bonds.

For purposes of determining a plan's current liability for plan years beginning after December 31, 2003, and before January 1, 2006, the interest rate used must be within a permissible range of the weighted average of the rates of interest on amounts conservatively invested in long-term corporate bonds during the four-year period ending on the last day before the plan year begins, as determined by the Secretary of the Treasury on the basis of one or more indices selected periodically by the Secretary. The permissible range for these years is from 90 percent to 100 percent. The Secretary of the Treasury is directed to publish the interest rate within the permissible range.

In determining the amount of unfunded vested benefits for PBGC variable rate premium purposes for plan years beginning after December 31, 2003, and before January 1, 2006, the interest rate used is 85 percent of the annual yield on amounts conservatively invested in long-term corporate bonds for the month preceding the month in which the plan year begins, as determined by the Secretary of the Treasury on the basis of one or more indices selected periodically by the Secretary. The Secretary of the Treasury is directed to publish such annual yield.

Interest rate used to apply benefit limits to lump sums

No provision.

Alternative deficit reduction contribution for certain plans

No provision. [23]

EFFECTIVE DATE

The House bill is generally effective for plan years beginning after December 31, 2003. For purposes of applying certain rules (''lookback rules'') to plan years beginning after December 31, 2003, the amendments made by the provision may be applied as if they had been in effect for all years beginning before the effective date. For purposes of the provision, ''lookback rules'' means: (1) the rule under which a plan is not subject to the additional funding requirements for a plan year if the plan's funded current liability percentage was at least 90 percent for each of the two immediately preceding plan years or each of the second and third immediately preceding plan years; and (2) the rule under which quarterly contributions are required for a plan year if the plan's funded current liability percentage was less than 100 percent for the preceding plan year.

SENATE AMENDMENT

Interest rate for determining current liability and PBGC premiums

The Senate amendment is the same as the House bill, with the following modifications.

The Senate amendment replaces the interest rate on 30-year Treasury securities with a conservative long-term bond rate reflecting the rates of interest on amounts invested conservatively in long term corporate bonds and based on the use of two or more indices that are in the top two quality levels available reflecting average maturities of 20 years or more. The Secretary of the Treasury is directed to prescribe by regulation a method for periodically determining conservative long-term corporate bond rates. [24]

Under the Senate amendment, an employer may elect to disregard the temporary interest rate change for purposes of determining the maximum amount of deductible contributions to a defined benefit pension plan (regardless of whether the plan is subject to the deficit reduction contribution requirements). In such a case, the present-law interest rate rules apply, i.e., the interest rate used in determining current liability for that purpose must be within the permissible range (90 to 105 percent) of the weighted average of the interest rates on 30-year Treasury securities for the preceding four-year period.

Interest rate used to apply benefit limits to lump sums

Under the Senate amendment, in the case of plan years beginning in 2004 or 2005, in adjusting a form of benefit that is subject to the minimum value rules, such as a lump-sum benefit, for purposes of applying the limits on benefits payable under a defined benefit pension plan, the interest rate used must be not less than the greater of: (1) 5.5 percent; or (2) the interest rate specified in the plan.

Alternative deficit reduction contribution for certain plans

In general

The Senate amendment allows certain employers (''applicable employers'') to elect a reduced amount of additional required contribution under the deficit reduction contribution rules (an ''alternative deficit reduction contribution'') with respect to certain plans for applicable plan years. An applicable plan year is a plan year beginning after December 27, 2003, and before December 28, 2005, for which the employer elects a reduced contribution. If an employer so elects, the amount of the additional deficit reduction contribution for an applicable plan year is the greater of: (1) 20 percent (40 percent in the case of a plan year beginning after December 27, 2004) of the amount of the additional contribution that would otherwise be required; or (2) the additional contribution that would be required if the deficit reduction contribution for the plan year were determined as the expected increase in current liability due to benefits accruing during the plan year.

An election of an alternative deficit reduction contribution may be made only with respect to a plan that was not subject to the deficit reduction contribution rules for the plan year beginning in 2000. An election may not be made with respect to more than two plan years. An election is to be made at such time and in such manner as the Secretary of

[20] ERISA sec. 4006.

[21] Code sec. 417(e)(3); ERISA sec. 205(g)(3).

[22] Code sec. 415(b).

[23] Section 2002 of H.R. 3521, the ''Tax Relief Extension Act of 2003,'' as passed by the House of Representatives on November 20, 2003, provides for a reduced deficit reduction contribution for plan years beginning after December 27, 2003, and before December 28, 2005, in the case of plans maintained by commercial passenger airlines. For each year of these years, the reduced contribution is 20 percent of the otherwise required additional contribution.

[24] The Senate amendment also repeals the present-law rule under which, for purposes of applying the quarterly contributions requirements to plan years beginning in 2004, current liability for the preceding year is redetermined.

the Treasury prescribes. An election does not invalidate any obligation pursuant to a collective bargaining agreement in effect on the date of the election to provide benefits, to change the accrual of benefits, or to change the rate at which benefits vest under the plan.

An applicable employer is an employer that is: (1) a commercial passenger airline; (2) primarily engaged in the production or manufacture of a steel mill product, or in the mining or processing of iron ore or beneficiated iron ore products; or (3) an organization described in section 501(c)(5) that established the plan for which an alternative deficit reduction contribution is elected on June 30, 1955. In addition, an employer not described in the preceding sentence is treated as an applicable employer if the employer files an application (at such time and in such manner as the Secretary of the Treasury prescribes) to be treated as an applicable employer. However, an employer making such an application is not treated as an applicable employer if, within 90 days of the application, the Secretary determines (taking into account the application of the provision) that there is a reasonable likelihood that the employer will be unable to make required future contributions to the plan in a timely manner.

Restrictions on amendments

Certain plan amendments may not be adopted during an applicable plan year (i.e., a plan year for which an alternative deficit reduction contribution is elected). This restriction applies to an amendment that increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits vest under the plan. The restriction applies unless: (1) the plan's funded current liability percentage as of the end of the applicable plan year is projected to be at least 75 percent (taking into account the effect of the amendment); (2) the amendment provides for an increase in benefits under a formula that is not based on a participant's compensation, but only if the rate of the increase does not exceed the contemporaneous rate of increase in average wages of participants covered by the amendment; (3) the amendment is required by a collective bargaining agreement that is in effect on the date of enactment of the provision; (4) the amendment is determined by the Secretary of Labor to be reasonable and provides for only de minimis increases in plan liabilities; or (5) the amendment is required as a condition of qualified retirement plan status.

If a plan is amended during an applicable plan year in violation of the provision, an election of an alternative deficit reduction contribution does not apply to any applicable plan year ending on after the date on which the amendment is adopted.

Notice requirement

The Senate amendment amends ERISA to provide that, if an employer elects an alternative deficit reduction contribution for any applicable plan year, the employer must provide written notice of the election to participants and beneficiaries within 30 days of filing the election (120 days in the case of an employer that files an application to be treated as an applicable employer). The notice to participants must include: (1) the due date of the alternative deficit reduction contribution; (2) the amount by which the required contribution to the plan was reduced as a result of the election; (3) a description of the benefits under the plan that are eligible for guarantee by the PBGC; and (4) an explanation of the limitations on the PBGC guarantee and the circumstances in which the limitations apply, including the maximum guaranteed monthly benefits that the PBGC would pay if the plan terminated while underfunded. An employer that fails to provide the required notice to a participant or beneficiary may (in the discretion of a court) be liable to the participant or beneficiary in the amount of up to $100 a day from the date of the failure, and the court may in its discretion order such other relief as it deems proper.

The Senate amendment also amends ERISA to require that an employer electing an alternative deficit reduction contribution for any year must provide written notice of the election to the PBGC within 30 days of the election (120 days in the case of an employer that files an application to be treated as an applicable employer). The notice to the PBGC must include: (1) the due date of the alternative deficit reduction contribution; (2) the amount by which the required contribution to the plan was reduced as a result of the election; (3) the number of years it will take to restore the plan to full funding if the employer makes only the required contributions; and (4) information as to how the amount by which the plan is underfunded compares with the capitalization of the employer.

Effective date

Interest rate for determining current liability and PBGC premiums

The Senate amendment is generally effective for plan years beginning after December 31, 2003. For purposes of applying certain rules (''lookback rules'') to plan years beginning after December 31, 2003, the amendments made by the provision may be applied as if they had been in effect for all years beginning before the effective date. For purposes of the provision, ''lookback rules'' means: (1) the rule under which a plan is not subject to the additional funding requirements for a plan year if the plan's funded current liability percentage was at least 90 percent for each of the two immediately preceding plan years or each of the second and third immediately preceding plan years; and (2) the rule under which quarterly contributions are required for a plan year if the plan's funded current liability percentage was less than 100 percent for the preceding plan year.

Interest rate used to apply benefit limits to lump sums

The Senate amendment is generally effective for plan years beginning after December 31, 2003. Under a special rule, in the case of a distribution made to a participant or beneficiary after December 31, 2003, and before January 1, 2005, in a form of benefit that is subject to the minimum value rules, such as a lump-sum benefit, and that is subject to adjustment in applying the limit on benefits payable under a defined benefit pension plan, the amount payable may not, solely by reason of the Senate amendment, be less than the amount that would have been payable if the amount payable had been determined using the applicable interest rate in effect as of the last day of the last plan year beginning before January 31, 2004.

Alternative deficit reduction contribution for certain plans

The Senate amendment is effective on the date of enactment.

CONFERENCE AGREEMENT

Interest rate for determining current liability and PBGC premiums

The conference agreement follows the House bill with modifications.

Under the conference agreement, the interest rate used for plan years beginning after December 31, 2003, and before January 1, 2006, in determining current liability for funding and deduction purposes and in determining PBGC variable rate premiums is generally the rate of interest on amounts invested conservatively in long-term investment-grade corporate bonds.[25]

For purposes of determining a plan's current liability for plan years beginning after December 31, 2003, and before January 1, 2006, the interest rate used must be within a permissible range of the weighted average of the rates of interest on amounts invested conservatively in long-term investment-grade corporate bonds during the four-year period ending on the last day before the plan year begins. The permissible range for these years is from 90 percent to 100 percent. The interest rate is to be determined by the Secretary of the Treasury on the basis of two or more indices that are selected periodically by the Secretary and are in the top three quality levels available.

The interest rate on long-term corporate bonds shall be calculated pursuant to a method, prescribed by the Secretary of the Treasury, which relies on publicly available indices of high-quality bonds (i.e., the top three quality levels). The Secretary may use bonds with average maturities of 20 years or more in determining the rate. The Secretary of Treasury may prescribe that two thirds of the rate may be based on two or more indices that are in the top three quality levels, and one third of such rate may be based on two or more indices that are in the third quality level. The Secretary shall have discretion to determine which publicly available indices to use.

The Secretary is directed to make the permissible range of the interest rate, as well as the indices and methodology used to determine the average rate, publicly available. The methodology used by the Secretary to arrive at a single rate shall be publicly available (including for a subscription fee or other charge). The Secretary shall publish the rate on a monthly basis, along with an updated four-year weighted average of the rate and an updated permissible range. The Secretary shall consider and monitor the current marketplace indices to produce the specified rate to ensure that the indices continue to be appropriate for this purpose. Through regulations, the Secretary shall, as appropriate, make prospective changes in the indices used to determine the rate.

For purposes of determining the four-year weighted average of interest rates under the temporary provision, the weighting applicable under present law applies (i.e., 40 percent, 30 percent, 20 percent and 10 percent, starting with the most recent year in the four-year period). In addition, consistent with current IRS guidance, the interest rates in the permissible range under the temporary provision are deemed to be consistent with the assumptions reflecting the purchase rates that would be used by insurance companies to satisfy the liabilities under the plan. Thus, any interest rate in the permissible range may be used in determining current liability while the temporary provision is in effect.

The temporary interest rate generally applies in determining current liability for purposes of determining the maximum amount of deductible contributions to a defined benefit pension plan (regardless of whether the plan is subject to the deficit reduction contribution requirements). However, under the conference agreement, an employer may elect to disregard the temporary interest rate change for purposes of determining the maximum amount of deductible contributions (regardless of whether

[25] The conference agreement also repeals the present-law rule under which, for purposes of applying the quarterly contributions requirements to plan years beginning in 2004, current liability for the preceding year is redetermined.

the plan is subject to the deficit reduction contribution requirements). In such a case, the present-law interest rate rules apply, i.e., the interest rate used in determining current liability for that purpose must be within the permissible range (90 to 105 percent) of the weighted average of the interest rates on 30–year Treasury securities for the preceding four-year period. This is intended solely as a temporary provision to ensure that, pending long-term reform of the funding and deduction rules, the deduction limit is neither increased nor decreased so that employers are not penalized for fully funding their plans. Because the 30-year Treasury rate is an obsolete rate, its use must be revisited promptly in the context of long-term funding and deduction reform. However, the use of the 30 Year Treasury rate for the purposes of determining maximum deduction limits should not be considered precedent for the determination of other pension plan calculations. Furthermore, the use of different interest rates for certain pension plan calculations in the context of this temporary bill should not be considered precedent for the use of different discount rates to measure pension plan liabilities.

Under the conference agreement, in determining the amount of unfunded vested benefits for PBGC variable rate premium purposes for plan years beginning after December 31, 2003, and before January 1, 2006, the interest rate used is 85 percent of the annual rate of interest determined by the Secretary of the Treasury on amounts invested conservatively in long-term investment-grade corporate bonds for the month preceding the month in which the plan year begins (subject to the same requirements applicable to the determination of the interest rate used in determining current liability).

Interest rate used to apply benefit limits to lump sums

The conference agreement follows the Senate amendment.

Under the conference agreement, in the case of plan years beginning in 2004 or 2005, in adjusting a form of benefit that is subject to the minimum value rules, such as a lump-sum benefit, for purposes of applying the limits on benefits payable under a defined benefit pension plan, the interest rate used must be not less than the greater of: (1) 5.5 percent; or (2) the interest rate specified in the plan.

Plan amendments

The conference agreement permits certain plan amendments made pursuant to the interest rate provision of the bill to be retroactively effective. If certain requirements are met, the plan will be treated as being operated in accordance with its terms, and the amendment will not violate the anticutback rules (except as provided by the Secretary of the Treasury).[26] In order for this treatment to apply, the plan amendment must be made on or before the last day of the first plan year beginning on or after January 1, 2006. In addition, the amendment must apply retroactively as of the date on which the interest rate provision became effective with respect to the plan and the plan must be operated in compliance with the interest rate provision until the amendment is made.

A plan amendment will not be considered to be pursuant to the interest rate provision of the bill if it has an effective date before the effective date of the interest rate provision. Similarly, relief from the anticutback rules does not apply for periods prior to the effective date of the interest rate provision or the plan amendment.

[26] Code sec. 411(d)(6); ERISA sec. 204(g).

Alternative deficit reduction contribution for certain plans

In general

The conference agreement follows the Senate amendment with modifications.

The conference agreement allows certain employers (''applicable employers'') to elect a reduced amount of additional required contribution under the deficit reduction contribution rules (an ''alternative deficit reduction contribution'') with respect to certain plans for applicable plan years. An applicable plan year is a plan year beginning after December 27, 2003, and before December 28, 2005, for which the employer elects a reduced contribution. If an employer so elects, the amount of the additional deficit reduction contribution for an applicable plan year is the greater of (1) 20 percent of the amount of the additional contribution that would otherwise be required; or (2) the additional contribution that would be required if the deficit reduction contribution for the plan year were determined as the expected increase in current liability due to benefits accruing during the plan year.

An election of an alternative deficit reduction contribution may be made only with respect to a plan that was not subject to the deficit reduction contribution rules for the plan year beginning in 2000.[27] An election may not be made with respect to more than two plan years. An election is to be made at such time and in such manner as the Secretary of the Treasury prescribes. Guidance relating to the time and manner in which an election is made is to be issued expeditiously. An election does not invalidate any obligation pursuant to a collective bargaining agreement in effect on the date of the election to provide benefits, to change the accrual of benefits, or to change the rate at which benefits vest under the plan.

An applicable employer is an employer that is: (1) a commercial passenger airline; (2) primarily engaged in the production or manufacture of a steel mill product, or the processing of iron ore pellets; or (3) an organization described in section 501(c)(5) that established the plan for which an alternative deficit reduction contribution is elected on June 30, 1955.

Restrictions on amendments

Certain plan amendments may not be adopted during an applicable plan year (i.e., a plan year for which an alternative deficit reduction contribution is elected). This restriction applies to an amendment that increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits vest under the plan. The restriction applies unless: (1) the plan's enrolled actuary certifies (in such form and manner as prescribed by the Secretary of the Treasury) that the amendment provides for an increase in annual contributions that will exceed the increase in annual charges to the funding standard account attributable to such amendment; or (2) the amendment is required by a collective bargaining agreement that is in effect on the date of enactment of the provision.

If a plan is amended during an applicable plan year in violation of the provision, an election of an alternative deficit reduction contribution does not apply to any applicable plan year ending on after the date on which the amendment is adopted.

[27] Whether a plan was subject to the deficit reduction contribution rules for the plan year beginning in 2000 is determined without regard to the rule that allows the temporary interest rate based on amounts invested conservatively in long-term investment-grade corporate bonds to be used for lookback rule purposes, as discussed below.

Notice requirement

The conference agreement amends ERISA to provide that, if an employer elects an alternative deficit reduction contribution for any applicable plan year, the employer must provide written notice of the election to participants and beneficiaries and to the PBGC within 30 days of filing the election. The notice to participants and beneficiaries must include: (1) the due date of the alternative deficit reduction contribution; (2) the amount by which the required contribution to the plan was reduced as a result of the election; (3) a description of the benefits under the plan that are eligible for guarantee by the PBGC; and (4) an explanation of the limitations on the PBGC guarantee and the circumstances in which the limitations apply, including the maximum guaranteed monthly benefits that the PBGC would pay if the plan terminated while underfunded. The notice to the PBGC must include: (1) the due date of the alternative deficit reduction contribution; (2) the amount by which the required contribution to the plan was reduced as a result of the election; (3) the number of years it will take to restore the plan to full funding if the employer makes only the required contributions; and (4) information as to how the amount by which the plan is underfunded compares with the capitalization of the employer.

An employer that fails to provide the required notice to a participant, beneficiary, or the PBGC may (in the discretion of a court) be liable to the participant, beneficiary, or PBGC in the amount of up to $100 a day from the date of the failure, and the court may in its discretion order such other relief as it deems proper.

Effective date

Interest rate for determining current liability and PBGC premiums

The conference agreement is generally effective for plan years beginning after December 31, 2003. For purposes of applying certain rules (''lookback rules'') to plan years beginning after December 31, 2003, the amendments made by the provision may be applied as if they had been in effect for all years beginning before the effective date. For purposes of the provision, ''lookback rules'' means: (1) the rule under which a plan is not subject to the additional funding requirements for a plan year if the plan's funded current liability percentage was at least 90 percent for each of the two immediately preceding plan years or each of the second and third immediately preceding plan years; and (2) the rule under which quarterly contributions are required for a plan year if the plan's funded current liability percentage was less than 100 percent for the preceding plan year. The amendments made by the provision may be applied for purposes of the lookback rules, regardless of the funded current liability percentage reported for the plan on the plan's annual reports (i.e., Form 5500) for preceding years.

Interest rate used to apply benefit limits to lump sums

The conference agreement is generally effective for plan years beginning after December 31, 2003. Under a special rule, in the case of a distribution made to a participant or beneficiary after December 31, 2003, and before January 1, 2005, in a form of benefit that is subject to the minimum value rules, such as a lump-sum benefit, and that is subject to adjustment in applying the limit on benefits payable under a defined benefit pension plan, the amount payable may not, solely by reason of the conference agreement, be less than the amount that would have been payable if the amount payable had been determined using the applicable interest rate in effect as

of the last day of the last plan year beginning before January 31, 2004.

Alternative deficit reduction contribution for certain plans

The conference agreement is effective on the date of enactment.

B. MULTIEMPLOYER PLAN FUNDING NOTICES

(Sec. 4 of the Senate amendment and secs. 101 and 502 of ERISA)

PRESENT LAW

Under present law, defined benefit plans are generally required to meet certain minimum funding rules. These rules are designed to help ensure that such plans are adequately funded. Both single-employer plans and multiemployer plans are subject to minimum funding requirements; however, the requirements are different for each type of plan.

Similarly, the Pension Benefit Guaranty Corporation (''PBGC'') insures certain benefits under both single-employer and multiemployer defined benefit plans, but the rules relating to the guarantee vary for each type of plan. In the case of multiemployer plans, the PBGC guarantees against plan insolvency. Under its multiemployer program, PBGC provides financial assistance through loans to plans that are insolvent (that is, plans that are unable to pay basic PBGC-guaranteed benefits when due).

Employers maintaining single-employer defined benefit plans are required to provide certain notices to plan participants relating to the funding status of the plan. For example, ERISA requires an employer of a single-employer defined benefit plan to notify plan participants if the employer fails to make required contributions (unless a request for a funding waiver is pending).[28] In addition, in the case of an underfunded plan for which variable rate PBGC premiums are required, the plan administrator generally must notify plan participants of the plan's funding status and the limits on the PBGC benefit guarantee if the plan terminates while underfunded.[29]

HOUSE BILL

No provision

SENATE AMENDMENT

In general

The Senate amendment requires the administrator of a defined benefit plan which is a multiemployer plan to provide an annual funding notice to: (1) each participant and beneficiary; (2) each labor organization representing such participants or beneficiaries; and (3) each employer that has an obligation to contribute under the plan.

Such a notice must include: (1) identifying information, including the name of the plan, the address and phone number of the plan administrator and the plan's principal administrative officer, each plan sponsor's employer identification number, and the plan identification number; (2) a statement as to whether the plan's funded current liability percentage for the plan year to which the notice relates is at least 100 percent (and if not, a statement of the percentage); (3) a statement of the value of the plan's assets, the amount of benefit payments, and the ratio of the assets to the payments for the plan year to which the report relates; (4) a summary of the rules governing insolvent multiemployer plans, including the limitations on benefit payments and any potential benefit reductions and suspensions (and the potential effects of such limitations, reductions, and suspensions on the plan); (5) a general description of the benefits under the plan which are eligible to be guaranteed by the PBGC and the limitations of the guarantee and circumstances in which such limitations apply; and (6) any additional information which the plan administrator elects to include to the extent it is not inconsistent with regulations prescribed by the Secretary of Labor.

The annual funding notice must be provided no later than two months after the deadline (including extensions) for filing the plan's annual report for the plan year to which the notice relates. The funding notice must be provided in a form and manner prescribed in regulations by the Secretary of Labor. Additionally, it must be written so as to be understood by the average plan participant and may be provided in written, electronic, or some other appropriate form to the extent that it is reasonably accessible to persons to whom the notice is required to be provided.

The Secretary of Labor is directed to issue regulations (including a model notice) necessary to implement the provision no later than one year after the date of enactment.

Sanction for failure to provide notice

In the case of a failure to provide the annual multiemployer plan funding notice, the Secretary of Labor may assess a civil penalty against a plan administrator of up to $100 per day for each failure to provide a notice. For this purpose, each violation with respect to a single participant or beneficiary is treated as a separate violation.

Effective date

The Senate amendment is effective for plan years beginning after December 31, 2004.

CONFERENCE AGREEMENT

In general

The conference agreement follows the Senate amendment, with the following modification. The administrator of a defined benefit plan which is a multiemployer plan is also required to provide an annual funding notice to the PBGC.

The conference agreement requires the administrator of a defined benefit plan which is a multiemployer plan to provide an annual funding notice to: (1) each participant and beneficiary; (2) each labor organization representing such participants or beneficiaries; (3) each employer that has an obligation to contribute under the plan; and (4) the PBGC.

Such a notice must include: (1) identifying information, including the name of the plan, the address and phone number of the plan administrator and the plan's principal administrative officer, each plan sponsor's employer identification number, and the plan identification number; (2) a statement as to whether the plan's funded current liability percentage for the plan year to which the notice relates is at least 100 percent (and if not, a statement of the percentage); (3) a statement of the value of the plan's assets, the amount of benefit payments, and the ratio of the assets to the payments for the plan year to which the report relates; (4) a summary of the rules governing insolvent multiemployer plans, including the limitations on benefit payments and any potential benefit reductions and suspensions (and the potential effects of such limitations, reductions, and suspensions on the plan); (5) a general description of the benefits under the plan which are eligible to be guaranteed by the PBGC and the limitations of the guarantee and circumstances in which such limitations apply; and (6) any additional information which the plan administrator elects to include to the extent it is not inconsistent with regulations prescribed by the Secretary of Labor.

The annual funding notice must be provided no later than two months after the deadline (including extensions) for filing the plan's annual report for the plan year to which the notice relates. The funding notice must be provided in a form and manner prescribed in regulations by the Secretary of Labor. Additionally, it must be written so as to be understood by the average plan participant and may be provided in written, electronic, or some other appropriate form to the extent that it is reasonably accessible to persons to whom the notice is required to be provided.

The Secretary of Labor is directed to issue regulations (including a model notice) necessary to implement the provision no later than one year after the date of enactment.

Sanction for failure to provide notice

In the case of a failure to provide the annual multiemployer plan funding notice, the Secretary of Labor may assess a civil penalty against a plan administrator of up to $100 per day for each failure to provide a notice. For this purpose, each violation with respect to a single participant or beneficiary is treated as a separate violation.

Effective date

The conference agreement is effective for plan years beginning after December 31, 2004.

C. ELECTION FOR DEFERRAL OF CHARGE FOR PORTION OF NET EXPERIENCE LOSS OF MULTIEMPLOYER PLANS

(Sec. 5 of the Senate amendment, sec. 302(b)(7) of ERISA, and sec. 412(b)(7) of the Code)

PRESENT LAW

General funding requirements

The Code and ERISA impose minimum funding requirements with respect to defined benefit plans.[30] Under the minimum funding rules, the amount of contributions required for a plan year is generally the plan's normal cost for the year (i.e., the cost of benefits allocated to the year under the plan's funding method) plus that year's portion of other liabilities that are amortized over a period of years, such as benefits resulting from a grant of past service credit.[30] A plan's normal cost and other liabilities must be determined under an actuarial cost method permissible under the Code and ERISA.

Funding standard account

As an administrative aid in the application of the funding requirements, a defined benefit plan is required to maintain a special account called a ''funding standard account'' to which specified charges and credits (including credits for contributions to the plan), plus interest, are made for each plan year. If, as of the close of a plan year, the account reflects credits equal to or in excess of charges, the plan is generally treated as meeting the minimum funding standard for the year. Thus, as a general rule, the minimum contribution for a plan year is determined as the amount by which the charges to the account would exceed credits to the account if no contribution were made to the plan. If, as of the close of the plan year, charges to the funding standard account exceed credits to the account, then the excess is referred to as an ''accumulated funding deficiency.''[32]

[28] ERISA sec. 101(d).

[29] ERISA sec. 4011. Multiemployer plans are not required to pay variable rate premiums.

[30] Code sec. 412; ERISA sec. 302.

[31] Under special funding rules (referred to as the ''deficit reduction contribution'' rules), an additional contribution may be required to a single-employer plan if the plan's funded current liability percentage is less than 90 percent. The deficit reduction contribution rules do not apply to multiemployer plans.

[32] In addition to the funding standard account, a reconciliation account is sometimes used to balance certain items for purposes of reporting actuarial information about the plan on the plan's annual report (Schedule B of Form 5500).

Experience gains and losses

In determining plan funding under an actuarial cost method, a plan's actuary generally makes certain assumptions regarding the future experience of a plan. These assumptions typically involve rates of interest, mortality, disability, salary increases, and other factors affecting the value of assets and liabilities, such as increases or decreases in asset values. The actuarial assumptions are required to be reasonable and may be subject to other restrictions. If, on the basis of these assumptions, the contributions made to the plan result in actual unfunded liabilities that are less than those anticipated by the actuary, then the excess is an experience gain. If the actual unfunded liabilities are greater than those anticipated, then the difference is an experience loss.

If a plan has a net experience gain, the funding standard account is credited with the amount needed to amortize the net experience gain over a certain period. If a plan has a net experience loss, the funding standard account is charged with the amount needed to amortize the net experience loss over a certain period. In the case of a multiemployer plan, the amortization period for net experience gains and losses is 15 years.

Funding waivers

Within limits, the IRS is permitted to waive all or a portion of the contributions required under the minimum funding standard for a plan year.[33] A waiver may be granted if the employer (or employers) responsible for the contribution could not make the required contribution without temporary substantial business hardship and if requiring the contribution would be adverse to the interests of plan participants in the aggregate. In the case of a multiemployer plan, no more than five waivers may be granted within any period of 15 consecutive plan years.

If a funding waiver is in effect for a plan, subject to certain exceptions, no plan amendment may be adopted that increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits vest under the plan.

Excise tax

An employer is generally subject to an excise tax if it fails to make minimum required contributions and fails to obtain a waiver from the IRS.[34] The excise tax is 10 percent of the amount of the funding deficiency (five percent in the case of a multiemployer plan). In addition, a tax of 100 percent may be imposed if the funding deficiency is not corrected within a certain period.

HOUSE BILL

No provision.

SENATE AMENDMENT

The Senate amendment allows certain multiemployer plans to elect to defer the beginning of the amortization of certain net experience losses for up to three plan years. The period during which the amortization of a net experience loss is deferred by reason of such an election is referred to as a ''hiatus period.'' The Senate amendment applies to a multiemployer plan that has a net experience loss for any plan year beginning after June 30, 2002, and before July 1, 2006. Such a plan may elect to begin the 15-year amortization period with respect to such a loss in any of the three immediately succeeding plan years as selected by the plan. A plan may elect to delay the beginning of the amortization of net experience losses with respect to net experience losses occurring for only two plan years beginning after June 30, 2002, and before July 1, 2006 (regardless of the number of plan years in that period for which the plan has net experience losses). An election under the Senate amendment is to be made at such time and in such manner as the Secretary of Labor prescribes, after consultation with the Secretary of the Treasury.

If an election is made, the net experience loss is treated, for purposes of determining any charge to the funding standard account (or interest) with respect to the loss, in the same manner as if the net experience loss occurred in the year selected by the plan for the amortization period to begin (without regard to any net experience loss or gain otherwise determined for such year). Interest accrued on any net experience loss during a hiatus period is charged to a reconciliation account and not to the funding standard account.

Certain plan amendments may not take effect for any plan year in the hiatus period. This restriction applies to an amendment that increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits vest under the plan. The restriction applies unless: (1) the plan's funded current liability percentage as of the end of the plan year is projected to be at least 75 percent (taking into account the effect of the amendment); (2) the plan's actuary certifies that, due to an increase in the rates of contributions to the plan, the normal cost attributable to the benefit increase or other change is expected to be fully funded in the year following the year in which the increase or other change takes effect, and any increase in the plan's accrued liabilities attributable to the benefit increase or other change is expected to be fully funded by the end of the third plan year following the end of the plan hiatus period of the plan; (3) the amendment is determined by the Secretary of Labor to be reasonable and provides for only de minimis increases in plan liabilities; or (4) the amendment is required as a condition of qualified retirement plan status. The restriction on amendments does not apply to an increase in benefits for a group of participants resulting solely from a collectively bargained increase in the contributions on their behalf. Failure to comply with this restriction is a violation of ERISA and of the qualification requirements of the Code.

If a plan elects to defer the beginning of an amortization period, the plan administrator must provide written notice of the election within 30 days to participants and beneficiaries, to each labor organization representing participants and beneficiaries, and to each employer that has an obligation to contribute under the plan. The notice must include: (1) the amount of the net experience loss to be deferred under the election and the period of the deferral; and (2) the maximum guaranteed monthly benefits that the PBGC would pay if the plan terminated while underfunded. If a plan administrator fails to comply with the notice requirement, the Secretary of Labor may assess a civil penalty of not more than $1,000 a day for each violation.

Effective date.—The Senate amendment is effective on the date of enactment.

CONFERENCE AGREEMENT

The conference agreement allows the plan sponsor of an eligible multiemployer plan to elect to defer certain charges to the funding standard account that would otherwise be made to the plan's funding standard account for a plan year beginning after June 30, 2003, and before July 1, 2005. The charges may be deferred to any plan year selected by the plan sponsor from either of the two plan years immediately succeeding the plan year for which the charge would otherwise be made. An election may be made with respect to up to 80 percent of the charge to the funding standard account attributable to the amortization of a net experience loss for the first plan year beginning after December 31, 2001. An election is to be made at such time and in such manner as the Secretary of the Treasury prescribes. For the plan year to which a charge is deferred under the plan sponsor's election, the funding standard account is required to be charged with interest at the short-term Federal rate on the deferred charge for the period of the deferral.

An eligible multiemployer plan is a multiemployer plan: (1) that, for the first plan year beginning after December 31, 2001, had an actual net investment loss of at least 10 percent of the average fair market value of plan assets during the plan year; and (2) with respect to which the plan's enrolled actuary certifies that (not taking into account the deferral of charges under the provision and based on the actuarial assumptions used for the last plan year before date of enactment of the provision), the plan is projected to have an accumulated funding deficiency for any plan year beginning after June 30, 2003, and before July 1, 2006. In addition, a plan is not treated as an eligible multiemployer plan if: (1) for any taxable year beginning during the ten year period preceding the first plan year for which an election is made under the provision, any employer required to contribute to the plan failed to timely pay an excise tax imposed on the plan for failure to make required contributions; (2) for any plan year beginning after June 30, 1993, and before the first plan year for which an election is made under the provision, the average contribution required to be made to the plan by all employers does not exceed 10 cents per hour, or no employer is required to make contributions to the plan; or (3) with respect to any plan year beginning after June 30, 1993, and before the first plan year for which an election is made under the provision, a funding waiver or extension of an amortization period was granted to the plan.

Certain plan amendments may not be adopted during the period for which a charge is deferred. This restriction applies to an amendment that increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits vest under the plan. The restriction applies unless: (1) the plan's enrolled actuary certifies (in such form and manner as prescribed by the Secretary of the Treasury) that the amendment provides for an increase in annual contributions that will exceed the increase in annual charges to the funding standard account attributable to such amendment; or (2) the amendment is required by a collective bargaining agreement that is in effect on the date of enactment of the provision. If a plan is amended in violation of the provision, an election under the provision does not apply to any plan year ending on after the date on which the amendment is adopted.

If a plan sponsor elects to defer charges attributable to a net experience loss, the plan administrator must provide written notice of the election within 30 days to participants and beneficiaries, to each labor organization representing participants and beneficiaries, to each employer that has an obligation to contribute under the plan, and to the PBGC. The notice must include: (1) the amount of the charges to be deferred under the election and the period of the deferral; and (2) the maximum guaranteed monthly benefits that the PBGC would pay if the plan terminated while underfunded. If a plan administrator fails to comply with the notice requirement,

[33] Sec. 412(d).

[34] Sec. 4971.

the Secretary of Labor may assess a civil penalty of not more than $1,000 a day for each violation.

Effective date.—The conference agreement is effective on the date of enactment.

D. TWO-YEAR EXTENSION OF TRANSITION RULE TO PENSION FUNDING REQUIREMENTS FOR INTERSTATE BUS COMPANY

(Sec. 6 of the Senate amendment, and sec. 769(c) of the Retirement Protection Act of 1994 (as added by sec. 1508 of the Taxpayer Relief Act of 1997))

PRESENT LAW

Under present law, defined benefit plans are required to meet certain minimum funding rules. In some cases, additional contributions are required if a defined benefit plan is underfunded. Additional contributions generally are not required in the case of a plan with a funded current liability percentage of at least 90 percent. A plan's funded current liability percentage is the value of plan assets as a percentage of current liability. In general, a plan's current liability means all liabilities to employees and their beneficiaries under the plan. In the case of a plan with a funded current liability percentage of less than 100 percent for the preceding plan year, estimated contributions for the current plan year must be made in quarterly installments during the current plan year.

The PBGC insures benefits under most single-employer defined benefit plans in the event the plan is terminated with insufficient assets to pay for plan benefits. The PBGC is funded in part by a flat-rate premium per plan participant, and a variable rate premium based on the amount of unfunded vested benefits under the plan. A specified interest rate and a specified mortality table apply in determining unfunded vested benefits for this purpose.

Under present law, a special rule modifies the minimum funding requirements in the case of certain plans. The special rule applies in the case of plans that (1) were not required to pay a variable rate PBGC premium for the plan year beginning in 1996, (2) do not, in plan years beginning after 1995 and before 2009, merge with another plan (other than a plan sponsored by an employer that was a member of the controlled group of the employer in 1996), and (3) are sponsored by a company that is engaged primarily in interurban or interstate passenger bus service.

The special rule treats a plan to which it applies as having a funded current liability percentage of at least 90 percent for plan years beginning after 1996 and before 2005 if for such plan year the funded current liability percentage is at least 85 percent. If the funded current liability of the plan is less than 85 percent for any plan year beginning after 1996 and before 2005, the relief from the minimum funding requirements applies only if certain specified contributions are made.

For plan years beginning after 2004 and before 2010, the funded current liability percentage will be deemed to be at least 90 percent if the actual funded current liability percentage is at least at certain specified levels. The relief from the minimum funding requirements applies for a plan year beginning in 2005, 2006, 2007, or 2008 only if contributions to the plan for the plan year equal at least the expected increase in current liability due to benefits accruing during the plan year.

HOUSE BILL

No provision.

SENATE AMENDMENT

The Senate amendment modifies the special funding rules for plans sponsored by a company engaged primarily in interurban or interstate passenger bus service by providing that, for plan years beginning in 2004 and 2005, the funded current liability percentage of the plan will be treated as at least 90 percent for purposes of determining the amount of required contributions (100 percent for purposes of determining whether quarterly contributions are required). As a result, for these years, additional contributions and quarterly contributions are not required with respect to the plan. In addition, for these years, the mortality table used under the plan is used in determining the amount of unfunded vested benefits under the plan for purposes of calculating PBGC variable rate premiums.

Effective date.—The Senate amendment is effective for plan years beginning after December 31, 2003.

CONFERENCE AGREEMENT

The conference agreement follows the Senate amendment.

The conference agreement modifies the special funding rules for plans sponsored by a company engaged primarily in interurban or interstate passenger bus service by providing that, for plan years beginning in 2004 and 2005, the funded current liability percentage of the plan will be treated as at least 90 percent for purposes of determining the amount of required contributions (100 percent for purposes of determining whether quarterly contributions are required). As a result, for these years, additional contributions and quarterly contributions are not required with respect to the plan. In addition, for these years, the mortality table used under the plan is used in determining the amount of unfunded vested benefits under the plan for purposes of calculating PBGC variable rate premiums.

Effective date.—The Senate amendment is effective for plan years beginning after December 31, 2003.

E. PROCEDURES APPLICABLE TO DISPUTES INVOLVING PENSION PLAN WITHDRAWAL LIABILITY

(Sec. 7 of the Senate amendment and sec. 4221 of ERISA)

PRESENT LAW

Under ERISA, when an employer withdraws from a multiemployer plan, the employer is generally liable for its share of unfunded vested benefits, determined as of the date of withdrawal (generally referred to as the ''withdrawal liability''). Whether and when a withdrawal has occurred and the amount of the withdrawal liability is determined by the plan sponsor. The plan sponsor's assessment of withdrawal liability is presumed correct unless the employer shows by a preponderance of the evidence that the plan sponsor's determination of withdrawal liability was unreasonable or clearly erroneous. A similar standard applies in the event the amount of the plan's unfunded vested benefits is challenged.

The first payment of withdrawal liability determined by the plan sponsor is due no later than 60 days after demand, even if the employer contests the determination of liability. Disputes between an employer and plan sponsor concerning withdrawal liability are resolved through arbitration, which can be initiated by either party. Even if the employer contests the determination, payments of withdrawal liability must be made by the employer until the arbitrator issues a final decision with respect to the determination submitted for arbitration.

For purposes of withdrawal liability, all trades or businesses under common control are treated as a single employer. In addition, the plan sponsor may disregard a transaction in order to assess withdrawal liability if the sponsor determines that the principal purpose of the transaction was to avoid or evade withdrawal liability. For example, if a subsidiary of a parent company is sold and the subsidiary then withdraws from a multiemployer plan, the plan sponsor may assess withdrawal liability as if the subsidiary were still part of the parent company's controlled group if the sponsor determines that a principal purpose of the sale of the subsidiary was to evade or avoid withdrawal liability.

HOUSE BILL

No provision.

SENATE AMENDMENT

Under the Senate amendment, a special rule may apply if a transaction is disregarded by a plan sponsor in determining that a withdrawal has occurred or that an employer is liable for withdrawal liability. If the transaction that is disregarded by the plan sponsor occurred before January 1, 1999, and at least five years before the date of the withdrawal, then (1) the determination by the plan sponsor that a principal purpose of the transaction was to evade or avoid withdrawal liability is not be presumed to be correct, (2) the plan sponsor, rather than the employer, has the burden to establish, by a preponderance of the evidence, the elements of the claim that a principal purpose of the transaction was to evade or avoid withdrawal liability, and (3) if an employer contests the plan sponsor's determination through an arbitration proceeding, or through a claim brought in a court of competent jurisdiction, the employer is not obligated to make any withdrawal liability payments until a final decision in the arbitration proceeding, or in 30 court, upholds the plan sponsor's determination. The provision does not modify the burden of establishing other elements of a claim for withdrawal liability other than whether the purpose of the transaction was to evade or avoid withdrawal liability.

Effective date.—The provision applies to an employer that receives a notification of withdrawal liability and demand for payment under ERISA section 4219(b)(1) after October 31, 2003.

CONFERENCE AGREEMENT

The conference agreement follows the Senate amendment.

Under the conference agreement, a special rule may apply if a transaction is disregarded by a plan sponsor in determining that a withdrawal has occurred or that an employer is liable for withdrawal liability. If the transaction that is disregarded by the plan sponsor occurred before January 1, 1999, and at least five years before the date of the withdrawal, then (1) the determination by the plan sponsor that a principal purpose of the transaction was to evade or avoid withdrawal liability is not be presumed to be correct, (2) the plan sponsor, rather than the employer, has the burden to establish, by a preponderance of the evidence, the elements of the claim that a principal purpose of the transaction was to evade or avoid withdrawal liability, and (3) if an employer contests the plan sponsor's determination through an arbitration proceeding, or through a claim brought in a court of competent jurisdiction, the employer is not obligated to make any withdrawal liability payments until a final decision in the arbitration proceeding, or in court, upholds the plan sponsor's determination. The provision does not modify the burden of establishing other elements of a claim for withdrawal liability other than whether the purpose of the transaction was to evade or avoid withdrawal liability.

Effective date.—The provision applies to an employer that receives a notification of withdrawal liability and demand for payment under ERISA section 4219(b)(1) after October 31, 2003.

F. MODIFY QUALIFICATION RULES FOR TAX-EXEMPT PROPERTY AND CASUALTY INSURANCE COMPANIES

(Sec. 10 of the Senate amendment and sees. 501 and 831 of the Code)

PRESENT LAW

A property and casualty insurance company generally is subject to tax on its taxable income (sec. 831(a)). The taxable income of a property and casualty insurance company is determined as the sum of its underwriting income and investment income (as well as gains and other income items), reduced by allowable deductions (sec. 832).

A property and casualty insurance company is eligible to be exempt from Federal income tax if its net written premiums or direct written premiums (whichever is greater) for the taxable year do not exceed $350,000 (sec. 501(c)(15)).

A property and casualty insurance company may elect to be taxed only on taxable investment income if its net written premiums or direct written premiums (whichever is greater) for the taxable year exceed $350,000, but do not exceed $1.2 million (sec. 831(b)).

For purposes of determining the amount of a company's net written premiums or direct written premiums under these rules, premiums received by all members of a controlled group of corporations of which the company is a part are taken into account. For this purpose, a more-than-50-percent threshhold applies under the vote and value requirements with respect to stock ownership for determining a controlled group, and rules treating a life insurance company as part of a separate controlled group or as an excluded member of a group do not apply (secs. 501(c)(15), 831(b)(2)(B) and 1563).

HOUSE BILL

No provision.

SENATE AMENDMENT

The Senate amendment modifies the requirements for a property and casualty insurance company to be eligible for tax-exempt status, and to elect to be taxed only on taxable investment income.

Under the Senate amendment, a property and casualty insurance company is eligible to be exempt from Federal income tax if (a) its gross receipts for the taxable year do not exceed $600,000, and (b) the premiums received for the taxable year are greater than 50 percent of its gross receipts. For purposes of determining gross receipts, the gross receipts of all members of a controlled group of corporations of which the company is a part are taken into account. The Senate amendment expands the present-law controlled group rule so that it also takes into account gross receipts of foreign and tax-exempt corporations.

A company that does not meet the definition of an insurance company is not eligible to be exempt from Federal income tax under the Senate amendment. For this purpose, the term ''insurance company'' means any company, more than half of the business of which during the taxable year is the issuing of insurance or annuity contracts or the reinsuring of risks underwritten by insurance companies (sec. 816(a) and new sec. 831(c)). A company whose investment activities outweigh its insurance activities is not considered to be an insurance company for this purpose.[35] It is intended that IRS enforcement activities address the misuse of present-law section 501(c)(15).

The Senate amendment also provides that a property and casualty insurance company may elect to be taxed only on taxable investment income if its net written premiums or direct written premiums (whichever is greater) do not exceed $1.2 million (without regard to whether such premiums exceed $350,000) (sec. 831(b)). Asunder present law, for purposes of determining the amount of a company's net written premiums or direct written premiums under this rule, premiums received by all members of a controlled group of corporations (as defined in section 831(b)) of which the company is a part are taken into account.

It is intended that regulations or other Treasury guidance provide for anti-abuse rules so as to prevent improper use of the provision, including, for example, by attempts to characterize as premiums any income that is other than premium income.

Effective date.—The Senate amendment provisions are effective for taxable years beginning after December 31, 2003.

CONFERENCE AGREEMENT

The conference agreement follows the Senate amendment, with modifications.

Under the conference agreement, an additional special rule provides that a mutual property and casualty insurance company is eligible to be exempt from Federal income tax under the provision if (a) its gross receipts for the taxable year do not exceed $150,000, and (b) the premiums received for the taxable year are greater than 35 percent of its gross receipts, provided certain requirements are met. The requirements are that no employee of the company or member of the employee's family is an employee of another company that is exempt from tax under section 501(c)(15). The limitation to mutual companies and the limitation on employees are intended to address the conferees' concern about the inappropriate use of tax-exempt insurance companies to shelter investment income, including in the case of companies with gross receipts under $150,000. For example, it is intended that the provision not permit the use of small companies with common owners or employees to shelter investment income for the benefit of such owners or employees.

Effective date.—The provision generally is effective for taxable years beginning after December 31, 2003.

Under the conference agreement, a special transition rule applies with respect to certain companies. This transition rule applies in the case of a company that, (1) for its taxable year that includes April 1, 2004, meets the requirements of present law section 501(c)(15)(A) (as in effect for the taxable year beginning before January 1, 2004), and (2) on April 1, 2004, is in a receivership, liquidation or similar proceeding under the supervision of a State court. Under the transition rule, in the case of such a company, the general rule of the provision in the conference agreement applies to taxable years beginning after the earlier of (1) the date the proceeding ends, or (2) December 31, 2007.

For such a company, present-law limitations on the carryover of net operating losses to or from years in which the company was not subject to tax (including section 831(b)(3)) continue to apply. A company that is not otherwise eligible for tax-exempt status under present-law section 501(c)(15) (e.g., a company that is or becomes a life insurance company, or a company with net (or, if greater, direct) written premiums exceeding $350,000 for the taxable year) is not eligible for the transition rule.

G. DEFINITION OF INSURANCE COMPANY FOR PROPERTY AND CASUALTY INSURANCE COMPANY TAX RULES

(Sec. 11 of the Senate amendment and sec. 831 of the Code)

PRESENT LAW

Present law provides specific rules for taxation of the life insurance company taxable income of a life insurance company (sec. 801), and for taxation of the taxable income of an insurance company other than a life insurance company (sec. 831) (generally referred to as a property and casualty insurance company). For Federal income tax purposes, a life insurance company means an insurance company that is engaged in the business of issuing life insurance and annuity contracts, or noncancellable health and accident insurance contracts, and that meets a 50–percent test with respect to its reserves (sec. 816(a)). This statutory provision applicable to life insurance companies explicitly defines the term ''insurance company'' to mean any company, more than half of the business of which during the taxable year is the issuing of insurance or annuity contracts or the reinsuring of risks underwritten by insurance companies (sec. 816(a)).

The life insurance company statutory definition of an insurance company does not explicitly apply to property and casualty insurance companies, although a long-standing Treasury regulation[36] that is applied to property and casualty companies provides a somewhat similar definition of an ''insurance company'' based on the company's ''primary and predominant business activity.''[37]

[35] 35 See, e.g., *Inter-American Life Insurance Co.* v. *Comm'r*, 56 T.C. 497, aff'd per curiam, 469 F.2d 697 (9th Cir. 1972).

[36] The Treasury regulation provides that ''the term 'insurance company' means a company whose primary and predominant business activity during the taxable year is the issuing of insurance or annuity contracts or the reinsuring of risks underwritten by insurance companies. Thus, though its name, charter powers, and subjection to State insurance laws are significant in determining the business which a company is authorized and intends to carry on, it is the character of the business actually done in the taxable year which determines whether a company is taxable as an insurance company under the Internal Revenue Code.'' Treas. Reg. sec. 1.801–3(a)(1).

[37] Court cases involving a determination of whether a company is an insurance company for Federal tax purposes have examined all of the business and other activities of the company. In considering whether a company is an insurance company for such purposes, courts have considered, among other factors, the amount and source of income received by the company from its different activities. See *Bowers* v. *Lawyers Mortgage Co.*, 285 U.S. 182 (1932); *United States* v. *Home Title Insurance Co.*, 285 U.S. 191 (1932). See also *Inter-American Life Insurance Co.* v. *Comm'r*, 56 T.C. 497, aff d per curiam, 469 F.2d 697 (9th Cir. 1972), in which the court concluded that the company was not an insurance company: ''The. . . financial data clearly indicates that petitioner's primary and predominant source of income was from its investments and not from issuing insurance contracts or reinsuring risks underwritten by insurance companies. During each of the years in issue, petitioner's investment income far exceeded its premiums and the amounts of earned premiums were de minimis during those years. It is equally as clear that petitioner's primary and predominant efforts were not expended in issuing insurance contracts or in reinsurance. Of the relatively few policies directly written by petitioner, nearly all were issued to [family members]. Also, Investment Life, in which [family members] each owned a substantial stock interest, was the source of nearly all of the policies reinsured by petitioner. These facts, coupled with the fact that petitioner did not maintain an active sales staff soliciting or selling insurance policies . . ., indicate a lack of concentrated effort on petitioner's behalf toward its chartered purpose of engaging in the insurance business. . . For the above reasons, we hold that during the years in issue, petitioner was not 'an insurance company. . . engaged in the business of issuing life insurance' and hence, that petitioner was not a life insurance company within the meaning of section 801.'' 56 T.C. 497, 507–508.

When enacting the statutory definition of an insurance company in 1984, Congress stated, ''[b]y requiring [that] more than half rather than the 'primary and predominant business activity' be insurance activity, the bill adopts a stricter and more precise standard for a company to be taxed as a life insurance company than does the general regulatory definition of an insurance company applicable for both life and nonlife insurance companies. . . Whether more than half of the business activity is related to the issuing of insurance or annuity contracts will depend on the facts and circumstances and factors to be considered will include the relative distribution of the number of employees assigned to, the amount of space allocated to, and the net income derived from, the various business activities.''[38]

HOUSE BILL

No provision.

SENATE AMENDMENT

The Senate amendment provides that, for purposes of determining whether a company is a property and casualty insurance company, the term ''insurance company'' is defined to mean any company, more than half of the business of which during the taxable year is the issuing of insurance or annuity contracts or the reinsuring of risks underwritten by insurance companies. Thus, the Senate amendment conforms the definition of an insurance company for purposes of the rules taxing property and casualty insurance companies to the rules taxing life insurance companies, so that the definition is uniform. The Senate amendment adopts a stricter and more precise standard than the ''primary and predominant business activity'' test contained in Treasury Regulations. A company whose investment activities outweigh its insurance activities is not considered to be an insurance company under the Senate amendment.[39] It is not intended that a company whose sole activity is the run-off of risks under the company's insurance contracts be treated as a company other than an insurance company, even if the company has little or no premium income.

Effective date.—The Senate amendment provision applies to taxable years beginning after December 31, 2003.

CONFERENCE AGREEMENT

The conference agreement follows the Senate amendment.

Effective date.—The Senate amendment provision applies to taxable years beginning after December 31, 2003.

H. REPEAL OF REDUCTION OF DEDUCTIONS FOR MUTUAL LIFE INSURANCE COMPANIES

(Sec. 809 of the Code)

PRIOR AND PRESENT LAW

In general, a corporation may not deduct amounts distributed to shareholders with respect to the corporation's stock. The Deficit Reduction Act of 1984 added a provision to the rules governing insurance companies that was intended to remedy the failure of prior law to distinguish between amounts returned by mutual life insurance companies to policyholders as customers, and amounts distributed to them as owners of the mutual company.

Under the provision, section 809, a mutual life insurance company is required to reduce its deduction for policyholder dividends by the company's differential earnings amount. If the company's differential earnings amount exceeds the amount of its deductible policyholder dividends, the company is required to reduce its deduction for changes in its reserves by the excess of its differential earnings amount over the amount of its deductible policyholder dividends. The differential earnings amount is the product of the differential earnings rate and the average equity base of a mutual life insurance company.

The differential earnings rate is based on the difference between the average earnings rate of the 50 largest stock life insurance companies and the earnings rate of all mutual life insurance companies. The mutual earnings rate applied under the provision is the rate for the second calendar year preceding the calendar year in which the taxable year begins. Under present law, the differential earnings rate cannot be a negative number.

A company's equity base equals the sum of: (1) Its surplus and capital increased by 50 percent of the amount of any provision for policyholder dividends payable in the following taxable year; (2) the amount of its nonadmitted financial assets; (3) the excess of its statutory reserves over its tax reserves; and (4) the amount of any mandatory security valuation reserves, deficiency reserves, and voluntary reserves. A company's average equity base is the average of the company's equity base at the end of the taxable year and its equity base at the end of the preceding taxable year.

A recomputation or ''true-up'' in the succeeding year is required if the differential earnings amount for the taxable year either exceeds, or is less than, the recomputed differential earnings amount. The recomputed differential earnings amount is calculated taking into account the average mutual earnings rate for the calendar year (rather than the second preceding calendar year, as above). The amount of the true-up for any taxable year is added to, or deducted from, the mutual company's income for the succeeding taxable year.

For taxable years beginning in 2001, 2002, or 2003, the differential earnings amount is treated as zero for purposes of computing both the differential earnings amount and the recomputed differential earnings amount (true-up).

HOUSE BILL

No provision.

SENATE AMENDMENT

No provision.

CONFERENCE AGREEMENT

The conference agreement repeals the rule requiring reduction in certain deductions of a mutual life insurance company (section 809).

Effective date.—The provision is effective for taxable years beginning after December 31, 2004. Thus, for taxable years beginning in 2003, the differential earnings amount is treated as zero under present law; for taxable years beginning in 2004, this rule does not apply and section 809 is in effect (including the true-up applicable with respect to taxable years beginning in 2004).

I. SENSE OF CONGRESS REGARDING DEFINED BENEFIT PENSION SYSTEM REFORM

(Sec. 2 of the House bill and sec. 8 of the Senate amendment)

PRESENT LAW

No provision.

HOUSE BILL

The House bill makes various findings and expresses the sense of the Congress with respect to the interest rate used to value pension plan liabilities.

Specifically, the House bill provides that the Congress finds the following:

The defined benefit pension system has recently experienced severe difficulties due to an unprecedented economic climate of low interest rates, market losses and an increased number of retirees;

The discontinuance of the issuance of 30–year Treasury securities has made the interest rate on such securities an inappropriate and inaccurate benchmark for measuring pension liabilities;

Using the current 30–year Treasury bond interest rate has artificially inflated pension liabilities and adversely affected employers offering defined benefit pension plans and working families who rely on the safe and secure benefits these plans provide;

There is consensus among pension experts that an interest rate based on long-term, conservative corporate bonds would provide a more accurate benchmark for measuring pension plan liabilities; and

A temporary replacement for the 30–year Treasury bond interest rate should be enacted while the Congress evaluates permanent and comprehensive funding reforms.

In addition, the House bill provides that it is the sense of the Congress that the Congress must ensure the financial health of the defined benefit pension system by working to promptly implement: (1) a permanent replacement for the discount rate used for defined benefit pension plan calculations; and (2) comprehensive funding reforms aimed at achieving accurate and sound pension plan funding to enhance retirement security for workers who rely on defined benefit pension plan benefits, to reduce the volatility of contributions, to provide plan sponsors with predictability for plan contributions, and to ensure adequate disclosures for plan participants in the case of underfunded plans.

Effective date.—The provision is effective on the date of enactment.

SENATE AMENDMENT

The Senate amendment makes various findings of the Congress relating to the private pension system and the Pension Benefit Guaranty Corporation (''PBGC'') and expresses the sense of the Senate with respect to future legislative action.

Specifically, the Senate amendment provides that the Congress makes the following findings:

The private pension system is integral to the retirement security of Americans, along with individual savings and Social Security.

The PBGC is responsible for insuring the nation's private pension system, and currently insures the pensions of 34,500,000 participants in 29,500 single-employer plans, and 9,700,000 participants in more than 1,600 multiemployer plans;

The PBGC announced on January 15, 2004, that it suffered a net loss in fiscal year 2003 of $7,600,000,000 for single-employer pension plans, bringing the PBGC's deficit to $11,200,000,000. This deficit is the PBGC's worst on record, three times larger than the $3,600,000,000 deficit experienced in fiscal year 2002.

The PBGC also announced that the separate insurance program for multiemployer pension plans sustained a net loss of $419,000,000 in fiscal year 2003, resulting in a fiscal year-end deficit of $261,000,000. The 2003 multiemployer plan deficit is the first deficit in more than 20 years and is the largest deficit on record.

The PBGC estimates that the total underfunding in multiemployer pension plans is roughly $100,000,000,000 and in single-employer plans is approximately $400,000,000,000. This underfunding is due in part to the recent decline in the stock market and low interest rates, but is also due to demographic changes. For example, in 1980, there were four active workers for every one retiree in a multiemployer plan, but in 2002, there was only one active worker for every one retiree.

[38] H.R. Rep. 98–432, part 2, at 1402–1403 (1984); S. Prt. No. 98–169, vol. I, at 525–526 (1984); see also H.R. Rep. No. 98–861 at 1043–1044 (1985) (Conference Report).

[39] See *Inter-American Life Insurance Co.* v. *Comm'r, supra.*

This pension plan underfunding is concentrated in mature and often-declining industries, where plan liabilities will come due sooner.

Neither the Senate Committee on Finance nor the Senate Committee on Health, Education, Labor and Pensions (''HELP''), the committees of jurisdiction over pension matters, has held hearings this Congress nor reported legislation addressing the funding of multiemployer pension plans.

The Senate is concerned about the current funding status of the private pension system, both single and multiemployer plans.

The Senate is concerned about the potential liabilities facing the PBGC and, as a result, the potential burdens facing healthy pension plans and taxpayers.

In addition, the Senate amendment provides that it is the sense of the Senate that the Committee on Finance and the Committee on Health, Education, Labor and Pensions should conduct hearings on the status of multiemployer pension plans and should work in consultation with the Departments of Labor and Treasury on permanent measures to strengthen the integrity of the private pension system in order to protect the benefits of current and future pension plan beneficiaries.

Effective date.—The Senate amendment is effective on the date of enactment.

CONFERENCE AGREEMENT

The conference agreement follows the House bill, with modifications. Under the conference agreement, it is the sense of the Congress that the Congress must ensure the financial health of the defined benefit pension system by working to promptly implement: (1) a permanent replacement for the discount rate used for defined benefit pension plan calculations; and (2) comprehensive funding reforms for all defined benefit pension plans aimed at achieving accurate and sound pension plan funding to enhance retirement security for workers who rely on defined benefit pension plan benefits, to reduce the volatility of contributions, to provide plan sponsors with predictability for plan contributions, and to ensure adequate disclosures for plan participants in the case of underfunded plans.

Effective date.—The conference agreement is effective on the date of enactment.

J. EXTENSION OF PROVISION PERMITTING QUALIFIED TRANSFERS OF EXCESS PENSION ASSETS TO RETIREE HEALTH ACCOUNTS

(Sec. 9 of the Senate amendment, sec. 420 of the Code, and secs. 101, 403, and 408 of ERISA)

PRESENT LAW

Defined benefit plan assets generally may not revert to an employer prior to termination of the plan and satisfaction of all plan liabilities. In addition, a reversion may occur only if the plan so provides. A reversion prior to plan termination may constitute a prohibited transaction and may result in plan disqualification. Any assets that revert to the employer upon plan termination are includible in the gross income of the employer and subject to an excise tax. The excise tax rate is 20 percent if the employer maintains a replacement plan or makes certain benefit increases in connection with the termination; if not, the excise tax rate is 50 percent. Upon plan termination, the accrued benefits of all plan participants are required to be 100-percent vested.

A pension plan may provide medical benefits to retired employees through a separate account that is part of such plan. A qualified transfer of excess assets of a defined benefit plan to such a separate account within the plan may be made in order to fund retiree health benefits.[40] A qualified transfer does not result in plan disqualification, is not a prohibited transaction, and is not treated as a reversion. Thus, transferred assets are not includible in the gross income of the employer and are not subject to the excise tax on reversions. No more than one qualified transfer may be made in any taxable year. A qualified transfer can be made only from a single-employer plan.

Excess assets generally means the excess, if any, of the value of the plan's assets[41] over the greater of (1) the accrued liability under the plan (including normal cost) or (2) 125 percent of the plan's current liability.[42] In addition, excess assets transferred in a qualified transfer may not exceed the amount reasonably estimated to be the amount that the employer will pay out of such account during the taxable year of the transfer for qualified current retiree health liabilities. No deduction is allowed to the employer for (1) a qualified transfer or (2) the payment of qualified current retiree health liabilities out of transferred funds (and any income thereon).

Transferred assets (and any income thereon) must be used to pay qualified current retiree health liabilities for the taxable year of the transfer. Transferred amounts generally must benefit pension plan participants, other than key employees, who are entitled upon retirement to receive retiree medical benefits through the separate account. Retiree health benefits of key employees may not be paid out of transferred assets.

Amounts not used to pay qualified current retiree health liabilities for the taxable year of the transfer are to be returned to the general assets of the plan. These amounts are not includible in the gross income of the employer, but are treated as an employer reversion and are subject to a 20-percent excise tax.

In order for the transfer to be qualified, accrued retirement benefits under the pension plan generally must be 100–percent vested as if the plan terminated immediately before the transfer (or in the case of a participant who separated in the one-year period ending on the date of the transfer, immediately before the separation).

In order for a transfer to be qualified, the employer generally must maintain retiree health benefits at the same level for the taxable year of the transfer and the following four years.

In addition, the ERISA provides that, at least 60 days before the date of a qualified transfer, the employer must notify the Secretary of Labor, the Secretary of the Treasury, employee representatives, and the plan administrator of the transfer, and the plan administrator must notify each plan participant and beneficiary of the transfer.[43]

No qualified transfer may be made after December 31, 2005.

HOUSE BILL

No provision.

SENATE AMENDMENT

The Senate amendment allows qualified transfers of excess defined benefit plan assets through December 31, 2013.

Effective date.—The provision is effective on the date of enactment.

CONFERENCE AGREEMENT

The conference agreement follows the Senate amendment. The conference agreement allows qualified transfers of excess defined benefit plan assets through December 31, 2013.

Effective date.—The provision is effective on the date of enactment.

K. CONFIRMATION OF ANTITRUST STATUS OF GRADUATE MEDICAL RESIDENT MATCHING PROGRAMS

HOUSE BILL

No provision.

SENATE AMENDMENT

No provision.

CONFERENCE AGREEMENT

The conference agreement confirms that the antitrust laws do not prohibit the sponsorship, conduct, or participation in a graduate medical education residency matching program and that evidence of that conduct shall not be admissible to support any claim or action alleging a violation of the antitrust laws.

Effective date.—The provision is effective on the date of enactment. It applies to conduct whether it occurs prior to, on, or after such date and applies to all judicial and administrative actions or other proceedings pending on such date.

L. TAX COMPLEXITY ANALYSIS

Section 4022(b) of the Internal Revenue Service Reform and Restructuring Act of 1998 (the ''IRS Reform Act'') requires the Joint Committee on Taxation (in consultation with the Internal Revenue Service and the Department of the Treasury) to provide a tax complexity analysis. The complexity analysis is required for all legislation reported by the Senate Committee on Finance, the House Committee on Ways and Means, or any committee of conference if the legislation includes a provision that directly or indirectly amends the Internal Revenue Code (the ''Code'') and has widespread applicability to individuals or small businesses.

The staff of the Joint Committee on Taxation has determined that a complexity analysis is not required under section 4022(b) of the IRS Reform Act because the bill contains no provisions that amend the Internal Revenue Code and that have ''widespread applicability'' to individuals or small businesses.

[40] Sec. 420.

[41] The value of plan assets for this purpose is the lesser of fair market value or actuarial value.

[42] In the case of plan years beginning before January 1, 2004, excess assets generally means the excess, if any, of the value of the plan's assets over the greater of (1) the lesser of (a) the accrued liability under the plan (including normal cost) or (b) 170 percent of the plan's current liability (for 2003), or (2) 125 percent of the plan's current liability. The current liability full funding limit was repealed for years beginning after 2003. Under the general sunset provision of EGTRRA, the limit is reinstated for years after 2010.

[43] ERISA sec. 101(e). ERISA also provides that a qualified transfer is not a prohibited transaction under ERISA or a prohibited reversion.

ESTIMATED REVENUE EFFECTS OF THE TAX AND PENSION PROVISIONS IN THE CONFERENCE AGREEMENT ON H.R. 3108, THE "PENSION FUNDING EQUITY ACT OF 2004" [1]

Fiscal Years 2004 - 2013

[Millions of Dollars]

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2004-08	2004-13
1. Temporary replacement of interest rate used for purposes of pension funding and PBGC variable rate premiums for 2004 and 2005; employers may elect whether to use temporary replacement interest rate in applying deduction limits; allow the use of 5.5% for purposes of applying section 415 to lump sums in 2004 and 2005 [2]	pyba 12/31/03	3,299	5,563	1,247	-1,261	-1,004	-2,216	-2,737	-1,888	-1,160	-828	7,845	-985
2. Partially waive deficit reduction contributions for 2 years for plans of certain employers not subject to the deficit reduction contributions rules in 2000; additional required contribution would generally be the greater of: (1) 20 percent of the otherwise applicable additional contribution or (2) the amount of the excess, if any, of (i) the expected increase in current liability due to current year accruals, over (ii) the regular funding contribution for the year; applies to passenger airlines, steel and iron ore pellets industries, and a certain tax-exempt organization (sunset plan years beginning after 12/27/05) [2] [3]	pyba 12/27/03	14	44	32	-46	-72	-47	-31	-33	-28	-20	-29	-187
3. Multiemployer plan funding notices [4]	pyba 12/31/04	*No Revenue Effect*											
4. Provide deferral for up to 2 years of up to 80% of certain charges to funding standard account of eligible multiemployer plans; applies to charges attributable to net experience loss for first plan year beginning after 12/31/01, that would otherwise be made for plan years beginning after 6/30/03, and before 7/1/05	DOE	1	4	3	-5	-4	[5]	[5]	[5]	[5]	[5]	-1	-1
5. 2-year extension of transition rule to pension funding requirements	pyba 12/31/03	2	6	2	-3	-2	-2	-2	-1	-1	[6]	5	-1
6. Procedures applicable to disputes involving pension plan withdrawal liability [7]	[8]	*Negligible Revenue Effect*											
7. Limit 501(c)(15) to organizations with gross receipts of $600,000 and premiums at least 50% of gross receipts; and to mutual insurance companies with gross receipts less than $150,000 and premium income at least 35% of gross receipts; and modify definition of insurance company. Transition relief for insurance companies in receivership or liquidation on April 1, 2004, limited to lesser of four years or time spent in receivership	tyba 12/31/03	47	105	118	120	127	134	137	141	146	152	517	1,228
8. Repeal of section 809 related to the reduction in policyholder dividends	tyba 12/31/04	---	-25	-33	-43	-47	-43	-38	-39	-39	-39	-148	-347

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2004-08	2004-13
9. Sense of Congress	DOE	No Revenue Effect											
10. Allow employers to transfer excess defined benefit plan assets to a special account for health benefits of retirees (sunset 12/31/13)	DOE	---	---	18	38	40	40	40	40	40	40	97	298
NET TOTAL		**3,363**	**5,697**	**1,387**	**-1,200**	**-962**	**-2,134**	**-2,631**	**-1,780**	**-1,042**	**-695**	**8,286**	**5**

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding.

Legend for "Effective" column:
DOE = date of enactment pyba = plan years beginning after tyba = taxable years beginning after

[1] The conference agreement also contains a provision relating to the antitrust status of graduate medical resident matching programs.
[2] Estimate does not include the effects on PBGC variable rate premiums which are the responsibility of the Congressional Budget Office.
[3] Provision includes interaction with item 1.
[4] Provision provides penalty assessable by the Department of Labor for failure to provide notice.
[5] Negligible revenue effect.
[6] Loss of less than 500,000.
[7] Estimate does not include the effects on PBGC which are the responsibility of the Congressional Budget Office.
[8] Provision applies to any employer that receives a notification under Section 4219(b)(1) of ERISA after October 31, 2003.

From the Committee on Education and the Workforce, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

JOHN BOEHNER,
HOWARD ''BUCK'' MCKEON,
SAM JOHNSON,
PATRICK J. TIBERI,

From the Committee on Ways and Means, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

WILLIAM THOMAS,
ROB PORTMAN,
Managers on the Part of the House.

CHUCK GRASSLEY,
JUDD GREGG,
MITCH MCCONNELL,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. TANNER (at the request of Ms. PELOSI) for the week of March 29 on account of a family emergency.

Mr. HULSHOF (at the request of Mr. DELAY) for today on account of a family emergency.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BROWN of Ohio) to revise and extend their remarks and include extraneous material:)

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Mr. CONYERS, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. WYNN, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Mr. HINOJOSA, for 5 minutes, today.

Mr. HINCHEY, for 5 minutes, today.

Mr. MCDERMOTT, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. DUNCAN) to revise and extend their remarks and include extraneous material:)

Mr. DUNCAN, for 5 minutes, today.

Mr. NUSSLE, for 5 minutes, today.

Mrs. WILSON of New Mexico, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 275. An act to amend the Professional Boxing Safety Act of 1996, and to establish the United States Boxing Administration; to the Committee on Education and the Workforce in addition to the Committee on Energy and Commerce for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

BILL PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on April 1, 2004, he presented to the President of the United States, for his approval, the following bill.

H.R. 2584. To provide for the conveyance to the Utrok Atoll local government of a decommissioned National Oceanic and Atmospheric Administration ship, and for other purposes.

ADJOURNMENT

Mr. TANCREDO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 15 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, April 2, 2004, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

7397. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—6-Benzyladenine; Exemption from the Requirement of a Tolerance [OPP–2004–0013; FRL–7347–6] received March 31, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7398. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Bacillus thuringiensis Cry2Ab2; Amended Exemption From Requirement of a Tolerance [OPP–2004–0029; FRL–7345–4] received March 31, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7399. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Bacillus Thuringiensis CryIF Protein in Cotton; Extension of Temporary Exemption From Requirement of a Tolerance [OPP–2004–0007; FRL–7242–3] received March 31, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7400. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Flumioxazin; Pesticide Tolerance [OPP–2004–0089; FRL–7351–2] received March 31, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7401. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Bacillus Thuringiensis Cry3Bb1; Exemption from the Requirement of a Tolerance [OPP–2003–0415; FRL–7350–5] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7402. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Rhamnolipid Biosurfactant; Exemption from the Requirement of a Tolerance [OPP–2003–0281; FRL–7347–7] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7403. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Time-Limited Exemption from Requirement of a Tolerance; Exemption from the Requirement of a Tolerance [OPP–2004–0035; FRL–7350–8] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7404. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Zoxamide; Pesticide Tolerances for Emergency Exemptions [OPP–2004–0052; FRL–7349–3] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7405. A letter from the Comptroller, Department of Defense, transmitting a report of a violation of the Antideficiency Act by the Department of the Air Force, Case Number 03–02, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

7406. A letter from the Comptroller, Department of Defense, transmitting a report of a violation of the Antideficiency Act by the Department of the Navy, Case Number 02–09, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

7407. A letter from the Comptroller, Department of Defense, transmitting a report of a violation of the Antideficiency Act by the Department of the Navy, Case Number 00–06, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

7408. A letter from the Secretary of the Navy, Department of Defense, transmitting notification that the Program Acquisition Unit Cost and the Average Procurement Unit Cost for the Joint Strike Fighter (F–35) Program exceeds the Acquisition Program Baseline values by more than 15 percent, pursuant to 10 U.S.C. 2433(e)(1); to the Committee on Armed Services.

7409. A letter from the Acting Under Secretary, Department of Defense, transmitting the National Defense Stockpile (NDS) Annual Materials Plan (AMP) for FY 2005 along with revisions to the FY 04 Annual Materials Plan and AMPs for the succeeding four years, FY 06 through FY 09, pursuant to 50 U.S.C. 98h–5; to the Committee on Armed Services.

7410. A letter from the Inspector General, Department of Defense, transmitting the annual assessment of the DoD voting assistance program, pursuant to 10 U.S. C. 1566 Public Law 107–107, section 1602; to the Committee on Armed Services.

7411. A letter from the Principal Deputy Under Secretary, Personnel and Readiness, Department of Defense, transmitting the Department's consolidated report on the Critical Skills Retention Bonus (CSRB) Program, pursuant to 37 U.S.C. 5 Sec 323 Public Law 106–398, section 633(a); to the Committee on Armed Services.

7412. A letter from the Principal Deputy Under Secretary, Personnel and Readiness, Department of Defense, transmitting notification of the impending closure of the commissary located on Naval Station Roosevelt Roads, Puerto Rico, pursuant to Section 8132 of the Department of Defense Appropriations Act for FY 2004; to the Committee on Armed Services.

7413. A letter from the Secretary, Department of Defense, transmitting a letter on the approved retirement of Lieutenant General Dennis D. Cavin, United States Army, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

7414. A letter from the Secretary, Department of Defense, transmitting a letter on the approved retirement of Vice Admiral Albert

H. Konetzni, Jr., United States Navy, and his advancement to the grade of vice admiral on the retired list; to the Committee on Armed Services.

7415. A letter from the Secretary, Department of the Treasury, transmitting the annual report on the operations of the Exchange Stabilization Fund (ESF) for fiscal year 2003, pursuant to 31 U.S.C. 5302(c)(2); to the Committee on Financial Services.

7416. A letter from the Director, Office of Management and Budget, transmitting appropriations reports containing OMB discretionary cost estimates and detail on estimating differences with CBO; to the Committee on the Budget.

7417. A letter from the Executive Secretary, Harry S. Truman Scholarship Foundation, transmitting the Foundation's annual report for 2003, pursuant to 20 U.S.C. 2012(b); to the Committee on Education and the Workforce.

7418. A letter from the Secretary, Department of Health and Human Services, transmitting a report entitled ''Medical Nutrition Therapy,'' pursuantto Public Law 106–554, section 105(f) (114 Stat. 2763A–472); to the Committee on Energy and Commerce.

7419. A letter from the Secretary, Department of Health and Human Services, transmitting the Department's FY 2003 annual financial report to Congress required by the Prescription Drug User Fee Act of 1992 (PDUFA), pursuant to 21 U.S.C. 379g note; to the Committee on Energy and Commerce.

7420. A letter from the Administrator, Energy Information Administration, Department of Energy, transmitting notification that the Energy Information Administration's (EIA's), ''Performance Profiles of Major Energy Producers 2002'' is being released electronically on the World Wide Web; to the Committee on Energy and Commerce.

7421. A letter from the Regulations Coordinator, Department of Health and Human Services, transmitting the Department's final rule—Grants to States for Operation of Qualified High Risk Pools [CMS–2179–F] (RIN: 0938–AM2) received March 31, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7422. A letter from the Director, Regulations Policy and Management Sta., FDA, Department of Health and Human Services, transmitting the Department's final rule—Medical Devices; Hermatology and Pathology Devices; Classification of the Factor V Leiden DNA Mutation Detection Systems Devices [Docket No. 2004P–0044] received March 31, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7423. A letter from the Director, Regulations Polcy and Management Sta., FDA, Department of Health and Human Services, transmitting the Department's final rule—Medical Devices: Cardiovascular Devices; Reclassification of the Arrhythmia Detector and Alarm; Correction [Docket Nos. 1994N–0418 and 1996P–0276] received March 30, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7424. A letter from the Director, Regulations Policy and Management Sta., FDA, Department of Health and Human Services, transmitting the Department's final rule—Modification of Class E Airspace; Benton, KS [Docket FAA 2003–16756; Airspace Docket 03–ACE–94] received March 30, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7425. A letter from the Director, Regulations Policy and Management Sta., FDA, Department of Health and Human Services, transmitting the Department's final rule—Application of 30-Month Stays on Approval of Abbreviated New Drug Applications and Certain New Drug Applications Containing a Certification That a Patent Claiming the Drug is Invalid or Will Not Be Infringed; Technical Amendment [Docket No. 2003N–0417] received March 30, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7426. A letter from the Director, Regulations Policy and Management Sta., FDA, Department of Health and Human Services, transmitting the Department's final rule—Medical Device Reports; Reports of Corrections and Removals; Establishment Registration and Device Listing; Premarket Approval Supplements; Quality System Regulation; Importation of Electronic Products; Technical Amendments—March 30, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7427. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; North Dakota; State Implementation Plan Corrections [SIP Nos. ND7–001–6882 and ND–001–0004; FRL–7641–8] received March 31, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7428. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Delaware and Maryland: Adequacy of State Solid Waste Landfill Permit Programs Under RCRA Subtitle D [FRL–7642–8] received March 31, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7429. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Delaware; Amendments to Regulation 24, Section 10—Aerospace Coatings [DE 070–1043a; FRL–7639–4] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7430. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans Florida; Tampa Bay Area Maintenance Plan Update [FL–90–200322(a); FRL–7640–6] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7431. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Determination of Nonattainment as of November 15, 1996 and Reclassification of the Beaumont/Port Arthur Ozone Nonattainmnent Area; State of Texas; Final Rule [TX–122–1–7612; FRL–7641–2] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7432. A letter from the Senior Legal Advisor to Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.606(b), Table of Allotments, Television Broadcast Stations. (Saranac Lake, New York) [MB Docket No. 03–213; RM–10794] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7433. A letter from the Senior Legal Advisor to Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations. (Albany, New York) [MB Docket No. 02–92; RM–10363] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7434. A letter from the Senior Legal Advisor to the Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Florence, Quinby, Greeleyville, and Wedgefield, South Carolina, and Savannah, Georgia) [MB Docket No. 03–35; RM–10646; RM–10713; RM–10714] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7435. A letter from the Senior Legal Advisor to Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.606(b), Table of Allotments, Television Broadcast Stations. (Bend, Oregon) [MM Docket No. 01–82; RM–10068] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7436. A letter from the Senior Legal Advisor to Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.606(b), Table of Allotments, Television Broadcast Stations. (Osage Beach, Missouri) [MB Docket No. 03–207; RM–10769] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7437. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), FM Table of Allotments, FM Broadcast Stations. (Upper Sandusky and Caledonia, Ohio) [MB Docket No. 03–7; RM–10596] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7438. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Brazil and Spencer, Indiana) [MB Docket No. 03–192; RM–10763] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7439. A letter from the Associate CHief, Competition Policy Division, Federal Communications Commission, transmitting the Commission's final rule—Sec.272(b)(1)'s ''Operate Independently'' Requirement for Sec.272 Affiliates [Dkt.03–228] Petition of SBC for Forbearance from the Prohibition of Sharing Operating, Installation, and Maintenance Functions under Secs.53.202(a)(2) and 53.203(a)(3) of the Rules and Modification of Operating, Installation, and Maintenance Conditions Contained in the SBC/Ameritech Merger Order [Dkts.96–149,98–141] Petition of BellSouth Corporation for Forbearance from the Prohibition of Sharing Operating, Installation, and Maintenance Functions Under Sec.53.203(a)(2)–(3) of the Rules [Dkt.96–149] Review of Regulatory to the Committee on Energy and Commerce.

7440. A letter from the Division Chief, Wireline Competition Bureau, Federal Communications Commission, transmitting the Commission's final rule—Multi-Association Group (MAG) Plan for Regulation of Interstate Services on Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers [CC Docket No. 00–256]; Federal-State Joint Board on Universal Service [CC Docket No. 96–45] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7441. A letter from the Assistant Division Chief, PSCI Division, CI, Federal Communications Commission, transmitting the Commission's final rule—Revision of the Commission's Rules To Ensure Compatibility with Enhanced 911 Emergency Calling Systems; Petition of City of Richardson,

Texas [CC Docket No. 94–102] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7442. A letter from the Legal Advisor, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting the Commission's final rule—Implementation of Sections 309(j) and 337 of the Communications Act of 1934 as Amended [WT Docket No. 99–87]; Promotion of Spectrum Efficient Technologies on Certain Part 90 Frequencies [RM–9332] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7443. A letter from the Legal Advisor, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of the Commission's Rules Concerning Maritime Communications [PR Docket No. 92–257]; Petition of Rule Making files by Regionet Wireless License, LLC [RM–9664] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7444. A letter from the Legal Advisor, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting the Commission's final rule— Amendment of Parts 13 and 80 of the Commission's Rules Concerning Maritime Communications [WT Docket No. 00–48]; Petition for Rule Making Filed by Globe Wireless, Inc. [RM–9499]; Amendment of the Commission's Rules Concerning Maritime Communications [PR Docket No. 92–257] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7445. A letter from the Attorney Advisor, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting the Commission's final rule—Review of Part 87 of the Commission's Rules Concerning the Aviation Radio Service [WT Docket No. 01–289] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7446. A letter from the Chief, Policy and Rules Division, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Part 2 of the Commission's Rules to Realign the 76–81 GHz band and the Frequency Range Above 95 GHz Consistent with the International Allocation Changes [ET Docket No. 03–102]; Amendment of Part 2 of the Commission's Rules to Allocate Additional Spectrum to the Inter-Satellite, Fixed, and Mobile Services and to Permit Unlicensed Devices to Use Certain Segments in the 50.2–50.4 GHz and 51.4–71.0 GHZ Bands [ET Docket No. 99–261] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7447. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to Russia and Kazakhstan (Transmittal No. DDTC 019–04), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

7448. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to Australia (Transmittal No. DDTC 008–04), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

7449. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to Russia, Ukraine, and Norway (Transmittal No. DDTC 018–04), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

7450. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of major defense equipment and defense articles to Japan and Russia (Transmittal No. DDTC 020–04), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

7451. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

7452. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of export of items to Iraq in the national interest of the United States pursuant to section 1504 of the Emergency Wartime Supplemental Appropriation Act, 2003 (Transmittal No. DTC 02IZ–04); to the Committee on International Relations.

7453. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Fourth Annual Report to Congress on the Inter-American Convention Against Corruption; to the Committee on International Relations.

7454. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a draft bill entitled, ''To reauthorize the Tropical Forest Conservation Act of 1998 through fiscal year 2007, and for other purposes''; to the Committee on International Relations.

7455. A letter from the President and CEO, Overseas Private Investment Corporation, transmitting the Corporation's 2003 Annual Report; to the Committee on International Relations.

7456. A letter from the White House Liaison and Executive Director, White House Commission on the National Moment of Remembrance, transmitting the second Annual Report of the White House Commission on the National Moment of Remembrance, pursuant to 36 U.S.C.116 note Public Law 106–579, section 6 (b)(1); to the Committee on Government Reform.

7457. A letter from the Director of Engineering, Maintenance and Operations, American Battle Monuments Commission, transmitting a report of its administration of the Freedom of Information Act for Fiscal Year 2003, pursuant to 5 U.S.C. 522 Public Law 99–570; to the Committee on Government Reform.

7458. A letter from the Chairman, Defense Nuclear Facilities Safety Board, transmitting the Board's Performance Report for FY 2003; to the Committee on Government Reform.

7459. A letter from the Director, Office of White House Liaison, Department of Commerce, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

7460. A letter from the Chief Information Officer, Department of Education, transmitting the Department's final rule—Final Regulations—Privacy Act Regulations—received March 31, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

7461. A letter from the Solicitor General, Department of Justice, transmitting Determination not to petition for a writ of certiorari in the case Foretich v. United States, No. 02–5224 (D.C. Circuit), pursuant to D.C. Code 11–925; to the Committee on Government Reform.

7462. A letter from the Secretary, Department of Transportation, transmitting the Secretary's Report on Management Decisions and Final Actions on Office of Inspector General Audit Recommendations for the period ending September 30, 2003, pursuant to 31 U.S.C. 9106; to the Committee on Government Reform.

7463. A letter from the Senior Vice President and Chief Financial Officer, Export-Import Bank of the United States, transmitting the Bank's Annual Management Report for the fiscal year ended September 30, 2003, pursuant to 31 U.S.C. 9106; to the Committee on Government Reform.

7464. A letter from the Chairman, Federal Communications Commission, transmitting the Commission's FY 2003 Annual Program Performance Report, as required by the Government Performance and Results Act of 1993; to the Committee on Government Reform.

7465. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the Corporation's 2004 Annual Performance Plan, pursuant to Public Law 103–62; to the Committee on Government Reform.

7466. A letter from the Archivist of the United States, National Archives and Records Administration, transmitting the Administration's 2003 Annual Report; to the Committee on Government Reform.

7467. A letter from the Secretary, Postal Rate Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 2003, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

7468. A letter from the Chief Judge, Superior Court of the District of Columbia, transmitting the Superior Court's Family Court Transition Plan, pursuant to Public Law 107–114; to the Committee on Government Reform.

7469. A letter from the Director, Office of Management and Budget, transmitting the second biennial report of all Federal programs related to ocean and coastal activities, pursuant to 33 U.S.C. 857–19 note Public Law 106–256, section 5; to the Committee on Resources.

7470. A letter from the Acting Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting a draft bill, the ''National Heritage Partnership Act'' to promote and enhance community and regional heritage conservation efforts and to establish a program of National Heritage Areas in the United States and for other purposes; to the Committee on Resources.

7471. A letter from the Corporation Agent, Legion of Valor of the United States of America, Inc., transmitting a copy of the Legion's annual audit as of April 30, 2003, pursuant to 36 U.S.C. 1101(28) and 1103; to the Committee on the Judiciary.

7472. A letter from the Chief Financial Officer, Paralyzed Veterans of America, transmitting a copy of the annual audit report of the Paralyzed Veterans of America for the fiscal year 2003, pursuant to 36 U.S.C. 1166; to the Committee on the Judiciary.

7473. A letter from the Under Secretary, Emergency Preparedness and Response, Department of Homeland Security, transmitting notification that funding under Title V of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, will exceed $5 million for the response to the emergency declared on January 15, 2004, for the Commonwealth of Massachusetts as a result of the record/near record snow on December 6–7, 2003, pursuant to 42 U.S.C. 5193; to the Committee on Transportation and Infrastructure.

7474. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Drawbridge Operation Regulations; Neponset River, MA. [CGD01–04–016] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7475. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Drawbridge Operation Regulations: Hackensack River, NJ. [CGD01–04–020] received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7476. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Drawbridge Operations Regulations; Delaware River, NJ [CGD05–04–040] (RIN: 1625–AA09) received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7477. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Allowing Alternatives to Incandescant Lights, and Establishing Standards for New Lights, in Private Aids to Navigation [USCG–2000–7466] (RIN: 1625–AA55) received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7478. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule—Safety Zone Regulations, New Tacoma Narrows Bridge Construction Project; Correction [CGD13–03–025] (RIN: 1625–AA00) received March 24, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7479. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final ruleq—Airworthiness Directives; Aerospatiale Model ATR72 Series Airplanes [Docket No. 2001–NM–376–AD; Amendment 39–13456; AD 2004–03–12] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7480. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Learjet Model 31, 31A, 35, 35A (C–21A), 36, and 36A Airplanes [Docket No. 2001–NM–366–AD; Amendment 39–13452; AD 2004–03–08] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7481. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300 B4–600, B4–600R, and F4–600R (Collectively Called A300–600) Series Airplanes; and Model A310 Series Airplanes [Docket No. 2001–NM–303–AD; Amendment 39–13454; AD 2004–03–10] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7482. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747–200C and –200F Airplanes [Docket No. 2001–NM–278–AD; Amendment 39–13455; AD 2004–03–11] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7483. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; BAE Systems (Operations) Limited (Jetstream) Model 4101 Airplanes [Docket No. 2001–NM–355–AD; Amendment 39–13448; AD 2004–03–04] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7484. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 777–200 Series Airplanes [Docket No. 2002–NM–320–AD; Amendment 39–13449; AD 2004–03–05] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7485. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320–111, –211, and –231 Series Airplanes [Docket No. 2002–NM–118–AD; Amendment 39–13463; AD 2004–03–19] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7486. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F.28 Mark 0070 and 0100 Series Airplanes [Docket No. 2004–NM–10–AD; Amendment 39–13447; AD 2004–03–03] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7487. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; General Electric Company CT58 Series and T58 Series Turboshaft Engines [Docket No. 2003–NE–66–AD; Amendment 39–13487; AD 2004–04–06] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7488. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness DIrectives; Boeing Model 777–200 Series Airplanes [Docket No. 2004–NM–28–AD; Amendment 39–13489; AD 2004–04–08] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7489. A letter from the Administrator, FAA, Department of Transportation, transmitting a report on the foreign aviation authorities to which the Federal Aviation Administration provided services for Fiscal Years 2002 and 2003, pursuant to Public Law 103—305, section 202; to the Committee on Transportation and Infrastructure.

7490. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; General Electric Company (GE) CF6–80 Series Turbofan Engines [Docket No. 2004–NE–05–AD; Amendment 39–13488; AD 2004–04–07] received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7491. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320–111, –211, –212, and –231 Series Airplanes [Docket No. 2001–NM–107–AD; Amendment 39–13451; AD 2004–03–07] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7492. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319 and A320 Series Airplanes [Docket No. 2002–NM–183–AD; Amendment 39–13450; AD 2004–03–06] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7493. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dassault Model Falcon 900EX Series Airplanes [Docket No. 2001–NM–283–AD; Amendment 39–13470; AD 2004–03–26] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7494. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737–200 and –300 Series Airplanes Equipped with a Main Deck Cargo Door Installed in Accordance with Supplemental Type Cartificate (STC)SA2969SO [Docket No. 2003–NM–170–AD; Amendment 39–13467; AD 2004–03–23] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7495. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Rolls-Royce Corporation (formerly Allison Engine Company) AE 3007 Series Turbofan Engines [Docket No. 2000–NE–29–AD; Amendment 39–13486; AD 2004–04–05] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7496. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model MD–90–30 Airplanes [Docket No. 2001–NM–275–AD; Amendment 39–13513; AD 2004–05–18] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7497. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767–200 and –300 Series Airplanes [Docket No. 2003–NM–49–AD; Amendment 39–13511; AD 2004–05–16] (RIN: 2120–AA64) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7498. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Johnson, KS. [Docket No.FAA–2004–17151; Airspace Docket No.04–ACE–17] received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7499. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Cassville, MO. [Docket No. FAA–2004–17152; Airspace Docket No. 04–ACE–18] received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7500. A letter from the National Railroad Retirement Investment Trust, Railroad Retirement Board, transmitting The National Railroad Retirement Investment Trust's FY 2003 management report on its operations and financial condition, pursuant to 45 U.S.C. 231n Public Law 107—90, section105; to the Committee on Transportation and Infrastructure.

7501. A letter from the Administrator, Small Business Administration, transmitting the Annual Report on Minority Small Business and Capital Ownership Development for Fiscal Year 2002, pursuant to 15 U.S.C. 636(j)(16)(B); to the Committee on Small Business.

7502. A letter from the Acting Administrator, Department of Health and Human

Services, transmitting notification concerning an action taken by the Department, fulfilling the requirement to report to Congress on a payment system for long-term care hospitals (LTCHs), with respect to section 123 of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999; to the Committee on Ways and Means.

7503. A letter from the Acting Administrator, Department of Health and Human Services, transmitting notification concerning the report mandated by section 4201(b) of the Balanced Budget Act of 1997; to the Committee on Ways and Means.

7504. A letter from the Acting Administrator, Department of Health and Human Services, transmitting a request to consider publication of the Proposed Prospective Payment System Methodology for Psychiatric Hospitals and Units published in the Federal Register on November 28, 2003 as the report to Congress required by Section 4415 of the Balanced Budget Act (BBA) of 1997; to the Committee on Ways and Means.

7505. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting Pursuant to section 1511(a)(6) of the National Defense Authorization Act, 1994 (Pub. L. 103–160), certification and waiver of the application of the restriction of restoration of duty-free treatment accorded to articles of Serbia and Montenegro under the Generalized System of Preferences, and accompanying Memorandum of Justification; to the Committee on Ways and Means.

7506. A letter from the Secretary, Department of Energy, transmitting draft of proposed legislation ''To improve the efficiency of the Department of Energy's Energy Employee Occupational Illness Compensation Program, and for other purposes''; jointly to the Committees on the Judiciary and Education and the Workforce.

7507. A letter from the Regulations Coordinator, Department of Health and Human Services, transmitting the Department's final rule—Medicare Program; Physicians' Referrals to Health Care Entities With Which They Have Financial Relationships (Phase II) [CMS–1810–IFC] (RIN: 0938–AK67) received March 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOEHNER: Committee of Conference. Conference report on H.R. 3108. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to temporarily replace the 30-year Treasury rate with a rate based on long-term corporate bonds for certain pension plan funding requirements and other provisions, and for other purposes (Rept. 108–457). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. FARR (for himself, Mr. SHAYS, Mr. STUPAK, Ms. WOOLSEY, Mr. STARK, Mr. ALLEN, Mr. PALLONE, Ms. LORETTA SANCHEZ of California, Mr. HONDA, and Mrs. CAPPS):

H.R. 4101. A bill to establish national standards for discharges from cruise vessels into the waters of the United States, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. ANDREWS (for himself, Mr. CARDIN, Mrs. MCCARTHY of New York, Mr. HINOJOSA, Mr. FROST, Mr. CROWLEY, Mr. HINCHEY, Mr. BROWN of Ohio, Mr. ENGEL, and Ms. MCCOLLUM):

H.R. 4102. A bill to amend the Higher Education Act of 1965 to provide access and equity in higher education, and for other purposes; to the Committee on Education and the Workforce.

By Mr. THOMAS (for himself, Mr. MCDERMOTT, Mr. CRANE, Mr. RANGEL, Mr. ROYCE, Mr. HOUGHTON, Mr. NEAL of Massachusetts, Ms. DUNN, Mr. JEFFERSON, Mr. WELLER, Mr. BRADY of Texas, and Mr. PAYNE):

H.R. 4103. A bill to extend and modify the trade benefits under the African Growth and Opportunity Act; to the Committee on Ways and Means.

By Ms. HARMAN (for herself, Mr. HASTINGS of Florida, Mr. REYES, Mr. BOSWELL, Mr. PETERSON of Minnesota, Mr. CRAMER, Ms. ESHOO, Mr. HOLT, and Mr. RUPPERSBERGER):

H.R. 4104. A bill to establish the Director of National Intelligence as head of the intelligence community, to modify and enhance authorities and responsibilities relating to the administration of intelligence and the intelligence community, and for other purposes; to the Committee on Intelligence (Permanent Select).

By Mr. CONYERS (for himself and Ms. HART):

H.R. 4105. A bill to establish grants to improve and study the National Domestic Violence Hotline; to the Committee on the Judiciary, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CONYERS (for himself, Ms. LOFGREN, and Mr. MCINTYRE):

H.R. 4106. A bill to amend the Sherman Act to make oil-producing and exporting cartels illegal; to the Committee on the Judiciary.

By Mr. BOEHLERT (for himself, Mr. PASCRELL, Mr. WELDON of Pennsylvania, Mr. HOYER, Mr. SMITH of Michigan, Mr. ANDREWS, Mr. COX, Mr. TURNER of Texas, and Mrs. LOWEY):

H.R. 4107. A bill to reauthorize the Assistance to Firefighters Grant program under section 33 of the Federal Fire Prevention and Control Act of 1974, and for other purposes; to the Committee on Science.

By Mr. NETHERCUTT (for himself, Mr. NADLER, Mr. SHAYS, Mr. ENGEL, Mr. BACHUS, Mr. BERMAN, Mr. CLAY, Mr. DAVIS of Illinois, Mrs. DAVIS of California, Mr. GRIJALVA, Mr. HOLDEN, Mr. HOYER, Mrs. LOWEY, Mr. PENCE, Ms. SCHAKOWSKY, Mr. SHERMAN, Mr. WEINER, Mr. WEXLER, Mr. PASCRELL, Mr. RUPPERSBERGER, Mr. HOEFFEL, and Ms. KAPTUR):

H.R. 4108. A bill to amend the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.) to provide for homeland security assistance for high-risk nonprofit organizations, and for other purposes; to the Committee on Homeland Security (Select), and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BURNS:

H.R. 4109. A bill to allow seniors with Social Security and pension income to file their income tax returns on a new Form 1040SR without regard to the amount of interest or taxable income of the senior; to the Committee on Ways and Means.

By Mr. GARY G. MILLER of California (for himself and Mr. FRANK of Massachusetts):

H.R. 4110. A bill to facilitate homeownership in high-cost areas; to the Committee on Financial Services.

By Mr. DEFAZIO (for himself, Mr. GEORGE MILLER of California, Mr. OBEY, Mr. MARKEY, Mr. KUCINICH, Ms. CARSON of Indiana, Mr. CAPUANO, Mr. PASCRELL, Ms. DELAURO, Mr. SANDERS, Mr. NEAL of Massachusetts, Mr. COSTELLO, Mr. LIPINSKI, Mr. HILL, Mr. DELAHUNT, Mr. STARK, Ms. BALDWIN, Mr. WU, Mr. BOSWELL, Mr. LEWIS of Georgia, Mr. MCDERMOTT, Mr. BAIRD, Mr. ROSS, Mr. TURNER of Texas, Mr. BERRY, Mr. MATSUI, Mr. EMANUEL, Ms. WATERS, Mr. SCOTT of Virginia, Mr. CARDIN, Mr. LARSON of Connecticut, Ms. LEE, Mr. HINCHEY, Ms. WOOLSEY, Mr. BROWN of Ohio, Mr. SHERMAN, Ms. KAPTUR, Mr. EVANS, Mr. KIND, Mr. FARR, Mr. FILNER, Mr. WEINER, Mr. HONDA, Ms. HOOLEY of Oregon, Mr. GRIJALVA, Mr. HASTINGS of Florida, Ms. SLAUGHTER, and Mr. RAHALL):

H.R. 4111. A bill to amend title 37, United States Code, to direct the Secretary of a military department to pay a monthly bonus to members of the Armed Forces whose retirement or separation is suspended as a result of a stop-loss order, and for other purposes; to the Committee on Armed Services.

By Mr. FOLEY:

H.R. 4112. A bill to establish consumer protections, including disclosure requirements, relating to funeral service contracts, and for other purposes; to the Committee on Energy and Commerce.

By Mr. FOLEY (for himself and Mr. POMEROY):

H.R. 4113. A bill to amend the Internal Revenue Code of 1986 to allow certain modifications to be made to qualified mortgages held by a REMIC or a grantor trust; to the Committee on Ways and Means.

By Mr. GILCHREST (for himself, Mr. SAXTON, and Mr. KIND):

H.R. 4114. A bill to amend the Migratory Bird Treaty Act to exclude non-native migratory bird species from the application of that Act, and for other purposes; to the Committee on Resources.

By Mr. HAYWORTH (for himself and Mr. FLAKE):

H.R. 4115. A bill to amend the Act of November 2, 1966 (80 Stat. 1112), to allow binding arbitration clauses to be included in all contracts affecting the land within the Salt River Pima-Maricopa Indian Reservation; to the Committee on Resources.

By Mr. JENKINS (for himself, Mr. FORD, and Mr. GOODE):

H.R. 4116. A bill to require the Secretary of the Treasury to mint coins celebrating the recovery and restoration of the American bald eagle, the national symbol of the United States, to America's lands, waterways, and skies and the great importance of the designation of the American bald eagle as an ''endangered'' species under the Endangered Species Act of 1973, and for other purposes; to the Committee on Financial Services.

By Mrs. MALONEY (for herself, Mr. TOM DAVIS of Virginia, Ms. CORRINE BROWN of Florida, Ms. MILLENDER-MCDONALD, Mr. FROST, Mr. MCNULTY, Ms. DELAURO, Mr. WYNN, Ms. LOFGREN, and Mr. WEXLER):

H.R. 4117. A bill to provide assistance and security for women and children in Afghanistan, and for other purposes; to the Committee on International Relations.

By Mr. PAUL (for himself and Mrs. MUSGRAVE):

H.R. 4118. A bill to ensure that the courts interpret the Constitution in the manner

that the Framers intended; to the Committee on the Judiciary.

By Mr. PORTMAN (for himself and Mr. BISHOP of Georgia):

H.R. 4119. A bill to amend the Small Business Act to reauthorize the Paul D. Coverdell Drug-Free Workplace Program, and for other purposes; to the Committee on Small Business.

By Mr. RANGEL (for himself, Mr. LEVIN, Mr. MATSUI, and Mr. MICHAUD):

H.R. 4120. A bill to amend the Trade Act of 1974 regarding identifying trade expansion priorities; to the Committee on Ways and Means.

By Mr. REHBERG (for himself and Mr. PETERSON of Minnesota):

H.R. 4121. A bill to amend the Federal Meat Inspection Act to help ensure a healthy food supply, and for other purposes; to the Committee on Agriculture.

By Mr. RODRIGUEZ (for himself, Mr. SANDLIN, Mr. TURNER of Texas, Mr. ORTIZ, Mr. FROST, Mr. GREEN of Texas, and Mr. DOGGETT):

H.R. 4122. A bill to amend the National Trails System Act to designate El Camino Real de los Tejas as a National Historic Trail; to the Committee on Resources.

By Ms. LORETTA SANCHEZ of California:

H.R. 4123. A bill to amend chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), to bring military sexual assault crimes into parallel with Federal sexual assault crimes; to the Committee on Armed Services.

By Mr. SANDLIN (for himself, Ms. KAPTUR, Mr. FROST, Mr. BELL, Mr. CROWLEY, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. BERKLEY, Mr. ROSS, Mr. LARSON of Connecticut, Mr. CARDOZA, Mr. STRICKLAND, Mr. GONZALEZ, Mr. BERRY, Mr. CLAY, Mr. ISRAEL, Mr. RUPPERSBERGER, Mr. MOORE, Mr. REYES, Ms. SOLIS, Mr. HONDA, Mr. LAMPSON, Mr. FORD, Mr. MEEKS of New York, Mr. EDWARDS, Mr. DOGGETT, Mr. TURNER of Texas, Mr. GREEN of Texas, Mr. BAIRD, Mr. LEWIS of Georgia, Mr. BOSWELL, and Mr. THOMPSON of California):

H.R. 4124. A bill to amend the Internal Revenue Code of 1986 to allow a business credit for qualified expenditures for medical professional malpractice insurance; to the Committee on Ways and Means.

By Mr. WEINER (for himself and Mr. ISRAEL):

H.R. 4125. A bill to require corporations to publish what they pay to foreign governments; to the Committee on Financial Services.

By Mr. WILSON of South Carolina (for himself, Mr. PAUL, Mr. ROGERS of Alabama, Mr. ISAKSON, Mr. DEMINT, Mr. CUNNINGHAM, Mr. FRANKS of Arizona, Mr. JONES of North Carolina, Mrs. BLACKBURN, Ms. GINNY BROWN-WAITE of Florida, Mr. KLINE, and Mr. RENZI):

H.R. 4126. A bill to provide for recruiting, training, and deputizing persons for the Federal flight deck officer program; to the Committee on Transportation and Infrastructure.

By Mr. WOLF:

H. Con. Res. 403. Concurrent resolution condemning the Government of the Republic of the Sudan for its attacks against innocent civilians in the impoverished Darfur region of western Sudan; to the Committee on International Relations.

By Mr. ISAKSON:

H. Res. 594. A resolution congratulating the Kennesaw State University Owls for winning the 2004 NCAA Division II Men's Basketball National Championship, and for other purposes; to the Committee on Education and the Workforce.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

267. The SPEAKER presented a memorial of the Legislature of the State of South Dakota, relative to House Concurrent Resolution No. 1016, supporting the administrative appeal initiated by the Nebraska National Forest Plans Revision Appeal Coalition, and memorializing the Department of Agriculture Under Secretary to conduct a personal administrative review of the ROD; to the Committee on Resources.

268. Also, a memorial of the Legislature of the State of Wyoming, relative to a Joint Resolution memorializing the United States Government to work with the State of Wyoming to eliminate brucellosis from wildlife in the Greater Yellowstone Area; jointly to the Committees on Resources and Agriculture.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 173: Mr. ALEXANDER.

H.R. 290: Mr. DAVIS of Tennessee and Mr. LEACH.

H.R. 296: Mr. ISRAEL.

H.R. 348: Ms. CORRINE BROWN of Florida and Mr. BELL.

H.R. 713: Mr. MILLER of Florida.

H.R. 742: Mrs. MUSGRAVE.

H.R. 872: Mr. PUTNAM.

H.R. 1005: Mrs. NAPOLITANO.

H.R. 1160: Mr. JACKSON of Illinois.

H.R. 1162: Ms. DEGETTE.

H.R. 1205: Mr. BROWN of Ohio.

H.R. 1231: Ms. HOOLEY of Oregon.

H.R. 1258: Mr. MEEKS of New York.

H.R. 1313: Mr. MCNULTY.

H.R. 1345: Ms. KILPATRICK and Mr. EMANUEL.

H.R. 1500: Mr. SHERMAN.

H.R. 1501: Mr. DEFAZIO, Ms. JACKSON-LEE of Texas, and Mr. HINCHEY.

H.R. 1563: Mr. DICKS, Mr. LAHOOD, and Mrs. MCCARTHY of New York.

H.R. 1736: Mr. MCDERMOTT, Mr. SNYDER, and Mr. HASTINGS of Florida.

H.R. 1811: Ms. MCCARTHY of Missouri, Mr. MCDERMOTT, Mr. DAVIS of Alabama, Mr. CONYERS, Mr. NEUGEBAUER, Mr. NUSSLE, Mr. UDALL of New Mexico, and Mr. MILLER of North Carolina.

H.R. 1824: Ms. CORRINE BROWN of Florida.

H.R. 1873: Mr. DUNCAN and Mr. SIMPSON.

H.R. 2032: Mr. BONNER and Mr. FATTAH.

H.R. 2303: Mr. SESSIONS.

H.R. 2490: Mr. MCCOTTER.

H.R. 2519: Mr. GRIJALVA.

H.R. 2619: Mr. SOUDER.

H.R. 2664: Mr. VITTER.

H.R. 2683: Mr. PETRI.

H.R. 2699: Mr. HOUGHTON, Mr. LEWIS of Georgia, Mr. PICKERING, and Mr. MICHAUD.

H.R. 2771: Mr. REYNOLDS, Ms. SLAUGHTER, and Ms. VELAZQUEZ.

H.R. 2823: Mr. SAXTON.

H.R. 2863: Ms. LOFGREN.

H.R. 2912: Mr. COLE, Mr. CARSON of Oklahoma, Mr. KILDEE, and Mr. SULLIVAN.

H.R. 2968: Mr. CUMMINGS.

H.R. 3015: Mr. GILLMOR and Mr. JOHN.

H.R. 3193: Mr. FLAKE, Mr. LATHAM, Mr. HULSHOF, and Mr. LAMPSON.

H.R. 3213: Mr. CAMP and Mr. CANNON.

H.R. 3237: Ms. PRYCE of Ohio.

H.R. 3242: Mr. ISSA, Ms. KAPTUR, and Mr. JENKINS.

H.R. 3281: Mr. FARR.

H.R. 3307: Mrs. CUBIN.

H.R. 3308: Mr. KLECZKA, Mr. CHOCOLA, and Mr. THOMPSON of Mississippi.

H.R. 3327: Ms. WOOLSEY.

H.R. 3367: Mr. BEAUPREZ.

H.R. 3543: Mr. NEAL of Massachusetts.

H.R. 3591: Mr. TURNER of Texas and Mrs. EMERSON.

H.R. 3593: Ms. BERKLEY, Mr. OWENS, and Ms. JACKSON-LEE of Texas.

H.R. 3598: Mr. MCCOTTER, Mr. SMITH of Michigan, Mr. CAMP, and Mr. ENGLISH.

H.R. 3643: Mr. WEXLER.

H.R. 3716: Mr. BACHUS, Mr. ROGERS of Alabama, and Mr. GERLACH.

H.R. 3739: Mr. TIAHRT.

H.R. 3756: Mr. BRADLEY of New Hampshire.

H.R. 3776: Mr. HOYER and Mr. RAMSTAD.

H.R. 3779: Mrs. MCCARTHY of New York, Ms. MILLENDER-MCDONALD, Mr. LEWIS of Georgia, Mr. FROST, Mrs. DAVIS of California, Mr. PALLONE, Mr. OWENS, Mr. SCOTT of Georgia, Ms. CARSON of Indiana, Ms. SOLIS, Mr. SIMMONS, Mrs. CAPITO, and Mrs. JONES of Ohio.

H.R. 3795: Mr. KINGSTON.

H.R. 3796: Mr. BOUCHER, Mr. MURTHA, Mr. HOLDEN, Mr. KANJORSKI, Mr. DOYLE, and Mr. BRADY of Pennsylvania.

H.R. 3798: Mr. WEINER, Mr. FILNER, and Mr. MCDERMOTT.

H.R. 3799: Mr. DEMINT.

H.R. 3800: Mr. KINGSTON and Mr. SULLIVAN.

H.R. 3818: Mr. MENENDEZ, Mr. ACKERMAN, and Ms. HOOLEY of Oregon.

H.R. 3826: Mr. SESSION.

H.R. 3834: Mr. GIBBONS.

H.R. 3847: Mr. ISRAEL.

H.R. 3870: Mr. WELDON of Florida, Mr. BOEHNER, Mr. ISAKSON, Mr. WELDON of Pennsylvania, and Mr. SHAYS.

H.R. 3881: Mrs. TAUSCHER, Mr. UDALL of Colorado, and Ms. LEE.

H.R. 3889: Mr. HILL and Mr. PENCE.

H.R. 3894: Mr. TIBERI.

H.R. 3913: Mr. DUNCAN.

H.R. 3933: Mrs. BIGGERT.

H.R. 3974: Mr. LOFGREN.

H.R. 3978: Mr. LEACH, Mr. SHERMAN, Mr. BELL, and Mr. SMITH of Texas.

H.R. 4003: Mr. PAYNE, Mr. RANGEL, Ms. WOOLSEY, Ms. WATSON, Mr. HINOJOSA, and Mr. GRIJALVA.

H.R. 4023: Mr. COSTELLO, Mr. SCOTT of Virginia, and Mr. ROGERS of

H.R. 4026: Mr. LEWIS of Kentucky and Mr. TANNER.

H.R. 4033: Mr. MURTHA, Mr. CLYBURN, Mr. FROST, and Mr. MARSHALL.

H.R. 4052: Ms. LORETTA SANCHEZ of California, Mr. BRADLEY of New Hampshire, and Mr. MORAN of Virginia.

H.R. 4061: Mr. PAYNE and Mr. LAMPSON.

H.R. 4100: Mr. RAHALL, Mr. OBEY, Mr. JOHN, and Mr. FARR.

H. Con. Res. 99: Mr. RAHALL.

H. Con. Res. 261: Mr. SANDERS, Mr. TOWNS, Mr. MARKEY, Mrs. MALONEY, Mr. GRIJALVA, Ms. CARSON of Indiana, Mr. LEVIN, Mr. FROST, and Mrs. MCCARTHY of New York.

H. Con. Res. 298: Mr. PUTNAM.

H. Con. Res. 326: Mr. SOUDER and Mr. MENENDEZ.

H. Con. Res. 366: Mr. NADLER, Mr. FORD, Mr. OWENS, and Mr. COOPER.

H. Con. Res. 378: Mr. PASTOR, Mr. ALLEN, Mr. LUCAS of Kentucky, Mr. LYNCH, and Mr. ENGEL.

H. Res. 466: Mr. ORTIZ.

H. Res. 485: Mr. ROSS.

H. Res. 541: Ms. LOFGREN.

H. Res. 576: Mr. TERRY, Mr. BLUMENAUER, Mr. SOUDER, Mr. SCHIFF, Mr. MENENDEZ, Mr. STUPAK, and Mr. SMITH of Washington.

H. Con. Res. 582: Mrs. MCCARTHY of New York.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 898: Mr. RENZI.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

66. The SPEAKER presented a petition of Lithuanian-American Community, Inc., Waukegan/Lake County Chapter Waukegan, Illinois, relative to Resolution on the occasion of Lithuania's Independence Day, petitioning the United States Congress and the President of the United States to designate February 16, 2004, as ''Lithuanian Independence Day,'' to deepen the U.S. bi-lateral relationship with Lithuania, to reverse decisions to end Radio Free Europe/Radio Liberty and the Voice of America to Lithuania, and thanking the United States Senate for its vote ratifying the accession protocols for Lithuania's membership in NATO; to the Committee on International Relations.

67. Also, a petition of the Board of Supervisors, Seneca County, Waterloo, New York, relative to Resolution No. 217-03, advising New York State Governor Pataki that Seneca County opposes the proposed settlement of the Cayuga Indian Land Claim; to the Committee on Resources.

68. Also, a petition of Raymond H. Soto, a Citizen of Missouri, relative to petitioning the United States Congress for aid in a legal matter; to the Committee on the Judiciary.

69. Also, a petition of Timothy D. Brown, a Citizen of Colorado, relative to petitioning the United States Congress for redress of grievances; to the Committee on the Judiciary.

70. Also, a petition of the City Council of Carbondale, Illinois, relative to Resolution 2004-R-14, supporting recently proposed federal legislation in HR 3713 and S 2012, which would designate the Federal Building located at 250 West Cherry Street, Carbondale, Illinois, as the ''Senator Paul Simon Federal Building''; to the Committee on Transportation and Infrastructure.

71. Also, a petition of the City Council of Ocean City, New Jersey, relative to Resolution #04-41-223 opposing any reduction in federal funding or cost sharing of local beach replenishment projects; to the Committee on Transportation and Infrastructure.

72. Also, a petition of Delton O. Olson, a Citizen of Arizona, relative to petitioning the United States Congress for redress of grievances; to the Committee on Ways and Means.

73. Also, a petition of the City Council of Saint Paul, Minnesota, relative to Bill of Rights Defense Resolution, adapted from the National League of Cities Bill of Rights Defense Resolution, affirming the principles of federalism and civil liberties; jointly to the Committees on the Judiciary and Intelligence (Permanent Select).

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 108th CONGRESS, SECOND SESSION

Vol. 150 WASHINGTON, THURSDAY, APRIL 1, 2004 No. 44

Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable JOHN E. SUNUNU, a Senator from the State of New Hampshire.

The PRESIDING OFFICER. Today's prayer will be offered by guest Chaplain, Rev. Roy C. Smith of Shrewsbury North Temple, in Shrewsbury, PA.

PRAYER

The guest Chaplain offered the following prayer:

Let us pray.

Our most precious Heavenly Father, we come to You this day with hearts full of thanksgiving for Your almighty grace and sweet mercy. We daily walk in Your loving kindness and see Your majesty displayed before us. Thank You for this great country we live in. All of us proudly declare our gratitude for being able to live in a land of freedom.

We lift this prayer to You for a special blessing upon our Senate this day. May they find comfort and joy in You. It is a privilege to be in service to our country and to our God. I am honored to stand in a room where history has been made, to give courage and fortitude for the days ahead. You promised if we would have the faith as the grain of a mustard seed we could accomplish all things. May Your might now abundantly flow to our Senators and all the staff that make each day a success.

May we never grow weary in well doing. Let us choose to see those around us and ourselves with hearts of love. In You, there is joy for the journey. In You, there is peace for the mind. In You, there is wisdom for decisions. In You, there is love to reach a hurting world. In You, there is faith for the days ahead. You truly are our all in all. We ask these things according to Your perfect and holy will. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JOHN E. SUNUNU led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STEVENS.)

The assistant journal clerk read as follows:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, April 1, 2004.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN E. SUNUNU, a Senator from the State of New Hampshire, to perform the duties of the Chair.

TED STEVENS,
President pro tempore.

Mr. SUNUNU thereupon assumed the Chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE FOR APRIL FOOLS' DAY

Mr. FRIST. Mr. President, this morning there will be a period of morning business for up to 60 minutes.

I want to have the attention, just very briefly, of the assistant Democratic leader.

We are going to have a period for morning business for 60 minutes. Under the previous unanimous consent agreement, we will finish the welfare reauthorization bill and allow that bill to go to conference in order to reach an accord with the House. That bill will be followed by the final passage of the FSC/ETI legislation. Upon completion of the FSC/ETI bill, we will proceed to the nominations and agreement to the 22 judicial nominations that are available on the calendar. Votes will occur on the confirmation of those judges.

I thank all Members, especially the assistant Democrat leader, and other Members on their side of the aisle, for their cooperation in meeting these consent agreements.

Mr. REID. Mr. President, is this the unanimous consent agreement you are going to offer?

Mr. FRIST. Mr. President, this is my opening statement for April 1, and I will withdraw any request for those consent agreements.

It is an April 1 wish. It is what we should be doing. But we will proceed in the normal order.

Mr. REID. If the Senator will yield for a brief comment, every Thursday morning Senator ENSIGN and I hold a breakfast for Nevada constituents. Today we had a very large crowd. Probably there were 60 people there, plus our staffs. I opened it by calling on a doctor who just returned from the USS *Boxer*, from sea, introduced our Cherry Blossom Princess, and then I asked this gentleman to come up. I said: JOHN, you remember this thing we talked about—and gave him this certificate.

The man's name was a mixture between a Hungarian and a Hawaiian name—real long. And JOHN stumbled through that reading, but what a hero he was. You can tell JOHN was so flustered. When he stopped for a second I said, ''April Fools'.''

I have to say, it was probably the greatest April Fools' joke I have ever been involved in.

Senator DASCHLE just came on the floor. He, Senator FRIST, just offered what we would accomplish today. It was just an April Fools' joke, even though he meant it sincerely.

Mr. FRIST. I did mean it sincerely, and it included all, I say to the Democratic leader. It included welfare, FSC/

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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ETI, the 22 judicial nominations. We would really be rolling if that were the case. Unfortunately, it is April 1.

SCHEDULE

Mr. FRIST. With that, Mr. President, this morning there will be a period of morning business for up to 60 minutes, and that morning business will be followed by an additional 60 minutes of debate with regard to the cloture motion with respect to the welfare reauthorization bill. At the conclusion of that 60 minutes of debate time, we will proceed to a rollcall vote on invoking cloture on the committee substitute to H.R. 4. That is the welfare legislation.

As I stated in closing last night, if we invoke cloture on this bill, I hope we will be able to finish it this week. Over the last few days I had hoped we could reach an agreement to finish the bill in reasonable fashion, but because we were unable to reach a formal consent agreement, we will go forward with the procedural vote in hopes of bringing this bill to a conclusion. If we do invoke cloture, Senators will still be able to bring forward their amendments, and I believe we could finish the bill this week.

If cloture is not invoked, it will be clear that this legislation will be gridlocked by these unrelated matters and therefore will be difficult to finish.

We also continue to seek ways to finish and complete the JOBS bill, the FSC/ETI bill from last week. That bill has been held up as Members insist on offering amendments that have little to do with the underlying legislation.

Additional procedural votes will occur in relation to that bill as we try to find a way to get the FSC bill done.

ORDER OF PROCEDURE

Mr. President, in order to facilitate the use of our time this morning, I ask unanimous consent that during the period for morning business the Republican-controlled time be divided in the following manner: Senator CORNYN, 5 minutes; Senator ENSIGN, 5 minutes; Senator THOMAS, 5 minutes; Senator SMITH, 10 minutes; Senator COCHRAN, 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. FRIST. Mr. President, I have a few comments to make in terms of an opening statement. I will be happy to turn to the Democratic leader.

The ACTING PRESIDENT pro tempore. The minority leader.

Mr. DASCHLE. Mr. President, I also have a statement I will make, but as I understand it, the first hour will be divided equally between the Republicans and Democrats. Is it my understanding the second one will also be divided equally in time?

Mr. FRIST. Debate for reauthorization.

Mr. DASCHLE. That is debate on the cloture vote itself?

Mr. FRIST. On cloture.

Mr. DASCHLE. I say I will make further comments after the distinguished majority leader has made his.

The ACTING PRESIDENT pro tempore. The majority leader.

JOBS

Mr. FRIST. Mr. President, I will be making my comments on leader time. We will have the hour of morning business as laid out in the unanimous consent for our side so people can plan their morning. My remarks will only be about 10 minutes or so.

Mr. President, I want to take a moment to comment on the Democrats' decision last week to filibuster the JOBS Act, the FSC/ETI and the Jumpstart JOBS bill. It is a bill that goes right at the heart of manufacturing job creation in this country. It is critical to our manufacturing jobs base. As has been pointed out again and again, it was developed in a strong, bipartisan fashion under the leadership of the chairman and ranking member of the Finance Committee. It is critically important. It has broad support, yet every Senate Democrat except Senator MILLER from Georgia voted to sustain the Democrat-led filibuster.

Since that time we tried to work out some sort of agreement so we could consider this bill and have debate on germane amendments, but every time we attempt to do so we are met with an increasing list of irrelevant, mainly political message amendments that the other side insists be a part of this bill. Last week a filibuster was open on the floor. This week, in a less obvious way, it continued by foot dragging.

What does a filibuster mean? What are the practical implications of this filibuster? It means leaving in place a Euro tax the European Union began imposing on March 1 last month against the U.S. manufacturers. The Europeans have been authorized by the WTO to impose $4 billion in sanctions that began March 1—30 days ago. The tariff started at 5 percent of the $4 billion authorized and will increase 1 percent on the first of every month thereafter.

Thus, in supporting this filibuster, whether it is the active filibuster last week or the more passive filibuster of this week, the Democrats are supporting the sanctions. Again, today being April 1st, it will kick up another 1 percent, another $40 million increase, in those sanctions because of the delay.

If the other side of the aisle is not in favor of this JOBS bill, then what do they support? Let me look at some of the legislation that has been introduced and statements made in the Senate. As of late, a lot has been made about outsourcing—a lot of conversation, a lot of proposed amendments—regarding the whole issue of offshoring. Time and again, the Senate Democrats have introduced amendments, bills, and statements expressing grave concern over this issue.

The conversation has, unfortunately, been quite one-sided. When we look at the numbers—and increasingly people are looking at the numbers—we learn foreigners outsource far more work to the United States than American companies actually send abroad.

Indeed, the value of insourcing, what is coming into the United States—including legal work, computer programming, banking, telecommunications, engineering, management consulting, other private services—was $133 billion in 2003. Outsourcing of such private services was valued at $77 billion and $133 billion for insourcing.

When measuring outsourcing to insourcing, the United States posted a $54 billion surplus last year in trade and private services with the rest of the world. Again, look at both sides of the equation.

Far from being bad for the economy as a whole, this balance of offshoring and insourcing creates a net additional value for the United States economy, lowering prices to consumers who are making purchases and, in effect, increasing their standard of living. Each dollar of cost that is outsourced creates $1.46 of value globally. Of that $1.46, the United States captures $1.13 and the receiving country captures the 33 cents.

These numbers suggest, by the way I have described it, that efforts to restrict outsourcing will backfire by provoking a retaliation which is detrimental to our economy and our trading partners.

Federal Reserve Chairman Alan Greenspan captured the gist in these words on this issue: These alleged cures would make matters worse, rather than better. They would do little to create jobs. And if foreigners were to retaliate, we would surely lose jobs.

Where would the jobs be lost? Everywhere. The Census Bureau says in the year 2000, 6.4 million Americans were employed in jobs that were insourced by foreign companies operating in the United States. Mr. President, 223,000 of the jobs were in Massachusetts; 246,000 were in Michigan. Washington State had 104,000. Pennsylvania had 281,000. My home State of Tennessee had almost 149,000 insourced jobs, but that is less than half of the 307,000 jobs in Florida and well behind the 259,000 in Ohio.

When we talk about outsourcing, we need to remember there is another side of the equation, a side representing 6.4 million jobs. We cannot lose sight of that.

While we all agree the loss of any job to outsourcing is regrettable, we need to focus on the training, retraining, and education. If we look at the solutions offered by our colleagues on the other side of the aisle, we find them to be surprising and startling.

Senator KERRY has introduced S. 1873, requiring operators at call centers to disclose their physical location. Senator KERRY described this bill as being necessary to ''address the growing problem of United States corporations moving hundreds of thousands of service sector jobs abroad.''

I have to admit Senator KERRY's premise strikes me as a bit unusual. It

seems there should be some sort of assumption that if Americans discovered a foreigner was on the other end of that telephone, they would either hang up the telephone or otherwise lodge some sort of protest upon hearing that foreigner was in another country. The only way this bill would save jobs is if we assume Americans are so violently xenophobic we do not and would not tolerate even this modest level of international agreement.

Senator KERRY's legislation is indicative of the choice we face as a country. We can choose the path of freedom, where every individual and every company can do as he or she sees fit and trust that people are going to work hard on their own behalf, and in doing so promote the common good or we can choose a path of more Government, more Government mandates with less freedom, with less prosperity, and fewer jobs, one in which every time you call a company to see if they have an item in stock, the Federal Government will force you and the company to identify the exact longitude and latitude of the operator who is on the other end of that telephone call.

The reality is we compete today in a global economy. We cannot close our borders to the world. Some think we can retreat into economic isolationism, but we simply cannot. Times are different. We shouldn't. That, in many ways, given our world economy, would be a declaration of defeat.

We are the most innovative society in the world today. Our workers lead all others in the world in productivity. If we are allowed to compete on a fair playing field, United States manufacturers can and indeed will lead the world.

We had a chance last week to help U.S. manufacturers by repealing the Euro tax on our U.S. manufacturers. Unfortunately, we were met by obstruction on the other side. While I was disappointed at this outcome, recent history indicates that should not have been much of a surprise. If there has been one thing consistent over the last several months, it has been the Democrats' steadfast refusal toward legislation that would help reduce the cost of manufacturing in the United States. Every time we attempt to move legislation forward that addresses the concerns of manufacturing, we have been met by obstruction. With class action, with energy, with medical liability, to Workforce Investment Act, we have been blocked. It is either by filibuster or by objections going to conference.

Next month we are going to be addressing issues that I hope will bring some fairness and justice to certain challenges that we have today.

I have pointed out that we would like to address the issue of asbestos litigation reform. I look forward to hopefully being able to address that in a bipartisan way.

The loss of a few hundred thousand jobs per year to offshoring is a small part of the constant pace of job creation and destruction that goes on in the U.S. labor market. We need to address dislocation. We can do that with aggressive education and training.

But it is precisely because each job loss is painful that we need to focus on ways to stimulate employment generally rather than focusing on legislation to address a tiny percent of the population.

In closing, we need to keep our focus on proposals that look to the future to help companies create and keep new jobs. We cannot be focused on the past but really the present. We need to be looking ahead all the time.

As Federal Reserve Board Chairman Alan Greenspan stated earlier this month:

> Time and again through our history, we have discovered that attempting merely to preserve the comfortable features of the present, rather than reaching for new levels of prosperity, is a sure path to stagnation.

We only need to look across the Atlantic to see the results of those policies of stagnation. Instead, Republicans will keep working for policies of growth and for innovation to help America compete and win in the 21st century.

I yield the floor.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

SENATE SCHEDULE

Mr. DASCHLE. Mr. President, I appreciate very much the desire of the majority leader and our friends on the other side of the aisle in addressing many of these issues. He mentioned the JOBS bill, welfare reform reauthorization, and the importance of reaching some agreement on energy. I have indicated on several occasions that we are more than prepared to work through each one of these bills. We simply want to be heard on amendments about which we care a great deal.

I will not ask consent to do it this morning, but I would entertain a unanimous consent agreement to go to the energy bill today and work through the amendments. I think there would be a good debate. Ultimately, there could be a conclusive debate about the energy bill.

We will see what happens in our work with the House, which we have had to do now on several occasions. The same is true with the FSC/ETI bill. We would be prepared to go to the floor with a number of amendments.

People on the other side of the aisle, for whatever reason, have refused to allow us an opportunity to have an up-or-down vote on protecting worker's overtime, on minimum wage, and on unemployment compensation.

There are other outsourcing amendments that we think ought to be debated. What better place to debate them than on a bill that relates to international commerce.

It isn't our unwillingness to have a good debate; it is our unwillingness to be locked out of the process. Whether it is in conference or whether it is on the floor, we have been prevented closure on each of these bills. I am hopeful that over the course of the next 2 days we can reach some accommodation.

I have indicated that I thought we could finish the welfare bill by the end of next week. We will work to see that happens. But unfortunately, we are not at a point where any kind of procedural agreement has been reached to allow that to happen, either. I will continue to talk with the distinguished majority leader about ways in which to accommodate our concerns and his very understandable concerns about completing the work.

TRANSPORTATION

Mr. DASCHLE. Mr. President, the House was scheduled to take up its version of the transportation bill yesterday.

At the eleventh hour—or rather at 7 a.m. this morning—the Rules Committee met and appears to have finally found a way to bring the bill to the House floor and allow for debate, although they will not allow a clear vote on a key amendment that would raise the level of investment in the bill.

Let me just say, this is astounding.

We have already gone 184 days with one temporary extension after another. These unnecessary delays have cost our Nation roughly 100,000 jobs.

State and local governments could not begin the contracting process, and employers couldn't plan ahead. As a result, there are 100,000 fewer Americans working today than there should be.

Unless we agree on a transportation bill before the end of April, when the current extension expires, tens of thousands more jobs will be lost.

Let us put this delay in perspective.

First, let us all remember who controls not only the House and Senate but the executive branch of our government—one party controls all three.

The President has claimed he was going to change the way government works. Well, he has everything he needs—control of the U.S. House of Representatives and the U.S. Senate.

And how has he done on changing the way government works? In the instance of our Nation's transportation infrastructure, he has steered us toward a real-life work stoppage.

It was 184 days ago that the law that governs our Nation's transportation infrastructure and all of the programs that deal with transportation expired.

We have been operating on temporary extensions to the law for 184 days.

Is the delay because Democrats have blocked a bill or used parliamentary tactics? No.

In fact, it wasn't until November that a bill was even reported by a Senate committee and not until February when we passed the bill in the Senate.

That was a good bill and Chairman INHOFE and Ranking Member JEFFORDS and others—including Senators FRIST, BOND and REID—deserve high praise for finally getting the bill finished.

That bill garnered 76 bipartisan votes.

The delay that occurred in the House was certainly not due to Democrats.

A bill that was introduced and appeared to have a majority of support was scrapped by the Republican leadership at the behest of President Bush and slashed by $100 billion.

And the new reduced bill wasn't passed by the House committee until last week.

One-hundred and eighty-four days behind schedule as we continue to inch toward actually shutting down the Department of Transportation.

I have hopes that we will get a bill approved by the House this week so we can begin to pre-conference the two bills and get a bill to the President before the most recent short-term extension expires at the end of April.

But as recently as this morning, it is still unclear if the House will complete their work before they leave town for 2 weeks.

One-hundred and eighty-four days without passing a transportation bill. Simply amazing on a bill that is critical to our Nation.

Why the delay? One reason. The opposition of President Bush himself.

A veto has threatened the Senate bill—a bill that, as I said, was approved with Republicans and Democrats alike.

The President opposed the original House bill, and now, to the dismay of almost the entire transportation community—including many groups such as the Chamber of Commerce who have long supported the President—the administration is even threatening a veto by President Bush of the scaled back $275 billion bill that the House is set to consider.

It appears the President would rather not have a transportation bill that would create 1.7 million jobs—this in light of the 3 million private sector jobs already lost under this administration's watch.

Let us be clear. It has been 184 days since those who control the House and Senate and the Presidency have not been able to move a transportation bill onto the President's desk—and it has not been as a result of Democrats in any way.

There are some serious politics being played here with peoples lives, and I, for one, don't want to be a part of it.

This inaction has made it nearly impossible for us to even think about approving another short-term extension—because that may be the only thing that places pressure on Congress to approve the longer-term bill.

It has been 184 days and there is still a month to go before the Republicans let the law lapse and shut down the Department.

There is still time before the extension runs out to move a good bill. But, I will not be a part of another extension that encourages further inaction and shortchanges our transportation infrastructure and denies Americans the jobs that they so desperately need and deserve.

One-hundred and eighty-four days so far. We will keep counting.

But let us all know what is going on here. The delays are due to the President's opposition to approving a thoughtful transportation bill.

This, despite the majority in Congress who want to address this fundamental issue.

Why is the majority so strong for a transportation bill and the administration so out of step?

There are many reasons, but to make it simple, the Bush administration is focused like a laser beam on tax cuts for the most affluent—the privileged few—and they do not have time or want to bother with investments in our Nation's infrastructure.

The transportation investment proposal that the Bush administration put forward was dead on arrival in the Congress because it wouldn't even keep up with inflation.

At a time when 9 million Americans are out of work and job creation is virtually nonexistent, any more delays are unconscionable. And if it were not for the President, we could avoid that.

In many States, such as my home State of South Dakota, the construction season is short—sometimes only 6 months.

If contracts are not entered into in April, it will be nearly impossible to plan and get the work completed before the construction season comes to an end early next fall.

Another year could be lost.

It is time for Congress and the administration to get together and approve a bill that brings new investments to our decaying transportation infrastructure and new jobs to the American economy.

The Senate's transportation bill would create 1.7 million jobs this coming year. It would bring welcome relief from the longest jobs slump our Nation has endured since the Depression. So in addition to repairing America's transportation infrastructure, this legislation will reinvigorate the economy.

In States such as Texas, California, and Florida, the Senate bill increases transportation investment by roughly 40 percent—four times the increase proposed by the House, the House level the President opposes.

We are not just talking about numbers on a budget spreadsheet; the additional investment in the Senate bill translates into hundreds of thousands of jobs for Americans.

In Florida, for example, the Senate bill would create 44,000 jobs, while the House bill would create 13,000. In Texas, the Senate bill would create 80,000 jobs; the House bill 13,000. In Missouri, 22,000 versus 6,000; Illinois, 45,000, versus 10,000; California, 90,000 versus 25,000; Tennessee, 20,000 versus 6,000; and in my State of South Dakota, 6,500 versus 1,500.

In all, the House bill falls 500,000 jobs short of the Senate bill. We have all heard from the administration, and all we have heard they oppose both the Senate and House versions of the bill. For the Bush administration, it appears it is their way or—if you might pardon the pun—the highway, or, in this case, no highway funding.

We cannot afford to let our transportation investments fall victim to this kind of rigid partisanship. Every day we fail to make investments in our transportation infrastructure, every hour Americans lose in traffic, every delay in the shipment of goods, carries a cost to the American economy and slows job growth.

There is a broad coalition of groups and industries—including the Chamber of Commerce, the Association of General Contractors, the American Public Transportation Association, and the International Union of Operating Engineers—who are united in their support of the Senate level of $318 billion.

They recently delivered a letter that was unequivocal. They wrote:

> As business and labor organizations, we cannot support any legislation below the Senate investment level for a six-year bill.

Time is running short, but, as I said, we can still deliver real relief to the American economy. If the House passes a bill this week, and staff and Members would start working immediately, there is absolutely no reason we should not be able to complete this bill in April. We can avoid letting the President and the Republican House leadership singlehandedly shut down the Department of Transportation.

It has been 184 days since the Republican Congress and President Bush began failing our Nation's transportation system and all who rely upon it. I know we can do better than this, put aside partisan politics, and begin to focus on the important work that is before us all. I hope that can be done in the next day.

Mr. REID. Will the Senator yield for a question?

Mr. DASCHLE. I am happy to yield.

Mr. REID. Is the distinguished Democratic leader aware that the work done in the Senate bill—$318 billion for transit and highways—was done on a bipartisan basis? I have been chairman of that full committee on two occasions. I understand it. I understand the committee very well. But there was cooperation such as I have never seen. With Senator INHOFE, Senator BOND, Senator JEFFORDS, and me being ranking member on the subcommittee now, there was no partisanship.

Is the Senator—I am sure—also aware this bill does not increase taxes at all, it is paid for with existing dollars, plus trust fund moneys? So anyone who thinks this is breaking the bank simply is mistaken. This is no new taxes, totally funded, no deficit spending. Is the Senator aware of that?

Mr. DASCHLE. Mr. President, I answer the distinguished assistant Democratic leader by saying that is exactly the case. We had an extraordinarily effective demonstration of bipartisanship in taking up the highway bill. I worked closely with Senator FRIST. I say to the Senator, you worked closely with Senator INHOFE. We got the job done on time and, as you say, on budget.

This does not represent 1 dollar of additional deficit spending. It is a commitment to jobs. It is a commitment to infrastructure. It is a commitment to our fiscal soundness that I think is one of the best moments we have experienced in this Congress to date. It demonstrated again Democrats and Republicans can truly work together.

I only hope we could do the same in the House, and we will certainly do the same as we try to resolve whatever differences there will be with the House, including the amount committed to infrastructure in the coming days.

I thank the Senator for his excellent question.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leader time is served.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of morning business for up to 60 minutes, with the first 30 minutes under the control of the Democratic leader or his designee, and the final 30 minutes under the control of the majority leader or his designee.

The Senator from Nevada.

DEBATE IN THE SENATE

Mr. REID. Mr. President, I will yield very quickly. I want to say this. I understand the procedures here in the Senate. I certainly understand the majority has the right of first recognition. If the majority decides they do not want us to participate in debate, it is difficult for us to be part of the debate.

But I want the RECORD to be spread with the fact today we have heard—and I hope it is wrong—when we complete action today on the underlying bill, that is, the welfare bill, the majority is going to go to the floor and prevent us from being part of the debate; they are going to talk about what Democrats are doing is wrong and what they are doing is right, and not allow us to have recognition. Now I say, as the Chair is aware, that we heard once before, not long ago, the majority was going to do this, and you will recall at that time I got the floor and kept the floor for a long time. That did not set a good tone, that the majority was, in effect, trying to force us out of the debate. The Senate is a debating body, and we should be part of that.

I say for the second time this morning, we know the majority can keep us from being recognized. It would set a very bad tone. I do not think it would be appropriate or fair, and we would do whatever we could to protect our right, and everyone should understand that.

Mr. President, I yield, on the time we have remaining, 20 minutes to the Senator from New York.

The PRESIDING OFFICER (Mr. TALENT). The Senator from New York is recognized for 20 minutes.

Mrs. CLINTON. Mr. President, I thank my leader from Nevada.

APRIL FOOLS' ON US

Mrs. CLINTON. Mr. President, many years ago when I was a schoolgirl, on this day someone might come up to me in the hallway and say: Hillary, your skirt is ripped. I would turn around in panic, and they would say: April Fools'. Or maybe somebody would stop me after class and say: Hillary, I heard Janie is really mad at you, and I don't know what you did to her, but you'd better talk to her. I would feel terrible. Before I could do anything about it, someone would say: April Fools'.

Well, today is April 1, and there is a long tradition of people playing jokes on each other, pulling stunts, and then causing someone to be upset or worried or anxious or maybe even happy that they have been told something is going to happen, only to have the rug pulled out from under them when someone says, either jokingly or sometimes a little cruelly: April Fools'.

Thankfully, that day only came once a year, so you only had to endure your friends or maybe your not-so-friendly classmates' jokes and stunts for 24 hours. But I sometimes feel that it is April Fools' Day every single day here on Capitol Hill, on the other end of Pennsylvania Avenue in the White House, because on issue after issue of profound importance to the American people, our Government is basically saying: April Fools'.

Do you remember when they introduced their budget in 2001 and said: ''If you drastically cut taxes on the wealthiest of Americans, why, my goodness, revenues will increase in the budget. You don't have to worry about all the expenses that we have keeping this great country going because this will work''? Well, 3 years later, we are facing a $500 billion deficit. Guess what. April Fools' on us.

Do you remember when they said: ''Our policies are going to generate jobs''? Well, we saw during the 1990s 22 million new jobs created in America. What a difference that made in so many people's lives. What have been the results of this administration's economic policies? The loss of nearly 3 million jobs.

So for all those Americans who believed this administration's policies would work to create jobs and economic opportunity, guess what. April Fools' on you.

When it comes to the Medicare prescription drug benefit, the administration knew there was an estimate by the man responsible for calculating how much Medicare will cost that was much higher than what had been discussed in the debate over the bill. Here in this Chamber we were told the bill would cost $400 billion. That is a lot of money. It was a lot of money for what, frankly, our seniors are going to get, which is going to be a lot of confusion because so much of the money is going to drug companies and insurance companies. But, lo and behold, we wake up and find out that it was not a $400 billion bill; it was a $534 billion bill. And the actuary, the civil servant at Medicare—he is not political; he works year in and year out for whoever is in office—was ordered not to tell the truth to the American Congress or the people about the cost of the Medicare prescription drug benefit or he would be fired.

So we passed the bill. I didn't vote for it but a majority did. We passed it. The President signed it. Guess what. April Fools': It is not going to cost $400 billion, it is going to cost $534 billion.

Then, of course, we have No Child Left Behind, which many of us so hoped would make a difference in the education of our children. But we conditioned our support for this education reform on the promise by the President that it would be fully funded, that the money our teachers and principals and superintendents and school boards, but particularly our children, would need would be there.

Well, no longer is that promise even credible. The President signed the bill and then presented a budget which didn't provide the money required to fully implement No Child Left Behind. Once again, April Fools' on us.

Americans have been fooled time and time again by this administration, fooled by promises and fooled by predictions. Indeed, for 3½ years, this administration has said one thing and done something else. The list is far longer than what I have even mentioned. This was an administration that said: We are going to do something about global climate change and carbon dioxide in the atmosphere that is warming our climate. We just received a report from the Pentagon talking about what that means to our national security. So the President gave speeches when he was running for office saying we are going to deal with that. Lo and behold, he gets into office, and forget it. April Fools': climate change, no such thing is going forward under this President.

We have just seen some recent examples with respect to rising gas prices. That is a big concern. It is a concern in my State and around the country. We are seeing OPEC cutting production which will cause even higher prices for gasoline. When the President was running for office, he said: Why doesn't anyone do anything to get these gas prices down? When I am elected, I will

make sure OPEC doesn't raise gas prices on us.

Well, OPEC did it. They cut production. All the President said was how disappointed he was. That doesn't sound like much of a strong case being made on behalf of the American people. Again, what should we expect? It is the same story from this administration. Say one thing, do something differently; fool the people, not just one day a year but every single day.

It is as if words don't matter anymore with the administration—and, regrettably, with the Republican leadership in Congress. There are a lot of serious issues facing the people I represent. We are losing jobs. A lot of people are losing their health care benefits. The cost of education to send a child to college is going up. We have a lot of challenges we should be working together to meet.

On this side of the aisle we have tried to raise the minimum wage. Why have we done that? Because it has not been raised for about 8 years. There are a lot of decent, hard-working people who are falling further and further behind because their costs are going up, but their incomes sure are not.

We also want to do something about overtime because what this administration has done is to say: We want to change the rules which would take away overtime compensation from about 8 million Americans. Can you imagine what a horrible experience that would be for somebody working a shift as a police officer or a firefighter or a nurse to be told: Well, your Government, your President doesn't want you to be paid for the hours you have to work extra. April Fools' on you. You are going to work but not get paid for it.

We don't like that. Is that obstructionist, that we Democrats think it is not fair that people should have to work and not be paid for it? I don't think so. I think that is in the tradition of American fair play. But we can't get a vote on it here because the Republicans know that if they had to have a vote on it, it would actually pass. That would really embarrass the President and his administration. So they don't want us to vote on it.

Unemployment benefits, it is the same thing. A lot of people are not only out of work, but they can't find work because there are so few jobs being created in this economy. The administration doesn't want to help these people. They don't want to give them that extra unemployment benefit that can tide them over until maybe we can start seeing some jobs created that will put people back to work. So our friends on the other side of the aisle don't want to vote on that because the administration would be embarrassed, because they know if Republicans had to vote on it, they would actually vote for it. So they don't want that to happen.

Time and time again, we have seen the President and the majority say one thing and do something else. It is April Fools' Day today, but that is no way to run a government. It is no way to run a great country.

Mr. DURBIN. Will the Senator yield for a question?

Mrs. CLINTON. Certainly.

Mr. DURBIN. I would like to ask the Senator from New York, through the Chair, is there not also an important issue that affects families and businesses across the United States with the increase in gasoline prices? If I recall correctly, Governor Bush, when he was a candidate for President, said, in Manchester, NH, he thought in that circumstance, the President should use the power of his office to force the OPEC nations to try to expand their exports of oil so gasoline prices did not go up in America. Isn't it true at this point that this administration not only has failed to do what the President promised as a candidate he would do, but, in fact, OPEC has announced it is going to reduce their exports to the United States and force greater increases in gasoline prices which will hurt the American economy and American families?

Mrs. CLINTON. The Senator from Illinois is absolutely right. Not only did the President, when he was running for office, say that he would jawbone and fight back hard against OPEC if they tried to limit supply or raise prices, he even said he would use his connections in the oil industry to make sure that got done. We all know about his connections and the Vice President's connections. There has never been an administration in our history that is so closely connected to big oil and big gas and big coal and everything else.

So what happens? OPEC meets. Whatever they tried to do behind the scenes sure didn't work because they voted to cut production 4 percent. When that was announced, what did the President do? He said he was disappointed.

There has also never been a President or anyone in any administration who is closer or whose family is closer to many of the big oil-producing countries such as Saudi Arabia. They have connections and relationships and friendships going back decades. One would think that if any President could force OPEC not to take this damaging action against the American consumer, it would be this President.

But I see no signs of that. I see no real effort in that. Once again, it is say one thing, do something else. April Fools' on the American people.

Mr. DURBIN. If the Senator will further yield. I also believe, in Illinois, as I travel around and speak to families and businesses, there is one consuming issue, and that is the cost of health care, the cost of health insurance. Small businesses see these dramatic increases in health insurance premiums, and with these increases they are faced with the terrible prospect of either reducing or eliminating coverage for their employees; that has, unfortunately, led to more and more uninsured Americans.

Is it not true that, given the chance on the floor, with the prescription drug bill, where the Bush administration could have stepped forward and spoken for these families and businesses and said to pharmaceutical companies that you have to, as Canada has done, restrain drug price increases, is it not true that on this issue relating directly to the competitiveness of American products, the welfare of American families, and the future of businesses and jobs, that this administration has once again caved in to the special interest groups—the drug companies and HMOs in this case—at the expense of the American economy?

Mrs. CLINTON. Once again, the Senator from Illinois is absolutely correct. As he well remembers, the debate on the floor concerning prescription drugs benefited many opportunities to try to rein in the cost of prescription drugs, to try to give permission to Medicare to negotiate, as any big institutional buyer would have the right to do, and also to import the drugs that are American-made, American-approved, back from Canada so we could get the lower prices.

Again, this administration and the Republican majority steadfastly stood against the American public, against our seniors, and stood for the pharmaceutical industry. As a result, the cost is going to be much greater, and much of that increased cost is not going to help our seniors and lower drug costs so we can perhaps have even more prescription drugs available for our people. Instead, it will go right into the pockets of the pharmaceutical companies and insurance companies.

Mr. DURBIN. Is it not also the case that this administration took taxpayer dollars to buy advertising on television for their prescription drug program and, frankly, misrepresented what the program meant in terms of savings for seniors? It is bad enough that the bill itself didn't keep the cost of prescription drugs under control. The administration took taxpayer dollars and used them to basically put a message out that at least wasn't complete, and perhaps was distorted, misleading many seniors into believing that this prescription drug bill is going to be of some benefit?

Mrs. CLINTON. Well, the Senator from Illinois has raised another important issue because the administration is using taxpayer dollars to convey a misleading impression of the Medicare prescription drug benefit, and to do so as a way of boosting the President's reelection opportunity. So taxpayer dollars, instead of his campaign dollars, are being used to try to persuade the American people against the evidence that this massive bill, with so many benefits for the pharmaceutical industry and insurance companies, is good for them. It is regrettable. As the Senator knows, many of us tried to prevent that from happening and say let's do this right, in a bipartisan, unified manner, where we really provide a prescription drug benefit for our seniors.

As the Senator also is aware, in the last several weeks, the President's campaign has been accusing one of our colleagues, the Democratic nominee for President, of flip-flopping, saying one thing one day and saying something else at a later date. It is the pot calling the kettle black at the very least because it is this administration which, on every important issue to the American people, has either changed position or has persisted in providing a misleading and inaccurate argument on behalf of a position they have taken.

The long and distinguished career in public and military service of the Senator from Massachusetts, Senator KERRY, is one that needs no defense from me or anyone else. It stands on its own merits. It is regrettable that an administration, increasingly known for its two-sided approach and its talking out of both sides of its mouth at the same time, saying one thing and doing something else, would be accusing anyone of engaging in that kind of behavior.

Mr. President, it is April Fools' Day once a year. Thankfully, that is only once a year in most of our lives. Here in Washington, it is every single day, 365 days a year. The administration has engaged in April Fools' tricks on the people of this country repeatedly. But I think people are waking up and starting to say:

Wait a minute, where is that big surplus you promised if we did everything you said?

How come my taxes are going up as a middle income American while taxes on the richest are going down?

How come this is the first President in our Nation's history that has led us to war and cut taxes at the same time?

How come the White House didn't tell us the truth about the cost of the Medicare prescription drug?

How come the administration didn't fund No Child Left Behind the way it had been promised?

How come we are having a transportation bill that the President threatened to veto when it is the only jobs bill on the horizon that can put people to work and repair the infrastructure and modernize our transportation system in a way that will make us richer and stronger in the future?

Well, the April Fools' Day jokes are coming to an end. Fool me once, shame on you; fool me twice, shame on me. The American people are starting to ask the hard questions. They are not just questions coming from Democrats, but from independents and Republicans, and coming from longtime Government employees who don't have any partisan affiliation, like Richard Clarke, asking hard questions that deserve honest answers.

At the end of the day, what really matters is that the American people have trust in their Government and believe their President when he talks to them about matters of life and death. That is what we are talking about—life and death. So let's hope that when this day ends, maybe we can have some good news from this administration in the form of admissions and some corrections that will put us back on the path of unity, that will create the tone the President promised that would be a positive tone in Washington, where we could deal with the real problems facing Americans.

I am not optimistic, but I am hopeful that we could see that happen because these are matters of profound importance. It is imperative that we as a Nation have faith in our leaders in these dangerous and difficult times.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada has approximately 8 minutes left. Who seeks recognition?

The Senator from Mississippi is recognized.

JUMPSTART OUR BUSINESS STRENGTH BILL

Mr. COCHRAN. Mr. President, one of the serious problems facing the Senate is the passage of the Jumpstart Our Business Strength, or JOBS, bill. The Senate needs to pass this bill now.

Since the World Trade Organization has ruled against the United States over our foreign sales corporation and extraterritorial income tax rules, we have had ample time to address this issue. The Senate Finance Committee reported legislation which would bring the United States into compliance with our trade obligations on October 1, 2003.

Today, the European Union's 5-percent tariff will increase to 6 percent, and every month it will increase another percent. This will make American agricultural and manufactured products increasingly less competitive in international markets.

Exports of U.S. agricultural products will approach $60 billion this year. If we allow the EU to continue with these tariffs, we will continue to lose market share and export opportunities. When our farm exports are pressured, the truckers, rail lines, and shippers feel the ill effects.

The EU retaliation list includes about 400 agricultural, food, and forest product tariff lines of imports from the United States.

These are very serious threats to our American agricultural economy, and this is why. The values of our annual exports to the EU are live animals, $23.7 million; meat and meat products, $44.4 million; vegetables, $35.6 million; oil seeds, $64.6 million; rawhides and skins, $41.3 million; wood products, $140 million; sugar and confectionery products, $21.2 million. The annual total of all these and other agricultural products amounts to more than $691 million a year.

Let me also remind everyone that much of the food industry operates on very small profit margins. So the initial tariff increase of 5 percent, plus the additional 1 percent per month, can have a serious effect.

Also, the EU currency has been very strong against the U.S. dollar. This means it has been comparatively easier for our trading partners in Europe to buy our products, but the import tariff erodes that advantage and makes it easier for competitors—other countries—to take away our markets in the European area.

It is my hope that the Senate will complete action on the JOBS bill without any further delay so we can send that bill to the President, which he is prepared to sign immediately, so we can avert the lost sales, regain lost jobs in the agricultural sector, and restore hope in America's farms and factories.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

ORDER OF PROCEDURE

Mr. REID. Mr. President, we appreciate Senator COCHRAN speaking when he did. We have 8 minutes remaining. I ask unanimous consent that the time be reserved. We had someone who was going to speak but has not shown up.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who seeks recognition? The Senator from Texas is recognized for 5 minutes under the previous order.

DEMOCRATIC LEADERSHIP'S OBSTRUCTION

Mr. CORNYN. Mr. President, today is day 7 of the Democratic leadership's unprecedented obstruction of President Bush's nominees for various executive positions and judicial nominations. In fact, I have in my hand the Executive Calendar which reflects 46 of the President's nominees who stand ready to be confirmed by the Senate so they can get to work on behalf of the American people. But unfortunately, as appears to be a growing trend and one where our Democratic colleagues continue to dig in their heels, the answer to every entreaty we might offer, every suggestion we have in terms of creating jobs, in terms of putting people on the bench to decide cases that go unheard because judges are not being confirmed to these posts, we continue to get a consistent response on behalf of our Democratic colleagues of ''no.''

The answer they give to jobs and manufacturing, medical liability reform, a national energy policy, workforce investment, judges, small business, class action reform, and faith-based and charities legislation is ''no.''

Particularly on the judicial nominees, I point out, once again, that this obstructionism is unprecedented in the history of the Senate. Where we have a bipartisan majority in the Senate who stand ready to confirm highly qualified nominees, such as Justice Priscilla Owen of the Texas Supreme Court of my home State, people such as Janice Rogers Brown who serves on the California Supreme Court, or people such as Miguel Estrada who, after waiting

for so long to have his confirmation heard on the Senate floor, finally had to give up and go about his daily life because of this unprecedented obstruction.

The worst part of this is that it has not only been about blocking President Bush's highly qualified judicial nominees and other people who he has proposed for various boards and commissions serving the American people, this, unfortunately, has also involved a character assassination as well. Judicial nominees have been called names by Senators on the other side of the aisle that are really unbecoming of the dignity of this body, names such as ''kooks,'' ''Neanderthals,'' ''turkeys,'' and other names that are just entirely inappropriate to the civil discourse and debate that people have come to expect and deserve a right to hear from Members of the Senate.

We can disagree about policy matters. We can have a different proposal for the American people about which direction this country should go on a number of these issues. But surely—surely—the Senate should continue to conduct its discussions in a civil way and one that allows majorities to govern, not that allows obstinate minorities led by the Democratic leadership to block vote after vote on matters that are important to the people of the United States.

The problem we now hear is they are objecting to proceeding on any nominees because President Bush has used the authority given to him under the Constitution to make recess appointments. They act as if this has never been heard of, that it is unprecedented in U.S. history. The fact is, there have been more than 300 recess appointments made during the course of this Nation's history, including by President Clinton, before President George W. Bush, and others. Indeed, this is a constitutional response to unconstitutional filibusters.

Unfortunately, we know the nature of this process is such that if the Democrat obstructionists get away with blocking President Bush's nominees, not from voting against them but by preventing a vote on them at all, this is a tactic once determined to be successful that will likely be employed by others when the shoe is on the other foot.

When the next Democrat is President of the United States and Republicans are in the minority in the Senate, how is it we are going to explain to our Republican colleagues that, no, you should not use this tactic which, up until now, has been out of bounds but which has now been employed successfully against the Democratic minority against this President?

We ask for an up-or-down vote today on President Bush's judicial nominees, and we would ask that rather than answering ''stop'' to all of the Republican agenda on behalf of the American people, we could at least get an up-or-down vote.

I yield the floor.

The PRESIDING OFFICER. The time of the Senator from Texas has expired. Who seeks recognition?

The Senator from Nevada is recognized for 5 minutes under the previous order.

MEDICAL LIABILITY REFORM

Mr. ENSIGN. Mr. President, the theme we are talking about this morning is obstructionism. We have heard about judges. Later on we are going to hear about the Democrats obstructing legislation that would create jobs in the United States. It is called the FSC/ETI bill. It really is a jobs bill. This is legislation that will actually bring hundreds of thousands, if not millions, of jobs back home to the United States. Democrats have been blocking, as far as jobs are concerned, asbestos reform, bankruptcy reform, class action litigation reform—all of those items make American companies less competitive and make it tougher to have new job growth in the United States.

Outsourcing is a big issue. As we hear more and more about this issue, we have to understand some of the reasons surrounding it. Right now the other side of the aisle is blocking a lot of the legislation that would allow companies to bring new jobs to this country to make our country more competitive.

What I want to talk about this morning very briefly is the answer to what has caused a severe access to care crisis in many States, and that is the issue of the medical liability reform. My home State, the State of Nevada, is one of those 19 States that are truly in crisis. In fact, only five States across the United States are showing no signs of a crisis. Unfortunately, the rest of the states are all headed in Nevada's direction, and it is only going to continue to get worse unless we fix the problem right here in Washington, DC. This is a national problem and it requires an immediate national solution.

One of the main reasons we need a national solution is because the Federal Government now pays 60 percent—60, 6–0 percent—of all the medical bills in the United States with regard to Medicare, Medicaid, and the Veterans Administration. There is a huge amount of money the Federal Government pays in taxpayer dollars that goes toward paying medical bills in this country.

For this and many other reasons this is a national problem that requires a national solution. We are losing doctors and other medical professionals at an alarming rate all over America. They are not going into the specialty and high-risk fields, especially in the numbers that we need in this country. There used to be a huge demand for many of these residencies. Now, some of our schools cannot even fill their residency programs. Unbelievably, often times they are not even getting any applications for these residencies.

A few weeks ago I heard about the problems in Utah. There are tremendous medical facilities there. They are having problems getting doctors to go into some of the fields we want our best and our brightest to go into—those fields that require the most technically brilliant people—because of the fear that when they get out of medical school they will not be able to afford to practice because the medical liability premiums are too high.

Why are the medical liability premiums too high? Well, it is pretty simple. It is because we have an overly-litigious society where unscrupulous trial lawyers basically say bring your Rolodex and we will find out who we can sue. More and more, this practice has spread into the medical profession where hard-working and honest professionals are being subjected to frivolous lawsuits.

I am a veterinarian, and I know medicine is not an exact science. Mistakes are made. If there is medical malpractice, the patient deserves to get compensated, no questions asked, and our civil justice system has the ability to do that. But because the courts are so filled up with frivolous lawsuits these days, and some of the jury awards are so incredibly high, it motivates people to basically say let's go hit the lawsuit lottery because the system is broken. It is a situation where because of the backlog, the people who are really injured die before they ever get compensation. It can take 6, 7, 8, 9, 10 years in the courts before their case actually has a final resolution, and that is unacceptable for those patients who are injured. That is one of the major reasons we need to have medical liability reform. Unfortunately, the other side continues to obstruct our efforts in this area.

If opponents want to debate differences, if they want to amend the bill, fine, but they will not even let us go to a vote on a bill. In fact, they keep obstructing us even moving to debate a bill. They are filibustering, just as they are doing on judges and many other things. It is a shame because it is a crisis. It is a crisis with OB/GYNs—arguably the most dire of circumstances with regard to access to care—but it is also a crisis with trauma doctors, neurosurgeons, and even with general surgeons.

Some of the best people who practice medicine in my State are either leaving practice or now, unfortunately, not going into those high-risk specialties. We need to enact reform to protect every American's access to quality care, and to keep the best and the brightest practicing and entering into the medical profession. In order to so, this obstructionism by our opponents must stop, and it must stop right now.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada has yielded the floor. Who seeks recognition?

The Senator from Nevada.

ORDER OF PROCEDURE

Mr. REID. I ask that when we move to the welfare bill, TANF, that on our side for 30 minutes 7 minutes be given to our manager, Senator BAUCUS; 7 minutes to Senator KENNEDY, the ranking member of the full committee; 5 minutes to Senator REED from Rhode Island; and 5 minutes to Senator BOXER from California.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wyoming.

ENERGY POLICY

Mr. THOMAS. Mr. President, I rise to speak about where we are, where we are going, and some of the difficulties we are finding in getting there. I was listening earlier as the Senator from New York and the Senator from Illinois were discussing some of the issues they consider to be problems with this administration.

They talked about the cost of energy. One of the reasons we are having some problems with the cost of energy is we have not been able to get an Energy bill passed that gives us any direction because it has been obstructed by the other side of the aisle, and it continues to be. So that is not a surprise.

They talked a lot about the health care problems. One of the reasons we have health care problems is the obstruction on the other side that will not allow us to move forward with malpractice insurance.

The same thing, of course, is true with Medicare. They were critical of doing something with Medicare. I remind my colleagues this is the first time in 30 years we have done something to help change Medicare, and it is going to be implemented over a period of time because there will need to be some changes in it. For the first time, people will be given an opportunity to get pharmaceuticals at less cost, and we will begin to have an opportunity to change Medicare from the way it was originally structured. It is very difficult to do that with the obstruction on the other side.

It is frustrating to be in the Senate where we are supposed to be making decisions, supposed to be moving forward. We do not all agree, that is certainly true, but we do have a system that allows us to go forward. That is what votes are for, but we cannot take votes. We continue to sit here and only talk about things.

I am particularly interested in the energy issue, of course. I think it is certainly one that we have talked about for a very long time. It now becomes more important because of the cost increases, because of the difficulties we are having with energy. It begins to be more apparent that we need to have an energy policy that has some plans for where we go over the next 5 or 10 years. We need to do that as soon as we can.

One of the things the Bush administration, Vice President CHENEY and the President, did was to seek to have an energy policy. All we have heard are complaints and criticisms and still there is obstruction to having an energy policy, when it is so clear that that is precisely what we need to have.

We have higher gas prices at the pumps, partly because OPEC has backed off somewhat, but also because we have made it necessary for refiners to put into place about 18 different combinations of fuel. There have been unexpected disruptions from Venezuela and elsewhere. We are having higher home heating bills because of the stress on natural gas where the consumption is going up much faster than the production, and it is predicted to do that in the future for some time.

So we are still talking about these issues. People are more aware of them because of the blackout, because of the cost, and because of the difficulties. So we need to make some changes, but we need a policy. We are not talking about all that we can do instantly. We are saying we need a general policy, and that is what this policy is. It has to do with alternative sources. It has to do with efficiency. It has to do with conservation. It has to do with more research so that, for instance, there can be more clean coal burned.

Today, the Wall Street Journal said finally people are saying we are having trouble with natural gas because of the demand, but coal is the fuel that we have with the most fossil reserves in this country, and we can do it in a clean way. Particularly, western coal is low in Btu and low in C02.

We need to be moving in that direction. We need a balanced bill, and there are things we can do to accomplish that. We are going to have to change the fuels over a period of time.

Some, particularly on the other side of the aisle, say: Oh, well, we have to start using alternatives up to 40 percent in the next 5 years.

Right now, of all of our energy production, 3 percent is produced by alternatives such as wind. We can do much more in the future, and we hope that we do, but we cannot turn that corner right away. It is a very difficult thing to do.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. THOMAS. Mr. President, I certainly urge that we stop obstructing and move forward with an energy policy.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming yields the floor.

The Senator from Oregon is recognized for 10 minutes.

Mr. REID. Mr. President, I ask the Senator if he will yield for a unanimous consent.

Mr. SMITH. Yes, I yield to the Senator from Nevada.

Mr. REID. Mr. President, our remaining time will be yielded to the Senator from Wisconsin, Mr. FEINGOLD.

THE DREAD OF ELECTION YEAR POLITICS

Mr. SMITH. Mr. President, as the new year arrived, I looked to coming back to Congress with, frankly, a sense of dread because I knew we were entering a political year, a year where the stakes are high, and the President stands for reelection. I knew there would be an awful lot of my work and the work of all of us tied up in partisan gamesmanship.

I will confess to my colleagues, I do not much enjoy it. I look at my friend from Nevada, Senator REID, and I see a great human being. When I look at Senator FEINGOLD, I see another great human being. I love the message of compassion of the Democratic Party. I know where their hearts are. This is not about good people or bad people. This is about competing ideas.

But because I had that view—my father was a Republican, and my mother, a Udall from Arizona—I understand good people can differ on these issues. Because of that sort of bipartisan approach to life I have always had, in my former life as a businessman, as candidates for public office would come to our company and ask to meet with us and our employees, I welcomed Democrats and Republicans alike equally.

Unfortunately, what I often came away with was the feeling those on the Democratic side loved my employees but they hated employers. That is because they would demand we create jobs and then they would say the way you do that is you raise the minimum wage, increase your regulations, and raise your taxes. I came to understand by doing the books, by doing accounting, one of my most significant costs was Government overhead.

All of them are well meaning. But all of them make it more difficult for capital to come together so labor can be given work to do.

As my colleagues have come to the floor and complained about various aspects of this current obstructionist period—you know, we talk about medical liability, the Senator from Wyoming talked about energy, others have talked about judges—I have to talk today about the whole issue of FSC/ETI and how critical it is we find a way through this morass of partisanship to getting this bill done. What we do by failing the American people is to impose on manufacturers a European tax and a penalty to American potential for creating jobs. I don't think that is what Senators intend, but that is what is happening if we don't get FSC/ETI through this process.

As I mentioned earlier, I love the compassion I hear from my Democratic friends. Yet when I look at some of the policies that are advanced, what I see are policies designed to make the United States more like Western Europe, more like socialist democratic welfare states.

I recently had an experience on a trip with Senator SHELBY and Senator CANTWELL when we had traveled to

Berlin to meet with Gerhard Schroeder. The German Chancellor was explaining to us his policies to reduce taxes, to reduce regulation, to reform medicine and Social Security. I said in humor, Mr. Chancellor, your policies would make Ronald Reagan smile.

His response was: It isn't because I want to do this, but I must do this because Germany no longer grows. We no longer have opportunity for our people. Our economy is dead in the water and yours is growing at a spectacular rate.

He even commented to the effect: You worry about losing jobs? We wonder why Mercedes and BMW are building plants in South Carolina.

It is because you can get a return on investment here.

I think we have to get beyond this lamentable side of the Democratic message, we love employees but we hate their employers, because the truth is both have to win and there is room for both. These policies that are punitive are well-intended. They want a vote on the minimum wage. I am ready to vote on that. They want to vote again on the overtime provision. We have voted on all these things before. These are not reasons to hold up progress on FSC/ETI. But that is what is happening.

We have to vote two, three, four times on policies already decided by this bicameral Capitol Hill. It is so very frustrating. I don't want America to become a democratic socialist welfare state. I don't care how well meaning all that was when they constructed the French and German economies, but I know, as Vice President CHENEY pointed out last week, while our economy was growing at nearly 8 percent in the last half of last year, their economies were growing at 1.4 percent.

So as we look to where these policies that are being proposed lead, let's understand we don't want to become like that. We want to be Americans. We want the American economy to produce jobs and to ensure freedom. All the well-intentioned taxes, regulations, and burdens of costs that are put upon employers ultimately translate into harm to employees. I think we have to start pointing that out.

In the FSC/ETI bill we passed through the Finance Committee, there was included in that a very important provision I was proud to sponsor. It was the repatriation provision. One of the good things the Europeans do and many of the other countries with whom we compete do, when their companies invest over here they let them take the money back to their home country without a tax. They let it be taxed once here. They don't retax it.

As to American companies who compete overseas, we allow them to be taxed over there and then we tax them again when they come back. So this repatriation provision, which for 1 year would have treated our companies like our competitors treat their companies, would have dropped the tax from 35 percent to 5.25 for 1 year. That would have created over 650,000 jobs. All the economists said that. It would have brought $300 billion into the economy, and it would have increased Federal tax receipts by nearly $12 billion a year. It is a win-win. Yet we are stuck trying to re-vote on votes we have already voted, holding up this critical legislation, which I promise you is a vote against jobs. To obstruct this bill is a vote against American jobs. It is a vote for a European tax increase on American workers.

Repatriation is a component of ending the FSC regimen that promoted exports by helping to bring into balance with our competitors American taxation on our companies which export abroad.

I listened with some humor last week when my colleague Senator KERRY, the Democratic nominee for President, introduced his tax plan. It contained my repatriation provision. But when we put it through the Finance Committee, Senator KERRY voted against it. But now it is included. I don't know. I am glad he changed his mind, but I don't know why the flip-flop. It is a great idea. It is important to do. I am glad he is now with us. I wish he were here today to vote on it. We could use his vote to get this off the Senate floor, to a conference, and into the American economy. It truly does produce jobs.

While I think it is easy to hate employers, it is easy to bash corporations, at the end of the day that is how American free enterprise does its work.

I know not all corporations are perfect. There is always a rotten apple or two to spoil the barrel. But most employees don't hate their employers, and most employers care about their employees. Most American companies are anxious to see America succeed. These are patriotic people. We have to understand there needs to be a win-win here. Right now the obstruction on FSC/ETI is a lose-lose for the American people.

If we want to see jobs created, we need to pass this bill. We need not to accede to a European tax through the WTO on the issue of FSC/ETI. We need to fix it now. We needed to fix it yesterday. We need to get it to the House so we can get it to the President and then get it to the union shop, the corporate board room, so labor can be reemployed, because American capital comes home.

The PRESIDING OFFICER (Mr. ENSIGN). The Senator from Wisconsin is recognized.

CORPS OF ENGINEERS MODERNIZATION AND IMPROVEMENT ACT OF 2004

Mr. FEINGOLD. Mr. President, I rise today to discuss the Corps of Engineers Modernization and Improvement Act of 2004, S. 2188, which I introduced right before the March recess. I am pleased that the senior Senator from Arizona, Senator MCCAIN, and senior Senator from South Dakota, Senator DASCHLE, joined me in cosponsoring this legislation.

This legislation is particularly timely because it comes at a time when Congress is debating the Nation's budget, and when we cannot ignore the record-breaking deficits that the Nation faces. Time and time again we have heard that fiscal responsibility and environmental protection are mutually exclusive. Through this legislation, however, we can save taxpayers billions of dollars and protect the environment. As evidence of this fact, this bill is supported by Taxpayers for Commonsense, the National Taxpayers Union, the National Wildlife Federation, American Rivers, the Corps Reform Network, and Earthjustice.

Reforming the Army Corps of Engineers will be a difficult task for Congress. It involves restoring credibility and accountability to a Federal agency rocked by scandals and constrained by endlessly growing authorizations and a gloomy Federal fiscal picture, and yet an agency that Wisconsin, and many other states across the country, have come to rely upon. From the Great Lakes to the mighty Mississippi, the Corps provides aid to navigation, environmental remediation, water control and a variety of other services in my State alone.

My office has strong working relationships with the Detroit, Rock Island, and St. Paul district offices that service Wisconsin, and I want the fiscal and management cloud over the Corps to dissipate so the Corps can continue to contribute to our environment and our economy.

This legislation evolved from my experience in seeking to offer an amendment to the Water Resources Development Act of 2000 to create independent review of Army Corps of Engineers' projects. In response to my initiative, the bill's managers, which included the former Senator from New Hampshire, Senator Bob Smith, and the senior Senator from Montana, Senator BAUCUS, adopted an amendment as part of their managers' package to require a National Academy of Sciences study on the issue of peer review of Corps projects.

S. 2188 includes many provisions that were included in two bills, one of which I authored and the other I cosponsored, in the 107th Congress. It codifies the idea of independent review of the Corps, and it provides a mechanism to speed up completion of construction for good Corps projects with large public benefits by deauthorizing low priority and economically wasteful projects.

The bill puts forth bold, comprehensive reform measures. It modernizes the Corps project planning guidelines, which have not been updated since 1983. It requires the corps to use sound science in estimating the costs and evaluating the needs for water resources projects. Under this bill, a project's benefits must be 1.5 times greater than the costs to the taxpayer, which alone would save the taxpayers over $4 billion. And, to receive Federal project funding, local communities

must take on a greater share in the costs of the project.

The bill requires independent review of Corps projects. The National Academy of Sciences, the General Accounting Office, and even the Inspector General of the Army agree that independent review is essential to assure that each Corps project is economically justified.

The bill also requires strong environmental protection measures. S. 2188 requires the Corps to mitigate the environmental impacts of its projects in a variety of ways, including by avoiding damaging wetlands in the first place and either holding other lands or constructing weltands elsewhere when it cannot avoid destroying them. The Corps requires private developers to meet this standard when they construct projects as a condition of receiving a federal permit, and the federal government should live up to the same standard.

Too often, the Corps does not complete required mitigation and actually enhances environmental risks. I feel strongly that the Corps must complete its mitigation and the public should be able to track the progress of mitigation projects. In addition, the concurrent mitigation requirements of this bill would actually reduce the total mitigation costs by ensuring the purchase of mitigation lands as soon as possible.

This bill streamlines the existing automatic deauthorization process for the $58 billion project backlog, and it will keep the Corps focused on its primary missions of flood control, navigation, and environmental protection. Under the bill a project authorized for construction but never started is deauthorized if it is denied appropriations funds towards construction for 5 straight years. In addition, a project that has begun construction but been denied appropriations funds toward construction for 3 straight years is deauthorized. The bill also preserves congressional prerogatives over setting the Corps' construction priorities by allowing Congress a chance to reauthorize any of these projects before they are automatically deauthorized. This process will be transparent to all interests, because the bill requires the Corps to make an annual list of projects in the construction backlog available to Congress and the public at large.

This measure will bring about a comprehensive revision of the project review and authorization procedures at the Army Corps of Engineers. My goals for the Corps are to increase transparency and accountability, to ensure fiscal responsibility, and to allow greater stakeholder involvement in their projects. I remain committed to these goals, and to seeing Corps reform enacted as part of this Congress' water resources bill.

I feel that this bill is an important step down the road to a reformed Corps of Engineers. This bill establishes a framework to catch mistakes by Corps planners, deter any potential bad behavior by Corps officials to justify questionable projects, end old unjustified projects, and provide planners desperately needed support against the never-ending pressure of project boosters. Those boosters, include congressional interests, which is why I believe that this body needs to champion reform—to end the perception that Corps projects are all pork and no substance. All too often Members of Congress have seen Corps projects as a way to bring home the bacon, rather than ensuring that the taxpayers get the most bang for their Federal buck.

I wish it were the case that the changes we are proposing today were not needed, but unfortunately, I see that there is need for this bill. I want to make sure that future Corps projects no longer fail to produce predicted benefits, stop costing the taxpayers more than the Corps estimated, do not have unanticipated environmental impacts, and are built in an environmentally compatible way. This bill will help the Corps do a better job, which is what the taxpayers and the environment deserve.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

PERSONAL RESPONSIBILITY AND INDIVIDUAL DEVELOPMENT FOR EVERYONE ACT

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 4, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4) to reauthorize and improve the program of block grants to the States for temporary assistance for needy families, improve access to quality child care, and for other purposes.

Pending:

Boxer/Kennedy amendment No. 2945, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage.

The PRESIDING OFFICER. Under the previous order, there will be 60 minutes equally divided between the chairman and ranking member of the Finance Committee.

The Senator from Rhode Island is recognized for 5 minutes.

Mr. REED. Mr. President, I rise in support of the amendment offered by Senators BOXER and KENNEDY to raise the minimum wage.

The last time we increased the minimum wage was in 1997, and workers have already lost all of those gains of that increase. To have the purchasing power the minimum wage had in 1968, the minimum wage would have to be more than $8 an hour, not the $5.15 today.

In 1968, we could afford it. In 1968, we could provide the wages that would enable Americans to save for homes, to purchase homes, to save for college education, and to educate young people. Today, working Americans do not have that opportunity because the minimum wage is not sufficient to support a family and support the aspirations that all Americans have to better themselves and their children.

Indeed, what is very startling is if we had increased the minimum wage at the same rate CEO compensation had increased, the minimum wage today would be $22 an hour. In fact, it raises the fundamental question we will address over many months and years ahead, which is whether the rest of the world is going to become like the United States with a strong middle class with opportunities to move forward or will we become more like the rest of the world with a huge divergence between the very wealthy and those who are working for very little.

I believe we have to have a society that continues to produce a strong middle class, that continues to make work something that allows an individual to provide for their families and to aspire to all of the dreams of American home ownership, education for their children, and a comfortable and secure retirement.

Indeed, the fact that the minimum wage has relatively decreased has contributed to a doubling of poverty. A minimum wage earner for a family of three who works 40 hours a week 52 weeks a year earns $10,700. That is $4,500 below the poverty line. Today, if you are working 40 hours a week for minimum wage, you are in poverty.

The proposed increase would bring the minimum wage to $7 an hour, and even this modest increase would only raise the annual salary of families to about $14,000.

It is not sufficient to replace what people had in 1968. It is not sufficient to ensure all families are above poverty. But increasing the minimum wage will at least give more opportunity, more hope, and more sustenance to the families in America.

Today, one in five children lives below the poverty line in our Nation. This is the richest Nation in the world. That poverty has an effect on them; indeed, in the long run, it has an effect on everyone. There is an adage: You can pay now or you can pay later. We are not paying now and we will pay later. We pay later in terms of children who do not have the educational skills or the health to become the most constructive workers in our society they could become. In fact, some of them, unfortunately, wander into crime and other areas which cost us immensely. We have to be able to ensure people can afford to live in this country.

One of the other aspects of the minimum wage is a family earning a minimum wage in this country cannot effectively afford a two-bedroom apartment in any of the major metropolitan areas and in many rural areas. That is unfortunate. Without proper housing,

how can one ensure family stability and the opportunity to move up in society?

We all understand and we all praise the hard-working Americans who, day in and day out, go to their jobs and labor for their families and communities. But too many of them are working at wages that do not reward this great effort. We can do something and should do something about that by increasing the minimum wage.

We should recognize and understand by increasing the minimum wage, we are not likely to have any negative impact on our economy. In fact, we will probably stimulate our economic activity. In the 7 years after the last minimum wage increase was enacted, there were nearly 11 million new jobs added at the pace of 218,000 jobs per month. There was no break in employment because the minimum wage went up. There were more Americans with more disposable income, buying more goods and services in our economy.

Most people, through my experience, who are working in jobs that pay the minimum wage or slightly above the minimum wage, tend to spend a good deal of their income on taking care of children, on taking care of their rent, on taking care of things that put money into our economy today.

We have to do this. Indeed, it would benefit our economy, not just those recipients of increased wages.

There are about 7 million workers and a third of working women who will benefit. I hope we can move forward and ensure this minimum wage is increased.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, we are facing a filibuster on an amendment I offered with Senator KENNEDY, with great support across the board. I thank Senator REED for his support of this very simple amendment.

We are facing a filibuster on whether we can vote on raising the minimum wage. I cannot think of a more cruel filibuster in my life. Why on Earth would anyone, Republican or Democrat, try to block a vote on this very important matter? I hear all about compassionate conservatism. Fine. Show it to me. Where is it?

People at the minimum wage have been stuck there for 7 years. That is how long it has been since we raised it. Give us a chance to have an up-or-down vote on raising the minimum wage. I ask my colleagues to try and live on $10,800 a year. Think about your rent or your mortgage payment. If it is $800 a month, that is it. You use up all of your money.

Some Members say we are trying to raise it way out of proportion. We are not. It is a rather modest increase, from $5.15 to $7 an hour.

I will show a few charts that tell the story better. People who work at the minimum wage are working well below the poverty line. This red line on this chart is the poverty line for a family of three. A family of three is way below the poverty line. They are headed straight down, as shown on this chart. I do not understand why we want to keep people below the poverty line.

Nearly three-quarters of minimum wage workers are adults. We are not talking about kids. When I was a kid, I used to work at the minimum wage. Fine. It was great. I made 50 cents an hour. That gives away my age. Imagine if those Members of the Senator were still in the Senate. We would still have a minimum wage of 50 cents an hour. My goodness, we need to raise the minimum wage.

Seventy-two percent are adults. How can we look at these people and tell them they do not deserve an increase? By the way, they will still be below poverty even after we raise them to $7.

Every day we delay, minimum wage workers fall further behind. All the gains of the 1996 minimum wage increase have been lost already. The time is long overdue that we raise the minimum wage.

People are working hard but losing ground. The real value of the minimum wage: Today it is worth $4.98. That is what hard-working people are getting, $10,800 a year for a family of three. With our minimum wage increase, there would be a $3,800 yearly increase in wages. That would pay far more than 2 years of childcare.

We talk about how important this welfare bill is. As a matter of fact, my friend from Pennsylvania had a chart showing how wonderful it has been that children have been lifted out of poverty. Of course, we are seeing now an increase in poverty. During the Clinton years, that was true. There were so many jobs, 22 million jobs created, compared to 3 million jobs lost under Bush. Kids were lifted out of poverty.

This minimum wage increase would give children more childcare. That is important. It provides 2 years of health care; provides full tuition for a community college degree; provides a year and a half of heat and electricity; provides more than a year of groceries; provides more than 9 months of rent.

When we give to people at the lower echelon an increase in the minimum wage, they will spend it, and that will fuel our economic recovery. I ask our friends on the other side, Why are you opposing us?

We will look at which Presidents have signed minimum wage increases into law: FDR, Harry Truman, Dwight Eisenhower, Republican; John Kennedy, Democrat; Lyndon Johnson, Democrat; Gerald Ford, Republican; James Carter, Democrat; George H.W. Bush, Republican; William Clinton, Democrat.

The people who are trying to stop an increase in the minimum wage are going against a whole array of Democratic and Republican Presidents. Our increase is quite modest as shown by my chart.

American families are suffering since the Bush administration took hold. Look what has happened: 13 million children hungry; 8 million Americans unemployed; 8 million workers losing overtime. That is what they want to do. There are 7 million low-wage workers, some waiting 7 years for a minimum wage increase. All we want is an up-or-down vote. They are filibustering it. There are 3 million more Americans in poverty since President Bush took office and 90,000 workers a week losing unemployment benefits.

I hope compassionate Senators on both sides of the aisle, I hope savvy Senators on both sides of the aisle, will definitely allow a vote on this very simple proposition. Seven years ago we raised the minimum wage. It is time to do it again.

Take it to the people in your States. Ask them how they feel. The polls are overwhelming. More than 70 percent of the people want to see an increase in the minimum wage. Yet in this Chamber, one would think we are asking for something that makes no sense. We want to get people off of welfare. That is the point of the underlying bill. Let's get them into work that pays.

The PRESIDING OFFICER. The Senator's time has expired.

Mrs. BOXER. Mr. President, I retain the remainder of our time on this side.

The PRESIDING OFFICER. Who yields time?

Mr. SANTORUM. Mr. President, I yield myself such time as I may consume.

I would ask the Senator from California—she suggested we are not going to allow a vote. I would be very happy to allow a vote. We suggested we would be happy to give a vote on the issue of minimum wage. But I think it is important, if we are going to give a vote on a ''message amendment''—that is the term that has been used by Members on your side of the aisle, a message amendment—we would be happy to give you a vote on your message amendment in exchange for you giving us a vote on something that is actually going to help people in poverty; that is, passage of this bill and going to conference. In fact, we have offered to the Democratic leader that in exchange for a vote on your message amendment, you allow us to pass and go to conference on a bill that is actually going to help low-income people get out of poverty.

So I would be happy to offer, as I did yesterday, a unanimous consent request to give you a vote on your amendment, in exchange for you allowing us to have a vote on passage, at a time certain, and a commitment to go to conference on this legislation.

I ask the Senator: Would you agree to such a proposal?

Mrs. BOXER. Thank you very much for asking. We are ready to vote on the minimum wage right now. We do not need any more debate time.

Mr. SANTORUM. I would be happy to——

Mrs. BOXER. The message we are sending is to the people in America

who need to have an increase. That is the message. We want to have that vote.

Mr. SANTORUM. Reclaiming my time.

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor.

Mr. SANTORUM. Mr. President, I ask unanimous consent that we have a vote on the minimum wage Boxer amendment, followed by a vote on the McConnell amendment on minimum wage, and then a vote on passage of the welfare reform bill, with the appointment of conferees, three Republicans and two Democrats. And then, on top of that, let's get everything done. Let's move, then, to the FSC/ETI bill, have a commitment to pass that bill by Thursday of next week, and a final vote, let's say, at 5 o'clock on Thursday.

So if you are committed to getting things done and helping manufacturing jobs, and you are committed to helping get welfare reform done, I offer that as a unanimous consent request.

The PRESIDING OFFICER. Is there objection?

Mrs. BOXER. Reserving the right to object.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. I say to my friend, there are a series of amendments that are important to the working people of this country. Overtime—the Bush administration is trying to take away overtime—we want a vote on that. The unemployment insurance, which has run out for millions of Americans, we want a vote on that. There are a series of amendments that deal with making lives better for the people.

Mr. SANTORUM addressed the floor.

The PRESIDING OFFICER. Does the Senator object?

Mrs. BOXER. This Senate is not the House. We are Senators. We are free to offer amendments.

The PRESIDING OFFICER. Does the Senator object?

Mrs. BOXER. I absolutely would agree if he would modify his request. We can agree on time agreements for these and keep it open for the rest of the amendments, and then we will agree.

The PRESIDING OFFICER. Does the Senator object?

Mrs. BOXER. I object, as he has done it. But I will agree to modify it.

The PRESIDING OFFICER. Objection is heard.

Mr. SANTORUM. Senator FRIST has offered to the Democratic leader a vote on all three of the amendments that the Senator from California asked for; that is, minimum wage, the issue of overtime, as well as the issue of unemployment insurance. We have agreed to votes on all three of those amendments, in exchange for votes on two things we would like to do; that is, pass a welfare reform bill that is actually going to help reduce poverty in America, help stabilize and build families, reconnect fathers with their children, and to pass a JOBS Act otherwise known as the FSC bill, which will help manufacturers compete in the international marketplace, save jobs, and create new jobs, and avoid harmful tariffs which are now in the process of being assessed against American workers by the European Union.

We have agreed to pay a ransom, to get two victims returned. The victims of the filibuster are the victim of welfare and the JOBS Act to help create manufacturing jobs. But we are not going to pay a ransom and not get a victim back. We are not going to pay a ransom to have votes on theme or message amendments and not get back for the American public two things that are absolutely necessary to help alleviate poverty and create jobs. This is not just going to be a political exercise.

The leader and the Republicans want to get things done. We are not here to message for Presidential politics. We are here because we want to do a job for the American people. We have a welfare bill that has worked—the 1996 welfare bill.

I will quote—by the way, not a Republican—June O'Neill, who was at the Congressional Budget Office, who said:

> Politicians and experts from the left and the right acknowledge that welfare reform has succeeded beyond the most optimistic expectations.

The 1996 Welfare Act, which Members on the other side of the aisle say: ''We are not trying to block. Oh, yes, we'll eventually get to it''—they say they are not trying to block it, so what do they do? Right out of the box, they offer an amendment and say: You either give us a vote on this amendment or we can't move forward on the bill.

They did not wait until we worked our will, until we had several amendments we were trying to work through. There are supposedly 30 germane amendments on the other side of the aisle. They did not wait to offer their 30 germane amendments. They did not work through the process.

Right out of the box comes an amendment that has nothing to do with welfare, that we said, from the very beginning, if you offer this amendment, then we will be happy to vote on it in exchange for a commitment to finish this bill. But no. No. We have to get our message amendments out. Why? Because I believe there are many on the other side of the aisle who do not want a welfare bill, who want message amendments instead of improving a bill that we know works for the American public.

Now, why would I say that? Well, let's listen to the Senator from Massachusetts, 8 years ago, on the floor of the Senate, dealing with this first welfare bill that we are trying to reauthorize and modestly improve. I underscore modest. This is not a major revamp of welfare in this bill. There are some modest improvements, tinkering, because we know what is out there is working. We want to make sure what has been put in place stays in place and make some minor tinkering to try to improve it. That is why this bill came out of the committee in a bipartisan basis, because these are not major changes. These are minor changes which amplify what we know has already been working out among the States.

But what did the Senator from Massachusetts say about this bill in 1996, which he voted against?

> These provisions are a direct assault on children and have nothing at all to do with meaningful reform.

Let's see if they had anything to do with a direct assault on children. Children in America who were at the highest poverty rates, when this bill passed, were African-American children. Let's see if Senator KENNEDY's assault, as he termed it, came to be. No. Wrong. The assault was on poverty, not on children. The assault that Senator KENNEDY foretold never happened. Over 40 percent of poverty was among African-American children in 1996. Now the rate of poverty among African-American children is the lowest ever recorded—the lowest ever recorded. Why? Because this bill works. Why? Because requiring work works. That is what this bill did. And that is what Senator KENNEDY was vehemently against—vehemently against.

He goes on to say:

> Here we are talking about American children living in poverty, the innocent victims of fate.

''[T]he innocent victims of fate.''

> If this bill passes, they will be the innocent victims of their own Government.

Let me change that around. For 30 years, African-American children in poverty were the innocent victims of their Government, in programs created by the Senator from Massachusetts, which locked them in poverty. And we have the courage on this floor to say: Stop this ''compassion'' that is killing America's children. We stood up and said, just because you are poor, you are not disabled, that we do not have a prejudice against you because you are poor, but we believe you can achieve just like the rest of Americans, if given the chance.

So we passed a bill that fundamentally changed the structure that the Senator from California and the Senator from Massachusetts, and far too many others, believed was the best for children—well-meaning but very wrong.

Instead of admitting this is the proper course, they now offer an extraneous amendment, having nothing to do with welfare, to block this hugely successful program in helping millions of families—millions of families—get off of welfare. How many millions? Two point eight million families. So 2.8 million families who used to get a welfare check now bring home a paycheck.

You ask, How big a difference is that in our world? I will give you a story of a young lady who told her story. She works for CVS. She had been on welfare for many years. She said after she

had her first week of work and got her first paycheck, all of the children piled into her car and wanted to go to the store. Why? They wanted to go to the store because they wanted to go through the checkout line and have their mom pay with cash instead of food stamps. They wanted not to feel looked at as someone who was using the person behind them and their money to help pay for their food, but they had earned it themselves.

You don't think that has an impact on a little child's life? You don't think that being dependent upon the Government has an impact on the psychology of little children who grow up in that environment? Do you think we are doing people a favor by saying, We will take care of you?

If we don't pass this welfare reform bill today, the majority of Americans on welfare will no longer have a work requirement. If we don't pass a welfare reform bill, a majority of Americans on welfare will be in the old welfare system prior to the reform in 1996.

You say, well, this bill doesn't really make any difference? It makes a huge difference because the incentives will not be there anymore. I can't tell you the number of welfare mothers I have talked to. As I mentioned before, we have employed nine in my State office. I have worked personally, hand in hand, in trying to deal with the difficulties of taking people from welfare to work. It makes an enormous difference in their lives. They have said to me, one after another: I probably would not be where I am today had welfare reform not passed and the Government changed their expectation of me. I had to look at myself differently. It forced me to do something I never had the courage to do because to get that first job is scary.

It is a frightening thing, if you have very little skills, to go out and hold yourself up to failure. Let's be honest. Remember your first job. You knew nothing about what it meant to work. You knew nothing. How did you sign up? Where did you get your paycheck? What timecard did you fill out? There are so many things in the world of work that you have no concept of if you have no experience in it. That first job can be frightening, particularly if you are unskilled. Taking that first step or staying at home and letting the Government send you a check, that is an option that far too many people took.

Well, we didn't allow that in this bill. And it was not cruel. It was a step in the right direction for 2.8 million families, 2.3 million children out of poverty, 700,000 African-American children out of poverty. And we are blocking a bill that would make this a reality for future generations of people who may have to go through the welfare system?

I yield the floor to the Senator from Iowa. I thank the chairman for his tremendous effort in bringing this bill to the floor and fighting to get it through cloture and on to passage and to reality. He has been a warrior for children on this issue. I thank him for his work.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield myself such time as I may consume.

I thank the Senator from Pennsylvania for managing the bill while I had to be in a conference to work out compromises on the pension bill. But more importantly, going back to his days in the House of Representatives, he has been a trailblazer in the cause of moving people from welfare to work so that those people have an opportunity to move themselves up the ladder.

Families on welfare and low-income families need childcare, and they need it now. This bill will help do that. If Democrats obstruct passage of this welfare bill, we risk losing a significant opportunity to substantially increase childcare funding for welfare families as well as for poor working families. If we simply continue the level of childcare funding under current law, hundreds of thousands of children and working families will lose their childcare. Estimates have been made that nearly 225,000 children could lose childcare assistance by the year 2006, and more than 360,000 children could lose it by the year 2008.

Is that what the Democrats want? Is that what they stand for in their vote against cloture on this legislation? That is playing politics on the welfare bill, and playing politics will not get this bill passed.

This bill is good policy. Democrats know that. And good policy is good politics.

Let me be clear: If Democrats succeed in their efforts to derail consideration of the welfare bill, hundreds of thousands of children will lose childcare. In other words, in order to score political points, Democrats are leaving poor children and their working single moms out in the cold. Without additional childcare resources, many States will be forced to make painful childcare cuts or institute waiting lists or increase copays.

If childcare funds are not available, low-income families, working families trying to do the right thing will be unable to help pay for childcare. Children work; children suffer. Or else children don't suffer and parents don't work.

Under this situation, they would be forced to resort to inadequate, unstable, probably unsafe childcare arrangements, or even be forced to give up their jobs and return to welfare, all so that political points can be made. That doesn't make sense to me, especially for a party that brags about putting the care of the people in need uppermost in their platform.

I think that is shameful. Democrats ought to be ashamed of themselves for making political hay on the backs of these low-income people.

In addition to the loss of childcare funding increases, if we are not able to enact this legislation—and you have to have cloture to get to finality, or else you have to have an agreement on the number of amendments and their germaneness to move ahead. So without one or the other, we are not able to enact welfare reform. In addition, we would also fail to make needed improvements to child support enforcement programs. We would fail to provide transitional medical assistance for 5 years as well as give States access to the contingency funds they have not been able to use because we liberalized States' access to those contingency funds. We leave States in the dark about what a reauthorization bill next year would look like. Why leave 50 State legislatures in a lurch when if we acted, they can put their State programs in place and move on with certainty?

When this is all added together—and there are a lot of other things we could say—it is an extraordinarily irresponsible policy that ends up with the lack of finality on the part of this Senate on welfare reform.

But then maybe welfare reform has never been a priority for Democrats. In the 107th Congress, even though my friend, Senator BAUCUS, reported a bill out of committee with $5.5 billion for childcare, welfare never made it to the floor of the Senate. This year, the Senate Finance Committee reported out a bill with significant Democratic priorities in it, but no Democrat voted for it.

Our Republican leader, Senator FRIST, gave us a week out of a very crowded legislative schedule because welfare reform—taking care of the needs of the poor, the needs of children—is high on the agenda of Senator FRIST. But it also has to be worked in with a very crowded legislative schedule. But he gave us time. He has many Members and many committee chairmen besides this Senator pressuring him for floor time to take up their bills, to consider legislation; yet, this had the high priority of our Republican leader.

We passed the bipartisan and Republican-sponsored Snowe amendment, increasing childcare by $6 billion, and still it looks like Democrats are prepared to block action on this bill, this bill that helps poor people, because they have an agenda that somehow outranks welfare. Obviously, their agenda is to make political points. I am sad to say that ultimately children and their working moms are the ones who will pay the price for this political grandstanding.

I hope we can do better by them, Mr. President. I have worked hard so that we could in fact do better for these people. It would be a shame if we are prevented from passing a bill that would genuinely help those in need just so the other side can score political points, or at least what they perceive to be political points.

The question is whether the Democrats will be held accountable if they

succeed in killing welfare reform and killing an additional $7 billion for childcare. This issue is not about a vote on minimum wage. Republicans are willing to take a vote on minimum wage. As my colleague from Missouri, Senator TALENT, said yesterday, ''We are willing to pay the ransom. We just need some assurances that we get the victim back.'' We need to know we can pass this bill and get it to conference. That is the issue over which Democrats are obstructing.

It is very unprecedented that Democrats are objecting to appointing conferees. Let me say that more broadly. It is almost unprecedented for the legislative process not to work the way the Constitution writers intended, and that is you get to a point where you work out compromises between the other body and this one, and that takes a conference committee to do it. If you want a product instead of politics, you go to conference. That begs the point, are we ever, then, going to be able to pass anything around here? In order to get a bill enacted, it has to pass both bodies.

We have $7 billion in childcare on the table right here. In order to score political points, Democrats are going to leave this banquet that is out there for people in need.

Again, the issue is not about getting a vote on minimum wage. Republicans are willing to take a vote on minimum wage. The issue is about getting a bill done, reaching finality. Democrats are preventing us from getting a welfare bill through the legislative process. I hope they have a surprise for this Senator and that we get cloture, and that they deliver to the people what they promised. This is very unfortunate for our country and for families who could have benefited from the bill that it looks like Democrats are going to kill today.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. Almost 18 minutes under Senator BAUCUS's time.

Mr. KENNEDY. I thank the Chair. I ask the Chair to remind me when I have a minute and a half left.

The PRESIDING OFFICER. The Chair will do so.

Mr. KENNEDY. Mr. President, we are voting at noontime today on a cloture motion, and those, obviously, in the Senate understand what this is all about. Before the Senate at the present time is a proposal offered by the Senator from California and myself to increase the minimum wage up to $7 in just over a 2-year period. The minimum wage has not been increased for the last 7 years. Now we find the minimum wage purchasing power is at an all-time low.

Now, those on the other side—we just heard from my friend Senator GRASSLEY—are saying we are somehow stalling this legislation. We are not. When this amendment was offered, the Senator from California and myself agreed to a 20-minute time limitation so we could move ahead with the rest of the debate on the TANF reauthorization. That was objected to. And then the majority leader put down a cloture motion.

I welcome the opportunity to speak on the minimum wage because there is so much to say about it, about the people who are experiencing it and the impact of our failure to increase the minimum wage, particularly the impact on children. We have not had an opportunity to have a vote in the Senate for the last 7 years on this. It is time that we do. We are being precluded from doing so because of the parliamentary maneuvers of the majority to deny the Senate of the United States a vote up or down on whether we think some of the hardest working Americans ought to have an increase in the minimum wage.

The Republicans are so frightened about voting on this, so they do the parliamentary tricks in order to try to deny the Senate an opportunity to vote on the minimum wage. Well, it is beyond me why they don't want to take the hard vote. Why not go back to your constituents and say, I am for this or against it. If you are against it, explain why. But we are being denied. It is not just denying the sponsors; they are denying over 7 million hard-working Americans the opportunity to get an increase in their pay.

As I pointed out in the beginning, the purchasing power of the minimum wage now, at the end of this year, will be near an all-time low since it passed in 1938. We have a chance to do something about it and do something now.

A quick response to my colleagues on the other side regarding the whole question of how increasing the minimum wage isn't really related to getting people off welfare into jobs. Well, it is difficult for people who have listened to the debate to accept that, particularly when the Secretary of HHS himself said this in comment to the underlying program, TANF:

> This administration recognizes that the only way to escape poverty is through work, and that is why we have made work and jobs that will pay at least the minimum wage . . .

Do you hear that? Secretary Thompson said this:

> . . . the centerpiece of the reauthorization proposal for the TANF program.

Still our Republican friends say our amendment is not related to this. Of course it is. The President's spokesman indicated that. Still we are unable to get this.

Mr. President, I have stated who these people are who are earning the minimum wage. They are men and women of pride and dignity. They deal with tough jobs—cleaning out buildings of our country, all over our Nation. They work in schools as assistant teachers. They work in nursing homes providing help and assistance for our senior citizens.

Let me read one short story which is typical about a minimum wage worker. The name of this person is Fannie:

> She weighs bunches of purple grapes or rings up fat chicken legs at the supermarket where she works, Fannie Payne cannot keep from daydreaming.
>
> ''It's difficult to work at a grocery store all day, looking at all the food I can't buy,'' Mrs. Payne said. ''So I imagine filling up my cart with one of those big orders and bringing home enough for all my kids.''
>
> Instead, she said that she and her husband, Michael, a factory worker, routinely go without dinner to make sure their four children have enough to eat. They visit a private hunger center monthly for three days' worth of free groceries, to help stretch the $60 a week they spend on food.
>
> ''We're behind on all our bills,'' Mrs. Payne said. ''We don't pay electricity until they threaten a cut-off. To be honest, I'm behind two months on the mortgage—that's $600 a month.''

The PRESIDING OFFICER. The Senator has 1½ minutes remaining.

Mr. KENNEDY. I yield myself 5 more minutes from Senator BAUCUS's time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. She continues:

> ''We owe $800 on the water bill and $500 for heat.''

These are the real workers who are going to benefit from an increase in the minimum wage.

What has happened over the last 3 years? We have seen the number of Americans who are living in poverty grow from 31 million up to more than 34 million. These are 3 million Americans who are living in poverty, including hundreds of thousands of children, in the richest country in the world, who are living in poverty and, in so many instances, in hunger in the United States of America.

This is what the 2003 survey by the U.S. Conference of Mayors that looked at hunger found. These are mayors, Republicans and Democrats: 39 percent of the adults requesting food assistance were employed. Why? Because the minimum wage cannot provide sufficient income. These are hard-working individuals trying to look out after their families and feed them, and they cannot make enough to provide food for their families.

No. 2, a leading cause of hunger was low-paying jobs. We have a chance to do something about that by increasing the minimum wage. This is what the mayors from all over the country, Republican and Democrat, say, that a leading cause of hunger is low-paying jobs.

Emergency food assistance increased by 14 percent just this last year.

Fifty-nine percent of those requesting food assistance were members of families, with children and elderly parents. This is what is going on in this country. We can make a difference.

Finally, one of the major recommendations they make is raising the Federal minimum wage as a way

the Federal Government could help alleviate hunger. Do we hear that? That is the recommendation of the mayors of this country.

Look at what happened in a study the National Urban League did on the issue of minimum wage. They say:

Minimum wage workers are too often presented as teenagers or wives in the middle class. Yet the clear implication of this study is that the proposed increase in the minimum wage from $5.15 to $6.65 an hour, or to $7 an hour in the case today, would move 1.4 million American households to the level of being food secure, having enough money to buy nutritious, safe food for their families.

It continues:

The increase in the minimum wage lessens hunger in all households, but particularly in low-income households and in those households in which the householder was less educated, in African, Hispanic, or single parents.

This is what is happening. There is an increased number of those who are living in poverty and an increase in the number of children living in poverty.

Look at the impact of hunger, the consequences of hunger and food insecurity on children. This is the Heller study, June of 2002:

Elementary-school children from food-insufficient families were more likely to have repeated a grade in school in both a national sample of elementary-school children and a study of low-income families from the Pittsburgh area.

Hungry and at-risk for hunger children from 4 inner-city schools in Philadelphia and Baltimore were absent from school more days than other children and also had higher rates of tardiness. A similar finding with respect to missing school was found in a multistate survey of low income households.

These are the studies. Children are going hungry in America. This proposal is not going to answer all the problems, but it will help 7 million Americans. That is something worthy of this body this day. But we are going to be denied by our Republicans the opportunity of even voting on this amendment.

As I have said often, this is a women's issue because the great majority of individuals who receive the minimum wage are women. This is a children's issue because a great majority of those women have children. It is a women and children's issue. This is a family issue affecting women and children. This is a civil rights issue because so many of these men and women are of color. And finally, this is a fairness issue because people in the United States of America understand fairness, and they believe if you work 40 hours a week, 52 weeks a year, you should not have to live in poverty.

Let's vote up or down, at least have the courage of convictions on the other side and give us a chance and give these 7 million Americans who deserves an increase in the minimum wage an opportunity to have some hope at the end of the day because the Senate did the right thing.

I yield the floor.

Mr. GRASSLEY. Mr. President, yesterday I asked unanimous consent to have printed in the RECORD a letter to myself and Senator BAUCUS signed by 41 Democrat Senators. However, at the time of printing it was missing its second page. I again ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC.

Hon. CHUCK GRASSLEY, Chairman,
Hon. MAX BAUCUS, Ranking Member,
Senate Committee on Finance, Dirksen Senate Office Building, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN AND SENATOR BAUCUS: We believe reauthorizing the Temporary Assistance for Needy Families (TANF) program is an important item on the congressional agenda for this year. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) made dramatic changes in our Nation's welfare laws that have had a profound impact on disadvantaged families. We agree with the President that the main goal of welfare programs should be to strengthen families and support self-sufficiency. We would like to work with you to build on the strengths of the new system, as well as address areas where the new law falls short.

We are encouraged by the number of families who have moved successfully from welfare to work. However, 33 million Americans still live in poverty. The current economic downturn has led to increases in both unemployment and, more recently in many States, the welfare caseload. Today, almost every State in the Nation faces a fiscal crisis. Under these circumstances, a concerted, bipartisan effort is necessary to preserve the progress we have seen so far, as well as encourage States to help more families become independent.

We strongly support several of the concepts the President has outlined, if designed and implemented appropriately. ''Universal engagement'' of welfare recipients would help make sure each family's specific circumstances are considered and addressed. Ending the current ''caseload reduction credit,'' which gives States credit for people who are not working, and replacing it with an ''employment credit,'' would provide stronger incentives for States to move families not only off of welfare but into jobs. Similarly, bipartisan proposals to strengthen child support would encourage better relations between non-custodial parents and their children, and help families stay off welfare. We would like to work with you to make sure all States can participate and that families receive the child support they are owed. We also agree that transitional Medicaid benefits should be extended so parents who leave welfare will know their children will have health care as their families make the transition to work.

We are concerned, however, that the administration's proposals lack several key reforms that will help more families achieve self-sufficiency. We believe reauthorization should include four important components to achieve this goal.

First, to be successful, a work-oriented welfare program must demonstrate that work will be fairly rewarded, and that families will be better off if they play by the rules. We must make sure states can provide critical work supports, especially quality child care. Child care assistance is essential if parents are to get a job and stay employed.

A significant increase in funding for child care is needed not only to support the current level of child care provided to low-income working families, but also to improve the quality of care provided and cover the millions of eligible children currently without assistance. We know there are significant additional costs associated with increases in work requirements. Any welfare reform bill must include sufficient funding to ensure that we are not cutting child care services currently provided to low-income working families in order to pay for child care for families receiving TANF cash assistance. In addition, funding must be provided to improve the quality of child care to ensure that low-income children enter kindergarten ready to learn, as well as to increase access for the millions of families who are eligible but currently receive no child care assistance.

This investment is even more important because of the states' fiscal crises. At least 13 states cut their investments in child care in 2002 because of budget pressures, and more are likely to be forced to do so this year or even next year. In this climate, it is not realistic to rely on states to restore these needed funds, or fill in gaps left by federal policies. Failure to strengthen the federal investment in child care will have dire consequences for many low-income families that are trying to succeed in the workplace. We are pleased that the Senate Budget Resolution rejects the President's proposal to freeze child care funding, but we are still concerned that the proposed funding will not sustain current levels of support, let alone improve the quality of care or allow for increased work requirements.

Second, we must recognize the role legal immigrant families play in our economy. Most legal immigrants came to this country to find work; they contribute economically to their communities and play important roles in the labor force. Because of language and other barriers, many must take lower paying jobs and thus can be buffeted by economic dislocation. At their annual winter meeting, the nation's governors reiterated that immigration, which is controlled by the federal government, creates demands at the state level for education, job training, social and health services, and other assistance that is necessary to help immigrants integrate into our communities and become self-sufficient members of society. Currently, 31 states use their own funds, without federal support, to provide TANF benefits and services or health assistance to legal immigrants, and other states often absorb emergency health care costs for these families. Giving states the options to use federal funds for benefits and services to legal immigrants is an issue of fundamental fairness, and it would provide needed fiscal relief for states.

Third, states need more flexibility to make sure workers have the skills to succeed in the workplace. At a minimum, we support the provisions included in the bill reported by the Finance Committee last year. Full-time, work-related vocational training and education, post-secondary education, basic adult education, work-study, and other similar activities can lead to better jobs, more opportunities for advancement, increased family incomes, and a more competitive workforce. We should not arbitrarily limit states' ability to support these activities, since they provide a true ''ticket to independence.''

Fourth, we support state and local innovation, but will not support a ''superwaiver'' that merely shifts resources from one pot to another and eliminates basic protections for families, while bypassing Congressional oversight. A broad, vague superwaiver is no substitute for providing states with the flexibility within TANF to craft welfare-to-work programs that meet the particular needs of their state economies and the families they serve.

Finally, we would like to express concern over Administration and House proposals to significantly increase work participation standards and work hours, without flexibility and adequate increases in work supports. We agree that TANF recipients should be engaged in work activities that will help them to ultimately become self-sufficient. However, we feel strongly that we should not impose rigid requirements that would undermine successful state programs, or reduce states' flexibility, which allows them to consider and address the individual needs of participating families, including disabilities and other barriers to employment.

We would also like to point out that states have been successful in reducing their cash assistance caseloads because they have taken advantage of the flexibility in TANF to support low-income working families, including not only those receiving cash assistance, but also those who have left welfare or those who are at risk of needing welfare. These innovative efforts are already in danger because of the states' fiscal crises; increasing work participation requirements threatens the success of these programs by significantly reducing the help available to support low-income working families for child care, and other key services. We believe this would be a major step in the wrong direction.

We would also like to correct the perception that states can support higher work participation standards without additional resources. An argument has been made that states have more resources per TANF family than they had in 1996. This claim is misleading for several reasons. This line of reasoning assumes that non-TANF Child Care and Development Block grants (CCDBG), which support many low-income working families, are used only to support families receiving TANF cash assistance. In fact, the statute specifically states that CCDBG funds are to be used not only for families receiving assistance, but also for, ''families who are attempting through work activities to transition off of such assistance program, and families who are at risk of becoming dependent on such assistance program.'' (PRWORA, Section 603).

The Administration's figures also assume that all TANF resources are used to support only families receiving assistance. But states have been successful in reducing their cash assistance caseloads because they have taken advantage of the flexibility in TANF to support low-income working families, including those who have left welfare or those who are at risk of needing welfare. The General Accounting Office reported in April 2002 that ''at least 46 percent more families than are counted in the reported TANF caseload are receiving services funded, at least in part, with TANF/MOE funds.''

The President has said, ''It is not yet a post-poverty America.'' If we are to reach this goal, we must maintain strong federal and state support for welfare reform, so that families can escape the ravages of poverty and become self-sufficient. We look forward to working with you on a bipartisan basis to achieve these important goals.

Sincerely,

Tom Daschle, Bob Graham, Jay Rockefeller, Blanche L. Lincoln, John F. Kerry, John Breaux, Edward M. Kennedy, Jeff Bingaman, Hillary Rodham Clinton, Patty Murray, Jon S. Corzine, Barbara A. Mikulski, Maria Cantwell, Chuck Schumer.

Frank R. Lautenberg, Herb Kohl, Tom Harkin, Daniel K. Akaka, Russell D. Feingold, Byron L. Dorgan, Mary L. Landrieu, Paul Sarbanes, Dianne Feinstein, Joe Lieberman, Tim Johnson, Barbara Boxer, Dick Durbin, John Edwards.

Carl Levin, Daniel Inouye, Debbie Stabenow, Harry Reid, Jim Jeffords, Chris Dodd, Ron Wyden, Patrick Leahy, Mark Pryor, Fritz Hollings, Jack Reed, Kent Conrad, Joe Biden.

Mr. DASCHLE. Mr. President, how much time remains?

The PRESIDING OFFICER. Seven minutes forty seconds.

Mr. DASCHLE. Mr. President, if you could tell me when I have used 3 minutes, I would appreciate it. I want to leave some time for the distinguished manager of the bill.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, this issue is very important. If we really want to help people move from welfare to work, we ought to increase the minimum wage.

First, I wish to identify myself with the distinguished Senator from Massachusetts and what he just said about the importance of the minimum wage issue, but I want to talk more to the procedural question.

In 1995, when we debated welfare reform the first time, the Senate had 40 rollcall votes—40 rollcall votes. The next year when we dealt with it a second time, because the bill had been vetoed, the Senate had 30 rollcall votes, even under reconciliation. So we have had 70 rollcall votes in the consideration of this bill on two occasions in fewer than 10 years.

We have had one vote—one vote—on this bill so far. It was a good vote. I am very appreciative of the commitment made on a bipartisan basis to childcare. But the real question is, Can you have the kind of debate that has been experienced in the past, that should be anticipated now with the benefit of one vote?

I have offered the distinguished majority leader that we could work through the remaining amendments and finish this bill before we leave next week. I have offered that consistently through the last several days in the hope we could reach some agreement. I am very disappointed that we have not been able to find some way with which to resolve just the procedural differences. A vote on minimum wage, a vote on the unemployment compensation, a vote on relevant amendments to the welfare bill is not too much to ask and, indeed, that has been the practice of the Senate.

We are willing to work. This is not a question about whether we support welfare reform. We will get an overwhelmingly bipartisan vote on welfare reform, as we should. This is not a question of whether we should have anything less than an opportunity to debate issues that are directly relevant to people's lives as they try to cope with the extraordinary financial pressures they feel trying to get off welfare. We are hopeful we can do that.

We are hopeful we can work with our Republican colleagues and figure out ways to deal with these relevant amendments and these amendments about which our Democratic caucus feel very strongly.

We will oppose cloture today but in no way, shape, or form is it an indication of our lack of willingness to work to finish the legislation itself. Give us a chance to do what we have done twice before on this bill. Give us a chance to vote on amendments that are critical to a good and full debate about the direction we ought to take with regard to this bill, and you will have closure on it at a time in the not too distant future.

I hope my colleagues will work with us to make that happen.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, what the Democratic leader has just suggested is allowing us to vote on welfare reform, but what the Democratic leader has insistently refused to do is to allow that bill to go to conference. Of course, a bill passage means nothing unless there can be a final resolution on that legislation. So what we are being told is they will give us an apparent victory of passing legislation with no end in sight. The idea that somehow or another we are going to have a final resolution—I think the words of the Senator from South Dakota were ''final resolution''—is simply not accurate. Passing a bill that has already been passed by the House gets basically put in limbo until we go to conference.

The Democratic leader has been very clear about not moving this bill to conference. So let's be perfectly clear, we are absolutely ready—in fact, I will offer a unanimous consent. We are absolutely ready to give votes on issues of importance to the Democrats and, as I said before, we are willing to pay a ransom. But we want to make sure we get our victims back, and the victims in this case are the welfare reform bill and FSC/ETI.

We want to make sure they have a chance of becoming law, not put in the bin of bills that have yet to go to conference because of some concern about fairness in conferences.

I ask unanimous consent that at a time determined by the majority leader, after consultation with the Democratic leader, the Senate proceed to back-to-back votes, first, in relation to a public minimum wage amendment, to be followed by a vote on or in relation to the Boxer amendment with no second-degrees in order to either amendment; provided further that the bill be limited to germane amendments, and at 9:30 on Friday, April 2, the substitute amendment be agreed to, the bill be read a third time, and the Senate proceed to a vote on passage of the bill with no intervening action. Finally, I ask unanimous consent that following the passage of the bill, the Senate insist on its amendments, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

I will explain what I have requested, and that is that we give a vote up or

down, which has not been allowed on a whole host of judges on this side, on the issue the Democrats say is the important issue of the day, in exchange for all the germane amendments the Democrats would like to offer between now and tomorrow morning. And if they would like a little bit more time tomorrow, we would be happy to do that, but passage and conference, that is what this request asks.

Historically in the Senate, when we passed a bill we automatically went to conference. That has changed. So now we have to specifically include to do so in the unanimous consent or we do not get to conference.

I ask unanimous consent according to what I just read.

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). Is there objection?

Mr. DASCHLE. Reserving the right to object.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. I simply say that on 21 occasions now when we have completed our work on a bill, we have done what is actually the normal process. We have—

Mr. SANTORUM addressed the Chair.

Mr. DASCHLE. I am reserving the right to object, and I assume I have the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor. There is no right to reserve the right to object.

Mr. SANTORUM. Mr. President, I am happy to let the Senator from South Dakota talk on his time since my time is limited. If he would not mind taking his time, he could reserve the right to object.

Mr. DASCHLE. Mr. President, I simply reserve the right to object and ask consent that the bill be sent to the House once it has been completed.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I object to that modification because what the Senator from South Dakota has just said is, no, I will not let the bill go to conference. That is what sending the bill back to the House means, which means, no; no conference.

As we all understand, without conference we do not get closure. Without closure, we do not get a bill and we do not help millions of Americans get out of poverty. What we are playing is politics.

I commend to my colleagues a Brookings Institution Policy Brief of September 2003 ''Welfare Reform & Beyond #28.''

Mr. President, I ask unanimous consent to have several articles printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Post, Apr. 14, 2003]

WELFARE REFORM WORKS, YET POLS SEEK ROLLBACK IN N.Y.C. AND U.S.

(By June O'Neill)

Politicians and experts from the left and the right acknowledge that welfare reform has succeeded beyond the most optimistic expectations. Yet the reforms are nonetheless under political siege: Reauthorization of the major welfare-reform law is now nearly a year overdue and seems mired in Capitol Hill politics. And last week the City Council gutted the welfare-to-work policies that made New York City one of the brightest examples of reform's success.

One can only hope that Congress will listen to the message of a large body of research that the council totally disregarded—and pass a bill that retains the emphasis on work that has served us so well.

In 1995 and '96, many in the policy community predicted disaster—children crushed by poverty and neglect—if work-oriented reform were approved. Instead, as documented in the recent Manhattan Institute report I wrote with Anne Hill, the poverty rate for single mothers, the major group affected by welfare reform, has fallen by a record amount, from 40 percent to 32 percent between reform's passage in 1996 and 2001.

Underlying this drop in poverty was a dramatic rise in the employment of single mothers and an earnings gain large enough to more than offset the decline in welfare benefits: Single mothers saw their incomes rise by more than 20 percent over the same period.

As to the children, a recent study by Northwestern University's Lindsay Chase-Lansdale and others found that mothers' transitions off welfare and into employment were not associated with negative outcomes for their preschool or young adolescent children.

New York City was perhaps the ultimate testing ground for reform. In 1996, prior to passage of the reform law, 10 percent of the city's population was receiving welfare benefits, compared to only 3 percent in the rest of the state and 5 percent nationwide. Moreover, that number had fluctuated little in decades. But by December 2002, the city welfare rolls had dropped 55 percent, even including those getting state and city rather than federal aid. And the number of recipients continued to fall despite the painful 2001–2002 recession.

What happened to the people who left welfare? A 1997 Columbia University study predicted that 500,000 single mothers would be forced into poverty within five years. That prediction proved totally wrong: The poverty rate among the city's single mothers fell by more than a fifth, from 52 percent to 40 percent. Far from ending up helpless and in deprivation, single mothers moved into the workplace in record numbers.

Some have tried to explain away these positive developments by claiming that they were caused by the 1990s economic boom. That explanation fails under scrutiny. In our Manhattan Institute report, we find that welfare reform can account for more than 40 percent of the rise in single-mother employment between 1996 and 2001; the boom was responsible for less than 10 percent.

Of course, it is always difficult to separate out statistically the net effects of different variables when both are changing. However, our formal statistical analysis is bolstered by historical observations which clearly show that both the welfare and work participation of single mothers in the pre-reform period was only weakly responsive to the ups and downs of the business cycle. This explains why welfare rolls have not risen much during the recent recession and in many places have continued to decline.

In other words, single mothers didn't leave welfare for work because a good economy pulled them in. They left because welfare reform changed the incentives single mothers face, making work a much better option for them in the short and long-terms.

Before reform, welfare was a long-term entitlement to a guaranteed income—cash, food stamps and medical benefits, and often subsidized housing, too. This income was a limited one, but it was given without any work requirement. So a woman on welfare, particularly one with school-age children, also gained something everyone values—lots of time to spend on activities of her choosing.

Welfare reform changed all that. Strict work requirements sharply curtailed discretionary time. The five-year time limit meant that long-term welfare support was no longer an option. Faced with a dramatic shift in incentives, some women who would have gone on welfare did not do so, while many on welfare chose to leave welfare much sooner than they would have.

The commitment to join the workforce has given single mothers the impetus to gain the skills and experience essential to improving their lives. Indeed, my recent research shows that women did better economically the longer they stayed off welfare and in the workforce. Poverty rates dropped 50 percent for women who did these things for four years.

Why? Each year in the workforce brings additional money—their hourly pay rose about 2 percent (after inflation) per year worked, 3 percent if they stayed with one employer for that time—enabling many to raise themselves out of poverty.

Welfare reform succeeded because it made going to work more attractive than going on welfare. Reauthorization of reform is being held up and threatened by the failure of many in Congress to recognize this point.

Some would tie reauthorization to an increase in the ability of single mothers to substitute education and training programs for work experience. Such proposals sound good—and typically were the centerpiece of the failed welfare initiatives of the past—but they fly in the face of what we know about why welfare reform worked, in New York City and throughout the country.

(From the New York Times, Mar. 6, 2004)

THERE'S MORE WELFARE TO REFORM

(By Douglas J. Basharov)

When the landmark 1996 welfare reform law came up for reauthorization in 2002, easy approval was expected. After all, the legislation was popular, it had originally passed with significant bipartisan support and, well, it was working, with the number of people on welfare down an astonishing 60 percent since states started putting reforms in place.

But instead of sailing through Congress, the reauthorization effort became trapped in a political tug of war between Republicans (who wanted tougher work requirements added to the law) and Democrats (who wanted increased federal money for child care). Instead of reauthorizing the law, Congress has simply extended it several times, and now it looks as if there will be yet another extension. That's a shame—because the legislation needs to be updated now.

Despite the law's success in getting people to join the work force, roughly two million families remain on welfare, many headed by single mothers who are unable to get—or keep—a job because of limited education and skills.

The Bush administration's reauthorization proposal focused on these mothers. Because few states had made a concerted effort to move them into programs that build specific job skills, the administration called for states to adopt tougher work and training requirements. Under the proposal, states would have to put 70 percent of their adult recipients in these designated activities for 40 hours a week.

The administration's proposal was not quite as tough as it seemed. It had a number of participation exemptions. What's more, as the bill moved through the legislative process, it was watered down in order to win support from moderates on both sides of the aisle.

But the administration was reluctant to broadcast the legislation's softer side—doing so might undermine its pro-work rhetoric. That silence played into the hands of Democrats. If the Republicans wanted welfare mothers to work more, they argued, there should be a parallel increase in child care financing.

The Democrats had a point. But their demand for as much as $10 billion in additional child care aid went far beyond the needs of welfare families. It would have covered families that had never been on welfare—and were in no danger of needing it. Over time, the Democrats lowered their demands; at this point, they would probably settle for about $6 billion over five years, which is still more than what is needed to carry out the administration's plan.

For the past two years, the administration has rejected such large spending increases and, given the criticism President Bush is receiving for the growing federal deficit, it seems unlikely that he will give the Democrats what they want. The Democrats' position likewise seems to be hardening. They are now talking about waiting for a President John Kerry to reauthorize welfare reform.

The stalemate is doubly painful because there are clear grounds for compromise. Republican modifications have resulted in work requirements that, if clarified, would enjoy wide support. Democrats know that reauthorizing the legislation now will ensure that states get modest but still substantial increases in child care money. Another year's wait would keep the states at 2002 financing levels, something that has so far cost them $400 million.

Further delay would also forestall desperately needed changes to the legislation. States have to be encouraged to address the needs of the hardest-to-employ welfare recipients by toughening participation requirements. Judging by the experience of the states that have had the most success moving these mothers into employment, we should require 50 percent of a state's welfare recipients to spend 24 hours a week in required activities—perhaps 32 hours a week for mothers with no children under the age of 6. States should be given greater flexibility in how they reach this level, so long as at least 10 percent of their welfare recipients are in mandatory community service or on-the-job training programs. (A separate exemption of up to 15 percent would be needed for the disabled.)

To cover additional child care and administrative costs, a formula should be established that ties payments to the states to increases in participation. The question of whether there should be more federal aid for child care should be reviewed on its own merits, not under the guise of welfare reform.

This kind of bipartisan compromise is never easy in an election season. But two million American families are still trapped on welfare. Can we really afford to wait another year?

(From the Washington Post, Aug. 5, 2003)

WORK: THE KEY TO WELFARE

(By Brian Riedl and Robert Rector)

Should Congress make work requirements for welfare recipients stricter? That's what would happen under a bill the House of Representatives has passed. It would require more recipients to work 40 hours a week instead of the current 30 and stop vocational training from counting as ''work.''

Bad idea, the critics say. They claim that education and training programs lead to successful high-paying careers, while putting welfare recipients to work immediately traps them in low-paying, dead-end jobs.

Wrong.

Welfare recipients assigned to immediate work see their earnings increase more than twice as fast over the following five years as those first placed in education-based programs, according to calculations we made using data from the Manpower Demonstration Research Corp., a New York-based nonprofit group. In fact, most government-run job training programs barely raise hourly wage rates at all, a report commissioned by the U.S. Labor Department reveals.

If the goal of welfare reform is to raise earnings while reducing dependency, then quickly moving welfare recipients into real jobs is the answer. Prolonged classroom training tends to be the dead end.

Before the 1996 welfare reforms, the Aid to Families with Dependent Children (AFDC) safety net was just that—a net not only catching but also trapping nearly all who fell into it. Welfare reform replaced AFDC with a program called Temporary Assistance to Needy Families (TANF). This program was designed not as a net but as a trampoline, springing families back up to self-sufficiency by placing adults in permanent jobs.

The undeniable success of this approach is demonstrated by the more than 5 million people (including 3 million children) who have risen out of poverty since the law was enacted. After remaining static for nearly a quarter-century, the poverty rate of black children has dropped by a third and is now at the lowest point in U.S. history. The poverty rate for single mothers has plummeted in a similar manner since 1996; it, too, is at the lowest point in national history.

But welfare reform wasn't perfect. Today less than half of TANF adult recipients are employed or preparing for employment in any way. Most remain idle and continue to collect welfare checks.

President Bush and his congressional allies want to strengthen welfare reform by increasing the TANF work-participation rate to 70 percent; opponents seem content excluding millions of families from working or even preparing to work. Yet those who would enact legislation that leaves hundreds of thousands of welfare recipients in idle dependence are clearly harming those they wish to help.

And those who believe welfare recipients are better served by education and training programs are ignoring the skills that would help these poor adults the most. A study conducted by the Washington-based Urban Institute shows that employers consider a positive attitude, reliability, work ethic and punctuality the most important traits they look for when hiring for entry-level positions. These traits can't be taught in a classroom, or as part of a training program—they are acquired through firsthand work experience. Not surprisingly, the same employers consider job training the least important qualification.

Unlike those stuck in a classroom or government-run job-training office, individuals placed in immediate work gain real-world experience mastering job duties. As they build work records, more job options and higher earnings become available. In the meantime, even minimum-wage parents can use the earned income tax credit, food stamps, Medicaid, the Child Care Development Fund and the school lunch program to raise their total income to two-thirds above the federal poverty line.

Some critics insist that all employable adults have already left welfare, leaving only individuals with insurmountable personal barriers to work. Not true. Urban Institute data reveal the current welfare recipients are no less work-ready than those who have left welfare. In fact, a substantial number of them aren't classified as having any barriers to work. And most of those with such barriers as a lack of transportation, a slight disability or an inability to speak English can, in fact, land jobs. But their chances of doing so are much better if we insist on immediate work.

The PRESIDING OFFICER. Is there objection to the unanimous request of the Senator from Pennsylvania?

Mr. DASCHLE. I object.

The PRESIDING OFFICER. The objection is heard.

The Senator from Montana.

Mr. BAUCUS. Mr. President, I rise to oppose the pending motion to invoke cloture. We are here today because the majority chooses not to allow a vote on a minimum wage. It is that simple.

That is wrong. It is wrong because the millions of hard-working Americans making the minimum wage deserve a raise. It is wrong because the Senators from California and Massachusetts also deserve to get a vote on their amendment. It is not right that a person who has a full-time job at minimum wage still has to live in poverty, but that is where we are today in America.

For a family of three, let's say a mom and two kids, the gap between the poverty line and the minimum wage is $3,681. That is right, a family would need $3,681 more just to get up to the poverty level, and that is before taking into account the cost of child care, which is a big factor, or the cost of gasoline for the car—we know how much gasoline prices are rising—or the cost of clothes for a job. Often a person has to buy separate clothes for a job.

If we want people to be able to move off welfare and into work—and that is what we want, people off welfare into work—we have to make sure the work they get pays enough so they can get off welfare and lift them out of poverty. That is what we have to do, and that is why increasing the minimum wage is so important.

Most people who are on welfare will say they want to get off welfare; they do not like it; they hate it. That is what they tell me. I have talked to a lot of people on welfare. One of the main reasons they will say it is so difficult to get off welfare is because the job that pays at minimum wage does not pay enough for them to get by. I have heard that countless times. They are working full time but they cannot make ends meet. We need to raise the minimum wage to help people get off welfare.

The vote today is also about another point. The Senators from California and Massachusetts deserve at least to have a vote on their amendment. They are willing to enter into a short time agreement. They are not delaying. They say, sure, let's have a vote on

their amendment, with a short time agreement. They are not delaying. It is the other side which is preventing them from having a vote.

We on this side of the aisle do not wish to delay this bill. We are willing to work to get a finite list of amendments. We are willing to enter into a time agreement on amendments. We are not asking for anything out of the ordinary.

I remind my colleagues that during the 13-day period for which the Senate considered the basic bill, the 1995 welfare bill, September 7 to September 19 of 1995, the Senate conducted 43 rollcall votes on amendments. So far this year we have conducted one, and yet there is a cloture motion to try to stop debate. That is not the way to legislate. We are not asking for anything out of the ordinary. We merely ask that Senators be able to offer amendments and get votes on their amendments.

We have time agreements, we have lists, and so forth. That is what this debate is about. I urge my colleagues to uphold the rights of Senators. I urge Senators to vote to increase the minimum wage. I urge Senators to oppose cloture.

How much time does each side have remaining?

The PRESIDING OFFICER. Ten seconds.

Mr. BAUCUS. I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I reiterate that we are perfectly willing to give up-or-down votes for a chance to pass this bill. I have asked unanimous consent and the other side has said no.

I have heard so much about everyone having a right to get up-or-down votes. We have had a debate on the floor of the Senate for a year and a half about up-or-down votes on Federal judges. So maybe we can exchange up-or-down votes.

I ask unanimous consent that we have an up-or-down vote on the Boxer-Kennedy amendment, followed by a vote on a McConnell relevant amendment dealing with minimum wage, in exchange for a vote on Calendar No. 169, Carolyn Kuhl, of California, to be a judge on the Ninth Circuit Court of Appeals, and Calendar No. 455, Janice Rogers Brown to be United States Circuit Judge for the District of Columbia.

The PRESIDING OFFICER. Is there objection?

Mr. BAUCUS. I object.

The PRESIDING OFFICER. The objection is heard.

Mr. SANTORUM. So we understand up-or-down votes only apply to their amendments and the things they want to do, not what Republicans want to do.

We need closure and we are not getting it.

The PRESIDING OFFICER. All time has expired.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Is there objection?

Without objection, the clerk will call the roll.

The assistant journal clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR BYRD'S 17,000TH VOTE

Mr. DASCHLE. Mr. President, I would inform my colleagues that with this vote we will witness history. Senator BYRD will have cast his 17,000th vote. No Senator in all of history will have done that. I will have more to say about that after the vote.

I yield the floor.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, pursuant to rule XXII, the clerk will report the motion to invoke cloture.

The assistant journal clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the substitute amendment to Calendar No. 305, H.R. 4, an act to reauthorize and improve the program of block grants to States for temporary assistance for needy families, improve access to quality child care, and for other purposes.

Bill Frist, Charles E. Grassley, John E. Sununu, Conrad Burns, Lamar Alexander, Peter G. Fitzgerald, Larry E. Craig, John Cornyn, Robert F. Bennett, John Ensign, Orrin G. Hatch, Mike Enzi, Mitch McConnell, Ted Stevens, Norm Coleman, James M. Inhofe, Kay Bailey Hutchison.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the pending committee substitute amendment to H.R. 4, an act to reauthorize and improve the program of block grants to States for temporary assistance for needy families, improve access to quality childcare, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MCCONNELL. I announce that the Senator from Alaska (Ms. MURKOWSKI) is necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. KERRY) would vote ''nay.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 51, nays 47, as follows:

[Rollcall Vote No. 65 Leg.]

YEAS—51

Alexander	DeWine	McCain
Allard	Dole	McConnell
Allen	Domenici	Miller
Bennett	Ensign	Nickles
Bond	Enzi	Roberts
Brownback	Fitzgerald	Santorum
Bunning	Frist	Sessions
Burns	Graham (SC)	Shelby
Campbell	Grassley	Smith
Chafee	Gregg	Snowe
Chambliss	Hagel	Specter
Cochran	Hatch	Stevens
Coleman	Hutchison	Sununu
Collins	Inhofe	Talent
Cornyn	Kyl	Thomas
Craig	Lott	Voinovich
Crapo	Lugar	Warner

NAYS—47

Akaka	Dorgan	Levin
Baucus	Durbin	Lieberman
Bayh	Edwards	Lincoln
Biden	Feingold	Mikulski
Bingaman	Feinstein	Murray
Boxer	Graham (FL)	Nelson (FL)
Breaux	Harkin	Nelson (NE)
Byrd	Hollings	Pryor
Cantwell	Inouye	Reed
Carper	Jeffords	Reid
Clinton	Johnson	Rockefeller
Conrad	Kennedy	Sarbanes
Corzine	Kohl	Schumer
Daschle	Landrieu	Stabenow
Dayton	Lautenberg	Wyden
Dodd	Leahy	

NOT VOTING—2

Kerry	Murkowski

The PRESIDING OFFICER. On this vote, the yeas are 51, the nays are 47. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. FRIST. I move to reconsider the vote.

Mr. DASCHLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

CONGRATULATING SENATOR ROBERT C. BYRD ON CASTING HIS 17,000TH VOTE

Mr. FRIST. Mr. President, I would like to take a moment to remark on a truly historic moment that just took place about 15 seconds ago, a moment we all witnessed which is special in United States history in a way we will shortly lay out.

Senator ROBERT BYRD is already recognized as an American icon. In 1917, he began life as a virtual orphan. His mom passed away when he was a year old. His aunt and uncle brought him to West Virginia to raise him on their own.

Hard working, enterprising, ROBERT BYRD made the most of every single opportunity along the way and rose to become the third longest serving Member of Congress in U.S. history.

Among his many distinctions, Senator BYRD has held more leadership positions in this body, the U.S. Senate, than any other Senator in American history.

Over the course of eight consecutive terms, Senator BYRD has cast more votes than any other Senator in the

history of the Republic. Today, just a couple minutes ago, Senator BYRD cast his 17,000th vote in this Chamber. I applaud Senator BYRD for his commitment to public service. This vote is truly a milestone in his career and the history of the U.S. Senate.

Without question, when history is written, Senator BYRD will hold a prominent place as a Senate legend.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, I join the majority leader and all the Members of our body in congratulating Senator BYRD on reaching this historic milestone. I thank him for his half century of service to the U.S. Congress. Seventeen thousand votes is an astonishing number. It is even more astonishing when you consider that Senator BYRD has now cast 652 more votes than the first runner-up, Senator Thurmond. He has served 2 years less than Senator Thurmond.

Here is another remarkable statistic: In the last 45 years in the Senate, ROBERT BYRD has voted on 98.72 percent of the questions put before this body. He has missed only about 1 percent of all votes cast over 45 years—the second highest percentage of all Senators who have cast 10,000 votes or more.

From July 25, 1984, through September 17, 1997—a period of more than 13 years—Senator BYRD did not miss one single vote. He cast 4,705 consecutive votes—the second highest consecutive vote total in Senate history. Of the 11,708 persons who have ever served in the U.S. Congress, only two have served longer than ROBERT C. BYRD. But what makes Senator BYRD's vote totals and voting percentages even more remarkable are some of the other achievements Senator BYRD has recorded over these last 45 years.

He is the first person ever to start and finish a law degree while serving in Congress. It took him 10 years. He graduated from American University Law School in 1963. President Kennedy was his commencement speaker.

In 1994, he fulfilled a lifelong ambition. He finally received his bachelor's degree from Marshall University summa cum laude—the first person in his family ever to go to college.

There are two reasons Senator BYRD has reached this historic 17,000-vote milestone. First, ROBERT C. BYRD believes, in his bones, if you have a job to do, you do it. He is a coal miner's son who has worked hard all of his life. He got his first job when he was 7, selling the Cincinnati Post. He has been a produce boy, a gas station attendant, a head butcher, and the owner of a small grocery store. He is a man who believes in earning his pay, who knows how it feels to fall asleep at night exhausted but proud for having met his responsibilities for 1 more day.

The other reason Senator BYRD has reached this milestone is because of his great love of West Virginia, of this Nation, and of the Senate.

Of course, the greatest love in Senator BYRD's life is his wife Erma. For the last 3 years, Mrs. Byrd's delicate health, and Senator BYRD's desire to be with her as much as possible, to support her, has made it even more difficult for Senator BYRD to answer every rollcall vote. Yet he has continued to do so.

We are privileged to work with him.

On this historic occasion, we congratulate him. And we thank ROBERT and Erma BYRD for all they have given this Senate and our Nation.

(Applause, Senators rising.)

Mr. BYRD. Thank you.

The PRESIDING OFFICER. The senior Senator from West Virginia.

Mr. BYRD. Mr. President, 17,000 votes ago, I achieved a dream. I stood on the floor of the U.S. Senate and prepared to cast my first vote as a Senator from the Mountain State of West Virginia. Seventeen thousand votes later, I still feel much the same. It is a great honor, a great privilege to serve the people in the Senate.

Ours is a glorious country. Its people are wise. They are brave. They are hard-working and fairminded.

Once it was possible for a poor young man with no important connections, with no PR firm behind him, with no fundraising apparatus racing at full tilt, to simply go out to the people, carrying his fiddle and having a mind full of poetry, and on the strength of his energy and his convictions, to be elected to the greatest deliberative body the world has ever known.

That time is light-years away from today's reality. Too often now in America it is the size of the pocketbook that elects public officials. I regret that change. It keeps people out of public service instead of welcoming them into public service.

This Senate is the forum which exists to welcome and to protect the airing of all points of view. Both sides of the aisle need to work together to ensure that the Senate will stay true to its constitutional purpose. We swear an oath before God and man to support and defend this Constitution. Many times I have sworn that oath before God and man to support the Constitution of the United States.

I have had a good run in this wonderful institution. And like Majorian, who, when he became Emperor of the Roman Empire in 457 AD said, ''I still glory in the name of Senator.''

My patient and devoted wife Erma, with whom I will celebrate a 67-year-long partnership 58 days from now, the Lord willing, deserves much of the credit for that good run. I also thank my talented staff for their tireless work and dedication.

No man is an island, and I have had the good fortune to have many steadfast friends and supporters over the years. To the people of West Virginia, I owe my everlasting gratitude. They have expressed their faith in me time and time again. I am proud to be their Senator, and I hope to continue to serve for a long while.

I thank my colleagues. They have been patient. They have known my shortcomings. I have said things from time to time that I regretted. We are all human. But my colleagues have been considerate of me, and I thank them.

Pericles, the brilliant Athenian statesman, gave mankind one of the greatest funeral orations ever made. This address was delivered in 431 BC as a memorial to the first Athenian soldier who fell in the Peloponnesian War. In this address, Pericles said:

> It is greatness of soul alone that never grows old, nor is it wealth that delights in the latter stage of life as some give out, so much as honor.

And so it is honor itself that never grows old. I thank my colleagues for the honor they show today.

Finally, but most of all from Chronicles, 29th chapter, verses 11 and 12:

> Thine, O Lord, is the greatness, and the power, and the glory, and the victory, and the majesty: for all that is in the heavens and in the earth is thine; thine is the kingdom, O Lord, and thou art exalted as head above all.
>
> Both riches and honor come of thee, and thou reignest over all; and in thine hand is power and might; and in thine hand it is to make great, and to give strength unto all.

(Applause, Senators rising.)

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, the Senator from West Virginia honors us all with that last statement he made.

Over the years I have been here, it has been my privilege to travel with the Senator from West Virginia to many events. I want to recall one for the Senate that I am sure the Senator will remember.

We were in West Virginia with the British American Parliamentary Conference. One of our guests from Britain made the mistake of saying it was too bad that their American cousins did not know anything about British history.

My colleague was the host that evening. And making a closing statement for that dinner, Senator BYRD decided to show our British cousins his wealth of knowledge about the history of Britain and proceeded to name every monarch, every spouse, every person who had a personal relationship with every monarch, and a complete history of the monarchy of Great Britain.

Needless to say, when he finished, which was quite a few minutes later, the British stood and applauded politely, and we have never heard such a comment again from our British cousins. There have been many other occasions we have had together.

I wanted to say that one of the great joys of serving in the Senate is my being able to get to know my friend from West Virginia. We have had our disagreements, but that is natural because this aisle separates us once in a while. But nothing has separated ROBERT BYRD from each Senator in the Senate. He has been the most agreeable Senator, on a personal basis, that I have known in the Senate. I think every Senator will say the same thing.

He always has a smile. He always increases that smile if we remember to ask about Erma.

Mr. President, I join in the applause, but I think the Senate itself has been honored today to witness this historic mark in his career.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, I wanted to say that last night I had the pleasure of going to the Smithsonian Institution and meeting members of the Baseball Hall of Fame. There were people there who were, to me—as a young boy, I wanted to be a baseball player and always listened to the game of the day. There were people there, including Gaylord Perry, Dave Winfield, Joe Morgan, Sandy Koufax, Stan Musial.

I have to say to my friend from West Virginia, as great an experience as that was for me visiting with those great athletes of yesteryear, that pales in comparison to the experiences I have had while serving with the ''Babe Ruth'' of the U.S. Senate.

When I was elected to this leadership job, Senator BYRD supported me. I wrote him a letter—and I am confident he remembers that like he does everything else—and I said I believed he was the Babe Ruth of the U.S. Senate. When I say that, he is a member of the hall of fame, of course, but the Babe Ruth in the Baseball Hall of Fame stands above all the rest. In the Senate, Senator ROBERT BYRD stands above all of us. I have a degree in history and I know something about it. I know we have great Senators here, but I have had the opportunity to serve with the greatest.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROCKEFELLER. Mr. President, I rise for a moment to add my voice to those who praise Senator ROBERT C. BYRD. I think what every public servant deserves, and occasionally gets, is a recognition that his or her service is in fact profoundly appreciated. That is usually not the case. The American people are not as aware of what goes on in these Halls, or even in their own legislative halls, as they ought to be.

But I take special happiness out of this day for Senator BYRD because he has accomplished something that nobody else has with his 17,000th vote. He rose to cast his vote, as he always does. When somebody comes to greet him, argue with him, plead with him, and he is at his seat, he always rises, be that a man or a woman. He has brought, in my judgment, not only a tautness to the debates that we have in this Chamber, not always agreeing with the majority or with the minority, but he knows his mind and he knows his soul, and he knows his God. He does not deviate from that and he cares not who appreciates that or who doesn't.

In other words, Senator BYRD is a man who, over the years, through the crucible of tough experiences and steadfast devotion not only to his God but also to the great figure who is not here today, who is so much part of his life and who brings out even in saying her name a great emotion in me, and that is his absolutely wonderful, wonderful wife Erma, honors us by his service.

I was with him earlier this morning as he was talking to schoolteachers from all over the United States who are trying to get their students to write better. It is called the ''writers project,'' which he has been instrumental in doing. He talked to them of public service and the need for accuracy and being fair. What he was really saying is that doing something in your life which is not only important but which you give yourself to profoundly, completely, an utter devotion to duty, is what separates the great and the near great.

I am very proud to serve with Senator BYRD. We have served together for 20 years now and have known each other for close to 40 years. Our wives are good friends; we are good friends. I sit behind him in the seat that Senator Moynihan used to occupy. I enjoy seeing people coming up to him and making their case, which talks not only of his courtesy, because he is so often on the floor, but also of his power to get things done, which then makes me say that there is no possible way to describe, from the point of view of the Senators in my State of West Virginia, what he has meant, does mean, and will mean for that State.

West Virginia is a State that has always had to struggle. We have always had to keep pushing the rock uphill, not daring to take one hand off for fear that the rock may roll back over the top of us. It takes a tough person and a moral person and a determined person to fight the battles that are needed to be won for our people in West Virginia. That comes to Senator BYRD instinctively.

I am so proud of this day because I cannot help but feel that when Senator BYRD goes to bed tonight, he will have a strong and profound sense of satisfaction—not that he needs to feel that, but that will make me feel better if he does feel that, because he serves our State and our Nation as few people have in the history of our country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. NELSON of Florida. Mr. President, I join with our colleagues and just tell Senator BYRD what a mentor he has been to the newer Members of the Senate. There are moments and experiences here that one never, never will forget. I will never forget the first time, with somewhat trembling knees, I rose to give my first speech. In the course of that speech, I happened to mention it was my maiden speech in the Senate.

Of course, I was speaking to an empty Chamber, except for the Presiding Officer. All of a sudden, the doors swing open and in strides Senator BYRD. As I finished my remarks, Senator BYRD rose to his feet and said:

Will the Senator yield?

And then proceeded to give a history of the maiden speeches of the Senate. What a mark upon this junior Senator, what a pleasant memory that he is such a great mentor to all of us. We thank him.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, it is entirely appropriate for the Senate to pause for a few moments to recognize not only the record of 17,000 votes, but also the presence and continued service of a remarkable man who happens to be the senior Senator from West Virginia.

BOB BYRD is our Lou Gehrig the iron man of the Senate. For me, BOB BYRD personifies what our Founding Fathers were thinking about when they were thinking about a United States Senate. He brings the kind of qualities that the Founding Fathers believed were so important for service to the Nation.

When history records his remarkable service to the United State Senate, they will find there has been no one—no one—in this body who has defended the Constitution of the United States more vigorously, tenaciously, and with a greater understanding, awareness, and belief in its words.

There has been no one in history that has better understood the importance of the United States Senate and its role in our great democracy. BOB BYRD understands what our Founding Fathers intended, and because of his constant and persistent efforts, this institution is finer and all of us are finer Senators.

Senator BYRD, we are grateful for your service and this country is appreciative and grateful for your defense of the Constitution and for your service to this country. I am grateful to have you as a friend.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I add my voice as well to my seatmate, if I may. I sit in this chair by choice. Senator BYRD sits in his chair by choice as well, but he makes the choice before I do. I wanted to find out where he was going to sit so I could sit next to him. I did that because I wanted to sit next to the best, to learn everything I possibly could about the ability of this institution to provide the kind of leadership I think the country expects of us.

Several thoughts come to mind. This is a day of obvious significance in the number of votes that have been cast, 17,000, but it is far more important to talk about quality than quantity. Quantity is not an insignificant achievement, but the quality of my colleague and friend's service is what I think about when the name ROBERT C. BYRD comes to my mind.

I carry with me every single day, 7 days a week, a rather threadbare copy of the United States Constitution given to me many years ago—I can't even read it well now; it is so worn out—I may need a new copy—given to me by

my seatmate, ROBERT C. BYRD. I revere it. I tell people why I carry it because it reminds me of the incredible gift given to me by the people of Connecticut to serve in this Chamber, to remind me of the importance of an oath we all made, and that is to do everything we can to preserve, protect, and defend the principles upon which this Nation was founded. ROBERT C. BYRD, in my mind, is the embodiment of that goal.

It has often been said that the man and the moment come together. I do not think it is an exaggeration at all to say to my friend from West Virginia that he would have been a great Senator at any moment. Some were right for the time. ROBERT C. BYRD, in my view, would have been right at any time. He would have been right at the founding of this country. He would have been in the leadership crafting this Constitution. He would have been right during the great conflict of civil war in this Nation. He would have been right at the great moments of international threat we faced in the 20th century. I cannot think of a single moment in this Nation's 220-plus year history where he would not have been a valuable asset to this country. Certainly today that is not any less true.

I join my colleagues in thanking the Senator from West Virginia for the privilege of serving with him. He has now had to endure two members of my family as colleagues. Senator BYRD was elected to the Senate in 1958 along with my father. He served with my father in the House. I have now had the privilege of serving with Senator BYRD for 24 years, twice the length of service of my father. That is an awful lot of time to put up with members of the Dodd family. We thank Senator BYRD for his endurance through all of that time.

There is no one I admire more, there is no one to whom I listen more closely and carefully when he speaks on any subject matter. I echo the comments of my colleague from Massachusetts. If I had to pick out any particular point of service for which I admire the Senator most, it is his unyielding defense of the Constitution. All matters come and go. We cast votes on such a variety of issues, but Senator BYRD's determination to defend and protect this document which serves as our rudder as we sail through the most difficult of waters is something that I admire beyond all else.

I join in this moment in saying: Thank you for your service, thank you for your friendship, and I look forward to many more years of sitting next to you on the floor of the Senate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DAYTON. Mr. President, I join with my more senior colleagues in paying my respects and tribute to the great Senator from West Virginia, Mr. BYRD. It is a mark of his greatness that he has had such a powerful effect on not only the most senior of his colleagues who have been here the longest, but also the more junior Members of the Senate, such as myself.

When I arrived here in January 2001, just a little over 3 years ago, I was one of 12 freshman Senators from both sides of the aisle. We were given many words of encouragement from our colleagues, but basically left to find our own way or flounder along the way. It was Senator BYRD who took it upon himself to convene tutorials with the 12 of us. We convened promptly at 4 o'clock in his office, and he shared with us his perspective on the Senate.

From the four volumes he has orated and published as the history of the U.S. Senate, as well as the volume he orated from his own direct knowledge and reading about the Roman Senate, there is no one who possesses more wisdom and a broader understanding of the historical role and the responsibility of this body and this great democracy and Republic.

Those of us who had the benefit of those tutorials learned more from those sessions about how to conduct ourselves in the Chamber where he has served with such greatness than from anything else.

When the time came for us to preside, as we took the majority, I had the opportunity, through many hours, to watch and listen to Senator BYRD, particularly in the fall of 2002 when we were debating the resolution to give the President authority to make the final decision on whether to commit this Nation to war in Iraq.

Senator BYRD was heroic in standing forth and taking a stand which I supported because of the compelling wisdom of his words and the power and the eloquence to remind us that we had a constitutional responsibility in this body which we were forsaking by abdicating that responsibility to the President.

I believe Senator BYRD received over 20,000 phone calls from his fellow citizens around the country. Back in my State of Minnesota, I heard time and again from those who were so admiring of his courage and his steadfastness as I was then, too. I learned more about the U.S. Constitution during that time than I had ever learned before in my life, and I learned more about the proper role of the Senate than I possibly could have learned through years of experience, just by having the benefit of serving with and listening to and learning from Senator ROBERT BYRD.

I am very proud to pay tribute to him today. He has been the most influential Member of this body in my development here, and I am grateful beyond words for the privilege of serving with him.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I, too, rise to bring the attention of the Senate to a historic occasion. Those who are witnessing this debate may not realize that they are seeing a moment in the history of the United States of America that is not likely to be repeated.

Our colleague, the distinguished and senior Senator from West Virginia, ROBERT C. BYRD, has just cast his 17,000th vote in this body. I do not rise today to bring any embarrassment to my colleague. I am honored to call him friend. I rise to congratulate and honor him, and to note the historical span of his service to our country.

On January 8, 1959, Senator BYRD cast his first vote in the Senate. Fittingly, it was a vote on Senate procedure. He has since become a master of the rules of the Senate. When Senator BYRD rises and raises a parliamentary point, a hush falls over this Chamber, respectful of the fact that this man from West Virginia knows more about the procedure and rules of the Senate than any person.

On April 27, 1990, Senator BYRD cast his 12,134th vote earning him the record for the greatest number of rollcall votes in Senate history.

On May 5, 1998, he became the first Senator in history to cast 15,000 votes.

Let us put this in historic context. When Senator BYRD cast his first vote, Senators John Kennedy and Lyndon Johnson were in the Chamber with him and Richard Nixon was the Presiding Officer of the body. When he cast his first vote, Hawaii had not yet become a State and the United States had not yet launched a man into space. When he cast his first vote, a state-of-the-art computer would have taken up half the space of this Chamber and had roughly the same amount of computing power as today's Palm Pilot.

Senator BYRD has served with 11 Presidents—and I underline the word ''with'' because Senator BYRD makes it clear that he has never served under any President.

He brings to mind often the words of the Constitution which give equality to the branches of Government.

He has been a candidate for election. As he said, he stood before the bar of public opinion 11 different times, 8 times as a candidate for the Senate and 3 times as a candidate for the House. And he has never lost.

Senator BYRD has served in the Senate as majority leader and held more leadership positions in the Senate than any other Senator in the history of the United States. He has chaired the Senate Appropriations Committee, on which I am honored to serve, and currently serves as the panel's ranking member. He has earned his place as the unrivaled expert on Senate rules and he has become perhaps the most popular political figure in his home State of West Virginia. He was named ''West Virginian of the Century'' by the residents of his home State. What greater honor could they give him.

As of this Friday, Senator BYRD will have served, if my calculation is correct, 18,716 days in Congress, 51 years, 3 months, and 2 days. Of the 11,708 individuals who have served in Congress,

only 2 have served longer: Carl Hayden of Arizona for 56 years and Representative Jamie Whitten of Mississippi for 53 years.

Senator BYRD will become the longest serving Member on June 11, 2006. He has cast more rollcall votes than any other Senator in history. Strom Thurmond ranks No. 2 with 16,348 votes.

We are all privileged to have served in this body. Few Senators in the history of this institution have had such a command of both the nature and nuance of Senate debate as ROBERT C. BYRD of West Virginia, and few, if any, spanning the entire history of this body have had such a reservoir of knowledge, from Roman and Greek history to the deliberations of the Founding Fathers to hundreds, maybe even thousands, of poems which Senator BYRD has committed to memory.

Perhaps it is through his love of poetry that I have gained a deeper understanding of my colleague. President Kennedy once said:

> When power leads man toward arrogance, poetry reminds him of his limitations. When power narrows the areas of man's concern, poetry reminds him of the richness and diversity of his existence. When power corrupts, poetry cleanses, for art establishes the basic human truths which must serve as the touchstone of our judgment.

That is a magnificent quote which pays tribute to a man who has integrated poetry into his entire life. But if we were to end there when it comes to procedure and poetry, we would not tell the story of this great man's service.

His is not just poetry when it comes to service in the Senate. It is also powerful prose. It is not just his eloquence but his integrity. Those of us who serve with him know that during the most recent debate on the invasion of Iraq, one voice in the Senate was heard above all others. This man, after many years of service, has not forgotten his responsibility to this Nation and the people he represents. He stood up and took controversial, difficult positions and did them with the kind of force and power which won friends for him far and wide.

I have told this story before but it bears repeating. When I went to a Catholic parish in Chicago with my wife and we had come back from communion and were kneeling down, an elderly fellow walked up to me in the midst of the Iraqi debate and leaned over and said, ''Stick with Senator BYRD.''

I came back to tell him that. His fans are far and wide, in Chicago, West Virginia, and across the United States of America, because time and again he spoke the truth and did it in a way that touched the hearts of Americans far and wide.

He is an inspiration to all of us who have been honored to serve with him. He brings to this body the kind of decorum, the kind of integrity, and the kind of commitment to which all of us aspire.

For all of his great and varied achievements, Senator BYRD shows his dedication and humiliation not by wielding his power like a club but by performing the most basic requirement of a Senator more times than any other Senator in history. I wish to recognize and honor the senior Senator from West Virginia for the quality as well as for the quantity of his service. It is entirely fitting that this noted lover of history today makes history himself. My commendation and congratulations to ROBERT C. BYRD of West Virginia.

I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. Mr. President, I rise to join so many of my colleagues and friends in paying tribute to the great Senator from West Virginia. As my friend from Illinois indicated, we are praising and honoring him today not just for the number of votes he has cast but for the courage of his votes. It is one thing to cast 17,000 votes; it is another to look at the quality and the integrity behind those votes.

So I join with my colleagues in saying thank you to Senator BYRD. I was proud to join with Senator BYRD as he spoke out on the Iraq resolution and what our role in the Senate should be and is.

I went home, as did my colleagues, and over and over again people asked me did I know Senator BYRD; did I work with Senator BYRD; listen to what he is saying because he is speaking for all of us.

I also thank Senator BYRD for helping me as one of the 12 Members who came in 2000. When we were in the majority, we had the opportunity to preside over the Senate, and I am very grateful for all I learned about the Senate, about the process, about the importance of being dutiful in our responsibilities, and also about the important role we play in governing our country. I will forever be grateful to Senator BYRD for the lessons that I have learned and continue to learn.

One of the most wonderful images I have of being in the Senate actually occurred during orientation when I was first elected and coming here in December of 2000. I had the opportunity to invite my son to join me in the Old Senate Chamber where we heard from Senator BYRD, some wonderful, eloquent words and stories from the early days in the Senate. It was captivating. It was inspirational. It was motivating. It was a wonderful opportunity for me to share with my son, the new venture I was undertaking and the responsibilities I was undertaking as a Senator from Michigan.

I thank the great Senator from West Virginia for his friendship, for his courage, for his role in the Senate in helping us to understand our responsibilities and our duties to the country.

Ms. LANDRIEU. Mr. President, I join with many colleagues who came to the Senate Chamber today to express appreciation and recognition of Senator ROBERT BYRD as today he cast his 17,000th vote representing the people of West Virginia.

I can hardly think of what more to say other than he has truly been an exemplary Member of this body and a pillar of this institution, someone we all respect. I only hope our votes can be cast as conscientiously as his have been all these many years. I join my colleagues in congratulating him today.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I want to say a few words about our distinguished and beloved colleague, Senator BYRD, whose friendship I have treasured for many years—more than 20 years now. I seek and listen to what he says, to be aware of the knowledge he possesses about so many things, and the memories he carries.

When I first arrived here, I met Senator ROBERT C. BYRD and extended my wishes that we would have a chance to serve together—this is 20 years ago; and 20 years is a long time, except when it is compared to more than 40 years—and that he would continue to provide the kind of leadership and inspiration that he has for all of us for all these years.

We wish him well. We want to see him continue to provide the example he has shown all of us, with his dignity and intelligence and knowledge and awareness of the rules that govern this body of ours—as fractious as they have become in recent years. We always want to pay attention when Senator BYRD issues a view of the process that is developing, about where we ought to be, about the courtesies we should extend to one another.

I will never forget Senator BYRD, with his rage at one of the Senators who was addressing the President by his first name, saying: Where is he? Where is Bill? Why isn't Bill here? Senator BYRD stood up, with all his stature in front of him, saying: How dare you. How dare you call our President Bill. In all the years I have served with Republican Presidents, never, never would I dream of calling the President Ronald or George or otherwise.

With that little reminder, he brought us all back to a reasonable state of dignity and comity that we need to be reminded about on many occasions.

Very few have the knowledge stored in our being that Senator ROBERT C. BYRD has.

Again, when I first arrived in the Senate, I had not been in Government before, so it was all very complicated and perplexing. But I wanted to spend some time with Senator BYRD, and he was courteous and he did it. We sat in his office, talking about the background of our society and our country. He talked about the English Kings from the period somewhere maybe about the time of William the Conqueror, the 11th century, and he talked

about how long each succeeding monarch served, the year that person took the office, and the year they left the office, what caused them to leave the office, who died, how they died, by assassination or otherwise, from the 11th century on up to contemporary times. You will hear Senator BYRD often quote from the early days of Roman and Greek civilization. It is remarkable.

I come out of the computer business. I think I can safely say that I have never met a computer the equal of ROBERT C. BYRD, to have the depth of knowledge that he has and to be able to call upon it at so many times.

I will bet that in the 17,000 votes ROBERT C. BYRD cast, he knows more about the votes he cast almost than any Senator who has been here just for 100 votes or 200 votes. He understood every one of them. He never cast a vote without thought.

Each of us has had the experience, I am sure, of disagreeing, perhaps, with one another, even with a distinguished leader such as Senator ROBERT C. BYRD, and have him disagree with knowledge and with experience and say: This is why I think you are wrong. You are my friend, FRANK, but I disagree with you on this, and I am going to vote the other way.

It was always with respect and friendship that these exchanges took place.

So we mark a historical moment. No one before has ever cast that many votes. As a matter of fact, very few have cast a number of votes that come anywhere close to the 17,000 mark. This is a record, as I think has been said by others, that will stand probably forever. It took ROBERT C. BYRD some eight terms to acquire the voting record that he has. When you know that person and you see the devotion and loyalty he brings to his family—he and his wife will celebrate their 67th anniversary, I believe. That is quite a tribute in a period like we now see in our country when the institution of marriage is not what it used to be. So we wish Mrs. Byrd, Erma Byrd, a return to better health—we know she has been having some difficult times these last few years—and for them to share many more good years together and for ROBERT C. BYRD to stand here as our example of what can be, as an example for children across this country.

If they read the history of ROBERT C. BYRD, they will see his growth from a poverty stricken, uneducated, simple family, to go on as he did to reach the level of responsibility, of importance that he achieved, and the contributions he made to country in so many ways, reminding us about our responsibility to avoid conflict wherever we can do it, but always sticking up for his State and constituents who sent him here.

I think I hold a voting record also. I think I am the only Senator on the books that ever, as a freshman, cast almost 7,000 votes. That, I think, is fairly remarkable. You have to discount the first 18 years I was here, but a freshman with 7,000 votes, it doesn't compare to Senator BYRD's record, no matter what.

Mr. ALEXANDER. Mr. President, I rise today to salute my senior colleague, Senator ROBERT C. BYRD of West Virginia. Today, the Senator passed a milestone that has never been passed before, and may never be passed again: he cast his 17,000th vote on the Senate floor. It's an amazing achievement. No other sitting Senator has cast more than 15,000 votes. Senator Thurmond, who is no longer with us, cast the next highest total of 16,348 votes.

Mr. President, Senator BYRD has had a long and distinguished career in the United States Senate. He was first elected to this body in 1958. Only Senator Thurmond served longer, but Senator BYRD may soon pass that record, too—he's only got two more years to go. He became the Democratic Leader in 1977, holding that position for six consecutive 2-year terms, three terms as majority leader, and three as minority leader. He also served as President pro tempore—third in line in the order of succession to the Presidency, after the Vice President and the Speaker of the House—from 1989 to 1995 and 2001 to 2003.

The Senator from West Virginia is also a master historian. His four-volume, 3,000 page history of the U.S. Senate has been called ''the most ambitious study of the U.S. Senate in all of our history.'' He is a passionate advocate for understanding our history, not only among Senators, but for the entire country. In 2000, the Senator's efforts led to the creation of the Teaching American History Grant Program—commonly referred to as the Byrd grants—to encourage better teaching of American history in our schools. I was fortunate to follow his lead with a bill I introduced last year, the American History and Civics Education Act, which Senator BYRD co-sponsored. The Senate passed it unanimously last year, 91 to 0. I hope the House will act on it soon. I'm sure one reason the Senate was prepared to support such a bill is that we have all learned the value of our history from one of history's great teachers: Senator ROBERT C. BYRD.

I salute my colleague, the senior Senator from West Virginia, and wish him well as he sets a new record with each succeeding vote.

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). The Senator from Ohio.

Mr. DEWINE. Mr. President, I join my colleagues today in congratulating my friend and colleague, my neighbor from West Virginia, for his great accomplishment today but, more importantly, for his great service in the Senate.

When I first came to the Senate, I did what many of my colleagues have done, and that is I paid a visit to my colleague from West Virginia. I went into his historic office. He was kind enough to give me the books he has written about the Senate and was kind enough to autograph his books. Those books will always be a great treasure for me to keep.

But they have not just been something that has been in my bookcase; they are something I can pull down to then read the history of the Senate. What wonderful books they are, what wonderful references, what wonderful stories they tell about the Senate. That is so because my colleague is not only a great Senator, he is a great historian. We are reminded of that many times when he comes to the Senate floor. Not only does he have a great institutional memory from his many years of the Senate, but because of his reading not only about the United States and the U.S. Senate, but because of his great love of history, he can put what we do in the United States in its historical perspective.

As the new Members of the Senate, we take turns presiding over the Senate. One of the great benefits of doing that is to sit in the Presiding Officer's chair, as my colleague is doing now, and we have the opportunity to listen to our colleagues. I have had the opportunity, many times, to listen to Senator BYRD.

I can remember many times listening to his speeches. Sometimes it was his great annual speech on Mother's Day, sometimes a speech on the U.S. Constitution, or a speech on whatever legislation is in front of us, or about the history of the Roman Senate or, as my colleague from Illinois has said, a speech about a pending resolution. It didn't matter what it was, it was always something for us to think about, always something for us to ponder and meditate on.

Senator BYRD, thank you for your service and thank you for causing us to think. Whether we agree with you or not on every matter, you always make us think. That is the job of the Senate. As you referred a moment ago to this great deliberative body, you make sure that we are that, you make sure we continue to be that great deliberative body. I thank you for that.

Mr. BYRD. Mr. President, will the Senator yield quite briefly?

Mr. DEWINE. Certainly, I yield.

Mr. BYRD. Mr. President, I take a moment to thank my colleagues who have spoken. They have been so gracious. I shall never, never forget the beautiful words, the lovely phrases they have uttered here today. They have made this a very beautiful day. I know that my wife Erma has listened from home.

I thank each and all of these wonderful, wonderful friends. That is what they are, they are friends. I shall never forget them. I shall not name them. The RECORD already has done that.

I yield the floor and thank my friend from Ohio for his graciousness in yielding.

THE PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. DEWINE. I thank the Chair.

(The remarks of Mr. DEWINE pertaining to the introduction of S. 2270 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. DEWINE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). The clerk will call the roll.

The assistant journal clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERSONAL RESPONSIBILITY AND INDIVIDUAL DEVELOPMENT FOR EVERYONE ACT—Continued

NATIONAL PUBLIC RADIO

Mr. DURBIN. Mr. President, last week I took the floor of the Senate to note the decision which has been made by National Public Radio concerning the host of Morning Edition with Bob Edwards. It was announced in the Washington Post that National Public Radio management had decided after some 24 years to relieve Mr. EDWARDS of his responsibility as host of the morning show. There was not much given by way of explanation, and it was clear from comments by Bob Edwards that it wasn't his decision.

It has been interesting since I took the floor and noted my disappointment over that decision the response which I received from my colleagues in Congress. It turns out Members of Congress on both sides of the aisle feel as I do—that this decision by National Public Radio is the wrong decision; that Bob Edwards, who has been not only a host of this program but the most successful morning voice in America, is being moved away from this assignment in a situation and in a circumstance that is almost impossible to understand.

Many of my colleagues have come to me and asked, What can we do? Can we go after the appropriations of NPR? I don't recommend that at all. I think National Public Radio is such an important institution more than any single individual that we should do this in a positive and constructive fashion.

What I encourage my colleagues to do is to remember that National Public Radio is, in fact, public radio; that all of us who enjoy it so much, who rely on it so much, and who contribute to it from our own individual finances, have a responsibility if we disagree with this decision by the management. I have encouraged my friends and those who feel as I do to get onto their Internet and e-mail, and to e-mail NPR.org, to do it immediately and let them know that their decision to remove Bob Edwards at the end of this month of April is the wrong decision. I have done it myself.

I have received a reply from Mr. Kernis which, frankly, I find very troubling. When asked why they think this man who has become such an institution in America should be removed, the response is nothing short of gobbledygook. They talk about bringing someone who has depth and experience. But who else would you turn to rather than Bob Edwards?

I would like to make part of the RECORD at the end of my statement a series of columns and editorials from across the United States from those who enjoy Bob Edwards in the morning and can't imagine public radio without him. Some of these, starting with the Chicago Tribune, were published recently as the news reached that city of the decision by National Public Radio.

As they said in this editorial in the Chicago Tribune, people do not understand why this decision was made. Here is what they concluded in the Tribune editorial about Bob Edwards:

> In contrast to their audience, though, NPR executives seem to have forgotten about the public part of their title. In commercial broadcasting, a beloved host who had presided over huge ratings gains would almost never be nudged aside. Public broadcasting is valuable precisely because it is relatively free from such worldly concerns. But it is also, effectively, a public trust, and for the public to continue to trust it, this institution needs to do a better job of explaining its momentous decisions. This is not the only newspaper, by far.

In the St. Louis area, Linda Ellerbee, known to many of us because of her news reporting and posting of programs wrote: ''Time and Age: NPR Tossing Out Bob Edwards.'' Linda Ellerbee should know. She was moved away from a television network position because they thought for a woman she was too old. She says:

> But we're not aging the way our parents did. We're reinventing the process. Besides, there are a lot of us out here.

The point she made in her article about Bob Edwards is at his advanced age of 56—which I still consider very young—he speaks not only to people of my generation but so many older and younger. If it is the marketing belief of NPR they need to have a new, fresh voice, they are missing the big picture.

For 24 years every morning when my clock radio goes on, I hear Bob Edwards. I know whether times are bad, dangerous, or peaceful. I can count on him. I have done it this morning. I have done it so many mornings. I cannot imagine ''Morning Edition'' without him.

There is also a comment from the Washington Post, Richard Cohen. He tells about the same experience.

> Now the news from NPR is that Edwards will soon be gone.

He talked about the fact he may just decide to start listening to Mozart on disk, rather than turning on ''Morning Edition.'' He says:

> NPR Executive Vice President Ken Stern told the Washington Post that the firing of Edwards was part of a ''natural evolution,'' that had ''to do with the changing needs of our listeners.'' What ''natural evolution''? What does that mean? And what is ''changing needs''?

Mr. Cohen goes on to say to the Washington Post:

> Listen, Ken, my needs haven't changed. I still want news in the morning. I still want smart features. I do not want interviews with airheaded celebrities a la Matt and Katie or, worse, interviews with the latest humorousless person Donald Trump has just fired from ''The Apprentice.''

He concludes:

> But the firing-cum-transfer of Edwards (he may become a senior correspondent) is nonetheless disquieting. Maybe my fear is misplaced and maybe the end of the Edwards era will turn out not to be a bad thing. Still, it will be jarring to wake up in the morning with a stranger.

He closes by saying:

> Goodbye, Bob. Get some sleep. You've earned it.

Mr. Cohen may have given up, but I haven't. I still believe the people across America should be contacting National Public Radio, npr.org. Send them your e-mail that Bob Edwards, ''Morning Edition'' is important to you. As a Senator, as a citizen, he is important to me.

The San Diego Union-Tribune in an editorial entitled ''NPR Show Is a Big Hit, So It Must Need Fixing?'' by Robert Laurence:

> This story makes no sense.
>
> As such, it's the kind of story that can only happen in the topsy-turvy Orwellian world of public broadcasting.
>
> It's this: The host of a hugely successful morning radio show, a show where ratings have done nothing but climb for years, a man whose skill as an interviewer is unexcelled in the world of broadcasting, whose very voice helps millions of Americans get their day grounded, is being evicted from a seat in the studio.

Mr. Laurence goes on to say:

> That's Bob Edwards, since November 1979 the host of National Public Radio's ''Morning Edition . . . ''

He goes on to talk about the explanations from NPR management, explanations he and I both find wanting. And Scripps Howard, Bill Maxwell and the St. Petersburg Times, entitled ''A Morning Voice That Will Be Missed:''

> All good things must come to an end.
>
> And so it is with the ouster of Bob Edwards . . .
>
> To say that Edwards is the end of an era is an understatement.

He continues:

> Thanks in large part to ''Morning Edition,'' when I report to the St. Petersburg Times editorial board each morning at 9:30, I know what's going on in the Nation and the rest of the world.

Millions of us would say the same thing.

Columbus Dispatch, Tim Feran: ''Shame On NPR For Axing Edwards Before Big Date.''

The big date, of course, is the 25th anniversary on the air. I agree with Mr. Feran.

The Cleveland Plain Dealer: ''Not a Good Way To Start The Day,'' a title from Connie Schultz, a columnist. She writes:

> The man I've been waking up with is leaving me.

She talks about her disappointment and how hard it is to understand why NPR is making this decision.

Turning to the Seattle Post Intelligencer, Bill Radke, a columnist, writes: ''Mornings Without NPR's Colonel Bob.''

He starts:

Bob Edwards has been canned, and there seem to be two types of people in the world: The ones saying, ''You've ruined my life, Bob's life, and the lives of everyone I know,'' and the ones saying, ''Who is Bob Edwards?'' Those who did not listen to Bob Edwards may now never know. Those who do, understand full well.

The Hartford Courant, in Connecticut, by Jim Shea:

It's not often that you can use the words National Public Radio and stupid in the same sentence but such an occasion has arisen:

National Public Radio's decision to replace ''Morning Edition'' host Bob Edwards is just plain stupid. What are you bozos who run NPR thinking? You know, we've really got to do something about the fabulous ratings we have.

Bob Edwards is not just the bright, witty, urbane, insightful and immensely likable host of ''Morning Edition,'' he is for the program's 13 million weekly listeners the voice of the morning.

There is something soothing, something comforting, something reassuring about stumbling from slumber into the gentle embrace of Edwards' mellifluous baritone that makes morning bearable.

He speaks for many people when he writes that.

Finally, on salon.com, Alexandra Marshall makes many of the same points about the importance of Bob Edwards' ''Morning Edition.''

Those who are following this debate may be puzzled as to why a Senator would stand up in this Chamber to make an issue over the replacement of a man who is, by all measures, just another voice in the morning. But Bob Edwards is not another voice in the morning. He is the voice we have counted on and the voice we rely on.

If he is as important to you as he is to so many of us, please, understand National Public Radio exists because of people like us who listen to it and contribute to it out of our own pockets, love it, and want it to continue to be the great institution which it is today. Those who are shareholders of National Public Radio by virtue of our contributions, if we disagree with this decision, have an obligation to tell the management right now.

I encourage those who feel as I do that the replacement of Bob Edwards is wrong, to do two things: First, go to your Internet, e-mail npr.org and let them know what you think; and second, call your local affiliate of the National Public Radio system and let them know this is a sad and sorry decision.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. I thank the Chair.

(The remarks of Mr. SPECTER pertaining to the submission of S. Res. 327 are located in today's RECORD under ''Submission of Concurrent and Senate Resolutions.'')

RECENT VIOLENCE IN IRAQ

Mr. LAUTENBERG. Mr. President, I would like to take a minute to express my outrage and the outrage of Americans across this country in seeing the mutilation and the horrible attack on the Americans who were serving, not in the military but serving their country nevertheless, and the gleeful crowd gathered around.

We have to remember that it was a relatively small group of people. But nevertheless, the deed was so horrendous that it is hard for those of us who live in a democratic environment, as we do, who live with the respect that we have for other human beings, to look at this and in any way understand what is happening.

So we send our condolences to those families who lost someone they cared about, and to lose them in some kind of atrocious assault we hope will serve as a reminder to all of us of what responsibility we took on when we entered Iraq and the things we should have tried to contemplate before we got to the point that we are.

One cannot criticize our military. I was in Iraq a couple weeks ago. Most of my colleagues have been there at one time or another to see the courage and the willingness to serve that we have with our wonderful young people there. I talked to them. I especially met with those service people who come from New Jersey, men and women. I was very impressed with the quality of their thinking, their education, their view of life and country.

I served in World War II. We were some 14 million in uniform. I enlisted when I was 18. I remember the associations and friendships I made in the small unit in which I served in Europe during the war. When I saw the young people who are serving us today, I was truly impressed with the quality of those who wore that uniform.

We now see the situation in Iraq is a very grim one. I am not sure that the turnover on July 1 to a ruling council, a governing counsel, can stem the tide of violence or reduce the volume of our responsibility. But I wish all of our people well and make a pledge here that I would like to carry back the message that I got from my conversations with some soldiers there.

I asked them to be frank with me and tell me what, if anything, they thought they needed. And they were reluctant at first. I asked whether the food was all right, the shelter was OK. Oh, yes.

But one young captain finally felt comfortable enough to speak. And he said: Yes, I will tell you what we could use, Senator.

He said: The flack jacket that is the best available out there is being worn by members of the coalition in some places, and we don't have those. They are lighter, they are more efficient, and I don't understand why we don't have them.

Fair enough. He said: You see this rifle?

I think it was an M–16, but they have changed considerably from the time I carried a weapon in World War II.

He said: I see members of the coalition with lighter, better aiming mechanisms than we have on these guns. They are easier to work with at any time. We don't have them, and I don't understand why.

When he talked about armored vehicles, he said they don't have enough of them. I was almost dumbstruck. I didn't know what to say because I know we have allocated lots and lots of funds. We have placed over $160 billion into the effort in Iraq, and we are about ready to place a lot more with a special allocation, a supplemental allotment. I asked our military leadership to tell us what it is that prevents us from delivering the kinds of tools, protections, and instruments that our people need to conduct their duty there.

I saw something in the paper last week that said much of the material we would like to have there is not sent because we don't have the transportation available. I think we ought to get after that problem. I pledge to do whatever I can to search out the reasons and make sure we expedite the process of getting our courageous service people, who serve us so well, the equipment and the support that is needed.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, I thank the Senator from New Jersey for his leadership on this and so many issues. He expresses the feelings I have heard from soldiers returning from Iraq who are in Walter Reed Hospital recuperating, who are still strong in spirit and still dedicated to our country and hoping that we will help them win this battle and let them come home safely. There is a lot more we can and should do. I thank the Senator from New Jersey for his leadership in this area.

DIETARY SUPPLEMENTS

Mr. DURBIN. Mr. President, there has been an issue I have worked on now for almost 2 years relative to dietary supplements in America. We passed a law called the Dietary Supplement and Health Education Act in 1994. In passage of that legislation, we attempted to establish a standard for the legal treatment and regulation of dietary supplements. They are known to many Americans. It is a multibillion-dollar industry.

There are many of us who take vitamins and minerals and believe they are good for our health. I took one this morning. I hope it helps me. I don't think it will hurt me. For a lot of Americans, it is something they rely on.

There is another category that goes beyond ordinary vitamins and minerals, which are products known as dietary supplements. In many respects,

what they consist of are herbal extracts, so-called natural products that are put in combination and sold in stores with many claims about whether they can help you from a health viewpoint.

Most Americans who walk into a drugstore, pharmacy, or nutritional supplement store believe the products on the shelf being sold to them are, in fact, safe. They may believe they have been tested. They may believe the proper clinical evaluation has been done. They may believe the Government is monitoring whether there is something wrong with the drug that causes a bad health event. Those beliefs are right and true and accurate, when it comes to prescription drugs. They have to go through extensive testing before they are ever put on the market. The FDA and many agencies look at them carefully to make certain they are both safe and effective—in other words, that they will not harm you and, in fact, will do what they are supposed to do and help you. That happens for prescription drugs, and it is what happens to the key ingredients in over-the-counter drugs.

When you walk into a dietary supplement store, a health store, that is not the case at all. What you see on the shelves there are products which, by and large, have never, ever been tested. Never tested. The law we passed said the makers of those products, unlike the pharmaceutical companies that make prescription drugs and some over-the-counter drugs, have no responsibility to test their products for safety before they are sold to the public. In fact, the burden is shifted 180 degrees. The Food and Drug Administration of the Government has the burden to prove that what is sold on the shelf is unsafe.

Think about that for a moment. Think of the hundreds, thousands, tens of thousands or more dietary supplements for sale in the U.S., and you come to the obvious conclusion that there is no Government agency large enough to test every possible combination that can be included in a dietary supplement. So the simple fact is very few are tested.

This week, Consumer Reports magazine reported on the issue of dietary supplements. I think a lot of this magazine. I have subscribed to it over the years. I think what they present is done in a very dispassionate and objective fashion. In this issue, they identify the problem we face in America with dietary supplements. They note the fact that U.S. consumers, since passage of the law I mentioned earlier, have literally spent billions of dollars on dietary supplements. They say it is interesting that for 10 years, although the FDA had the authority to remove an unsafe dietary supplement from the shelf, they never did. I will quote:

> Yet, until very recently, the U.S. Food and Drug Administration had not managed to remove a single dietary supplement from the market for safety reasons.

> After seven years of trying, the agency announced a ban on the weight-loss aid ephedra in December of 2003. And in March 2004 it warned 23 companies to stop marketing the body-building supplement androstenedione (andro).

That is a steroid precursor. Here we have it on the books for 10 years, with thousands of products that fall under its purview, and only two have been removed. Frankly, what it comes down to is described later by Bruce Silverglade, legal director of the Center for Science in the Public Interest, a Washington, DC, consumer advocate group:

> The standards for demonstrating a supplement is hazardous are so high that it can take the FDA years to build a case.

Years—while the product is still being sold. How many people at the FDA are responsible for monitoring dietary supplements, a multibillion-dollar industry, with thousands of products? Their supplement division consists of about 60 people with a budget of only $10 million to police a $19.4 billion-a-year industry.

Consumer Reports goes on to draw this comparison:

> To regulate drugs, annual sales of which are 12 times the amount of supplement sales, the FDA has almost 43 times as much money and almost 48 times as many people.

So it is very clear this agency is not prepared and staffed and, frankly, doesn't have the authority to protect the American consumer. So what happens? People unsuspectingly go into these health food stores, vitamin stores, and see the dietary supplements with all sorts of claims on them; they buy them, they use them, and the consumers of America become the guinea pigs.

We are the ones who are testing these products to see if they are dangerous. You might say, if they are dangerous, if they hurt someone, clearly then the Government will take them off the shelf, right? No, I am sorry, that is not right because understand that the law we passed at the request of the industry does not require dietary supplement manufacturers to report to the Government when people are literally dying from the products they sell.

I am sure many people listening to this debate say that cannot be true. It is true.

Let me give a specific example. Metabolife International, a leading ephedra manufacturer, did not let the Food and Drug Administration know it had received 14,684 complaints of adverse events associated with ephedra products. But Metabolife 356, which you may remember, in the previous 5 years had received notice of 18 heart attacks, 26 strokes, 43 seizures, and 5 deaths. Under the law of the United States of America, Metabolife had no legal responsibility to tell the Government a product it was selling was killing people.

People listen to that and say that cannot be true, but it is. It is a fact.

When a Harris poll surveyed 1,000 Americans about what they thought the law was, they found 59 percent of them said they believe supplements must be approved by a Government agency before they can be sold. They went on to say 68 percent said the Government requires warning labels on a supplement's potential side effects or dangers, and 55 percent said supplement manufacturers cannot make safety claims without solid scientific support.

Sadly, every single response by the overwhelming majority of Americans was plain wrong. There is no Government regulation of the products, there is no requirement for warning labels, and these companies can make safety claims without solid scientific support. That is a fact.

It seems the Institute of Medicine has decided it is time for a change, a change I believe is long overdue. Today the Institute of Medicine released this report. It is a framework for evaluating the safety of dietary supplements. In the fall of 2000, the Food and Drug Administration contracted with the Institute of Medicine to develop a scientific framework for safety evaluation of dietary supplements within the confines of the law. They also asked them to test their framework on six commonly used dietary supplements. The report took more than a year longer to complete than was expected, but it is comprehensive and thorough. It contains many observations we need to scrutinize closely.

First, their framework depends on the collection of data that is not required to be turned over to the FDA by supplement manufacturers, namely adverse event reports.

The IOM report states that the first step in the process for reviewing safety is to look for signals of safety problems, including adverse events. What do I mean by an ''adverse event''? Does it mean if you have an upset stomach from a vitamin you have to report it to the Food and Drug Administration? Does it mean if you get dizzy from taking any kind of supplement, from garlic to fish oil, you have to call the Food and Drug Administration? No.

What I believe the standard should be is serious adverse health events. If you pass out, have a stroke, or heart attack, or die—serious things that can occur.

Lest you think this is something that does not happen, let me tell you the story of a young man, 16 years old, who lived a few miles from my home in Springfield, IL. Sean Riggins of Lincoln, IL, a 16-year-old high school student, played on the football team. He had a big game coming up. He went over to the local gas station—gas station, mind you—and saw a product on the shelf called Yellow Jackets. It was an ephedra product. Yellow Jackets were supposed to give him energy. This man thought: I need energy; I am going to play football. He purchased this product over the counter at a gas station in Lincoln, IL, washed it down with a Mountain Dew, which happens

to be loaded with caffeine, and started feeling sick. When he got to the football game, he didn't feel good at all. The next day, his mom and dad took him to the hospital, and later that morning he died from a dietary supplement with ephedra. Under the law as it is written, if the parents of Sean Riggins called the company that made Yellow Jackets and said, ''Your product just killed my son,'' that company would not be required under law to even report that to the Government. That is not right.

The Institute of Medicine report we are looking at today recommends that that change. Metabolife misled the Government. Companies that make products such as Yellow Jacket sadly are not much better.

Let me tell you about another company called Rexall Sundown. It marketed an ephedra product called Metabo-lite described by the Government as having adverse event reports. In other words, people were getting sick who took this product. We heard about it and requested the company provide us with information about the adverse reports, about people getting sick after they took this product.

The response I received was truly astonishing. The company said Rexall Sundown was a new company and had never sold ephedra products. Therefore, it never had any adverse event reports in their possession. They used the oldest trick in the book to shield themselves from liability for the dangerous products they sold. They had dissolved their old company, started a new one with the same name, and tried to escape any liability for the life-threatening products they had been selling. We tried to get more information from them and failed, but we will continue that effort.

Let me also say to people who said, ''Thank goodness, ephedra is off the market, so you can stop worrying,'' that is not the case. The same Consumer Reports magazine that is coming out has a table which I commend to everyone who takes dietary supplements. It is impossible to read this chart, I am sure, on television. I will summarize a few points of it for those who would like to understand what Consumer Reports, an objective magazine, says about 12 supplements. They said you should avoid these supplements.

A supplement that is ''definitely hazardous'' is aristolochic acid. This is something that is sold under a variety of names. They say it is a potent human carcinogen. It can cause cancer potentially, kidney failure, sometimes requiring transplant. The Food and Drug Administration warned consumers and the industry in April 2001. It has been banned in seven European countries and Egypt, Japan, and Venezuela. But it is still being sold in the United States. Aristolochic acid is also known as birthwort, snakeroot, snakeweed, sangree root, and so forth.

Then they list another group of ''very likely hazardous'' products banned in other countries where we have a warning from the FDA: Comfrey, which includes blackwort, bruisewort, and so many other herbal names.

Incidentally, let me say at this moment how difficult it is for consumers to follow this because they change the names on these bottles in the dietary supplement store, and you have no idea what you are buying. The Food and Drug Administration advised the industry take it off the market in July 2001, but it is still being sold. It creates abnormal liver function or damage, often irreversible, causing death.

Androstenedione, I mentioned this earlier. The FDA finally banned it in supplements.

Chaparral is another product which is sold under a variety of names. It causes abnormal liver function or damage, often irreversible. FDA warned consumers in December 1992.

Germander is another product banned in France and Germany.

Kava is an ingredient in a variety of products. FDA warned consumers in March 2002 to avoid it. It is banned in Canada, Germany, Singapore, South Africa, and Switzerland, but it can still be sold legally in the United States because the Food and Drug Administration does not have the power and the authority to police this kind of dangerous product.

Under ''likely hazardous'' products there is one I would like to speak to, bitter orange, citrus aurantium. You will find this in Metabolife Ultra. When they took ephedra out, they put bitter orange in, and there are a lot of other products, diet products, energy products. It can cause high blood pressure and increased risk of heart arythmia.

We wrote to seven companies that make supplements that contain citrus aurantium and asked them: What kind of tests did you engage in to determine whether citrus aurantium, which is now replacing ephedra, is safe? One of the CEOs wrote back and said: We have a scientific study to prove our product is safe. So we looked at the study. The study did not have anything to do with citrus aurantium or bitter orange. It was about the safety of using orange juice—orange juice—in drug metabolism studies.

We then contacted one of the scientists involved in this study and asked: Do you realize this company that is selling thousands of products worth millions of dollars is claiming your scientific study says citrus aurantium is safe?

This scientist came back to us and said: That is an improper use of that study to justify the sale of that product.

So there is no scientific basis for the safety that CEO asserted. These manufacturers are literally putting together dangerous and sometimes lethal combinations of chemicals and selling them under the banner of dietary supplements to unsuspecting American consumers.

For some consumers, it is a waste of money. For others, it is much more dangerous.

There are other products that are mentioned here. I am probably going to fail to pronounce many of them properly: organ/glandular extracts, Lobelia, Pennyroyal oil, Scullcap and Yohimbe. When one goes through these, they will find many of these have been banned in other countries.

One of the conclusions from the Institute of Medicine, after looking at dietary supplements, is unreasonable risk does not mean the Food and Drug Administration has to prove the supplement is harmful.

The report concludes, given the limited amount of data available, definitive statements judging safety of these products may be difficult to completely substantiate scientifically.

The committee determined that concluding a supplement presents an unreasonable risk does not require complete evidence a dietary supplement causes a serious adverse event. In other words, the unreasonable risk standard that is written in the DSHEA law is a standard which frankly is going to be a very difficult one for the FDA or others to prove.

So what they are suggesting at the Institute of Medicine is we look to a different and more reasonable standard. They also talk about premarket review of some of these products, which I think is something that needs to be done.

I particularly believe stimulants should be subject to premarket review so we have some testing to make sure they are safe so many of these products here, such as bitter orange, citrus aurantium, which cause an increase in blood pressure—and, frankly, I believe what they are suggesting in the Institute of Medicine report kind of parallels legislation which I have introduced—to try to bring some sanity to this industry.

This has been a battle which I have been engaged in for almost 2 years now. I know what happens when one takes on a giant industry in America, a multibillion-dollar dietary supplement industry. If one walks into most vitamin stores around America, they will find my name, not in a praiseworthy fashion. They are passing out leaflets saying: Write to DURBIN and tell him to stop taking away your vitamins and minerals.

It is a scare tactic. It is a scare tactic from an industry that should be running scared. There are good actors in this industry and there are bad actors, but unfortunately the bad actors are being protected by the good ones.

Right now I believe Americans should be able to buy vitamins and minerals which have been tested and proven, make their own choices about their own health, but I also believe this industry has a responsibility when it sells products that can be dangerous to Americans to do two things.

First, if they are selling stimulants they should be tested in advance so we

do not have another ephedra which is going to take the life of an innocent young boy in Lincoln, IL, or a major league baseball player like Steve Bechler of the Baltimore Orioles.

Second, I believe all of these dietary supplement manufacturers should have a legal obligation to report to the Food and Drug Administration when people get seriously ill or die as a result of taking their products. I think that is the least we should demand.

I am happy to see the Institute of Medicine creating momentum for Congress to finally make a decision. I am happy to see the administration, after more than a year of urging, finally banning ephedra, but more has to be done. Today as we speak, innocent children and consumers across America are buying products which they presume to be safe and they are not.

We have an obligation to American consumers to set a standard of care so they know when they make a purchase, whether it is in a drugstore or in a vitamin store, they are buying a product that is more likely to help them than hurt them. Sadly, the DSHEA law which currently exists does not meet that standard.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COLEMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COLEMAN. I ask unanimous consent to speak as in morning business for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

GOPHER WOMEN BASKETBALL AND HOCKEY

Mr. COLEMAN. Mr. President, in these challenging times, it is always nice to rise to the floor of the Senate to speak about some good things, about the accomplishments of some of the folks from your State that elicit a great sense of pride.

Minnesota is the home to more than 15,000 lakes. It says on our license plates ''10,000 Lakes,'' but there are more than 10,000 lakes. Judging from the performance of our homegrown college athletes this winter, there might be something very special in the water. I congratulate Coach Laura Halldorson and the University of Minnesota Golden Gophers Women's Ice-Hockey team, which claimed its first NCAA championship this Sunday with a convincing 6-to-2 victory over Harvard University.

Finishing with a record of 30 wins, 4 losses, and 2 ties, a conference championship, and the top seed in the NCAA tournament, the Gophers did what so many No. 1 seeds often fail to do, they finished the job and they brought home the hardware.

I think Americans love an underdog, but we also enjoy marveling at excellence, and the women Gopher hockey team achieved this and they deserve our congratulations, they deserve our plaudits.

I wish to highlight the recent progress of women's hockey for a moment.

Hockey is to Minnesota what basketball is to Indiana or football is to Texas. Minnesota has been the center of the hockey universe for almost 100 years. Until very recently, women's college hockey was dominated by Eastern schools. In fact, Augsburg College was the first Minnesota school to field a women's hockey team in 1995. I can proudly say that since the inception of a NCAA Division I National Championship in 2001, no school outside Minnesota has won the national title.

The first three tournaments were won by the University of Minnesota-Duluth, which I had the pleasure of meeting last year.

The hockey rinks of Minnesota—and almost every town has at least one—have always been full of young ring rats wearing hockey jerseys with the names of Minnesota legends such as Broten, Bonin, Pohl, and Gaborik. Today, however, it is as common to see young ring rats skating around the ice with ponytails coming out of their helmets. I got my 14-year-old daughter her first pair of Betty hockey skates this winter, and she uses them proudly. They have the ponytails coming out their helmets. They are wearing names such as Brodt, Darwitz, Wendell, and Potter on their backs. Minnesota has always been the State of men's hockey. Now, thanks to the pioneers of women's hockey such as the women who just won the national championship, Minnesota can rightly claim to be the State of all ice hockey.

Switching from the hockey rink to the basketball gym, the story that has all of Minnesota abuzz right now is the Minnesota Golden Gophers women's basketball team's appearance in the NCAA Final Four. After earning a seventh seed in the regional tournament, Minnesota defeated the No. 3 seed, the No. 2 seed, and finally top-ranked Duke, 82 to 75, on Tuesday night. Prior to this year, the Gophers had never made it past the Sweet Sixteen in three previous NCAA tournaments. Now the Gophers will be the highest seed to play in a Final Four since No. 9 Arkansas in 1998. I believe they are the first No. 7 seed to play in the Final Four.

I had a chance to watch—not watch, I watched here in Washington—the game against UCLA with my daughter in Minnesota who, in addition to wanting to be a hockey player, wants to be a basketball player. On the phone, play by play, as we were talking about it, I just loved the sense of excitement.

I was unable to watch the game against Duke the other night; I had a speaking engagement at the time of the game. But I was anxious, when I checked my cell phone as soon as that speaking engagement was over, to hear first a message from my daughter, with just a couple of minutes left, that we were ahead and then this excited message that we won. We won. It is great to see young kids, young women look at other young women and look at their sense of accomplishment, athletic accomplishment and say, Boy, I would like to be like that. It is great to have role models, and we have them at the University of Minnesota now, led by second year coach Pam Borton and Most Valuable Player Lindsay Whalen, a young woman who broke her wrist and was out for a while and I believe the first game back in the tournament scored 31 points.

The Gopher women will face the University of Connecticut at 8:30 Minnesota time. I wish the team all the best of luck, and the thanks of millions of Minnesotans who will be glued to the television, cheering you on, including me and my daughter.

The University of Minnesota women's ice hockey and basketball teams have made all Minnesotans proud. A source of intense pride for all Minnesotans is that these championship teams are overwhelmingly comprised of Minnesota-grown young women. Eleven of the 14 players on the Gopher basketball team, and 12 out of 20 on the hockey team, are from Minnesota. These young women represent cities from corners of Minnesota, such as Fosston, Marshall, Stewartville, Moorhead, Hibbing, and the Twin Cities.

Congratulations to the University of Minnesota Golden Gophers women's ice hockey and women's basketball teams for their athletic success, and for, really, making all of Minnesota proud, doing such a fabulous job of representing Minnesota on the national stage.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CRAPO). Without objection, it is so ordered.

Mr. DORGAN. Mr. President, in the last couple of hours since we had our vote today, I have been asked by a couple of press people who are lingering in the hallways about the issue of obstructionism. Apparently, there are some who suggest there is obstruction going on in the Senate.

It is interesting to me that there are charges of obstructionism to the Senate's business. We are not voting today, really. We voted once on a cloture vote. We did not vote yesterday. Apparently, we are not voting now until next Wednesday.

Why is that the case? Because there was an amendment offered to increase the minimum wage, and the majority party did not want to vote on the amendment.

It seems to me if there is obstruction around here, it is obstructing the ability to have a vote on an amendment to

increase the minimum wage. The people at the bottom of the economic ladder in this country have not had an increase in the minimum wage for years. It is perfectly appropriate for us to consider that in the context of welfare reform.

So an amendment is offered; but because the majority does not want it to be voted on, business essentially is stopped dead on the floor, and there are no votes, and we are at parade rest for 4 or 5 days. If anybody is obstructing, I would say it is those who brought the welfare reform bill to the floor and then decided they did not want to vote on anything, and we go, day after day, with no votes. And those who create that situation now accuse others of obstructing.

I think it is a curious thing to do, but maybe there is a language here I have not yet learned and do not yet understand. But there is certainly no obstruction on the part of those of us who want to have a vote on the amendments we offered.

OUTSOURCING OF AMERICAN JOBS

Mr. President, we are going to be turning, we think, in the next week or two back to a piece of legislation that was on the floor of the Senate that was also pulled from consideration because they did not want a vote on an amendment that was pending. When that bill comes back that deals with the issue of tax incentives for foreign sales—when that bill comes back to the floor, I intend to offer an amendment dealing with an issue that has been discussed recently, and that is the movement of jobs from this country to overseas.

We talk a lot about the concern of the outsourcing of jobs. This country, as you know, has lost over 3 million jobs in recent years, the last 3 years or so, 3½ years, and we are now down a net roughly 2.5 million jobs. We gained a few jobs back, but we are about 2.5 million jobs less than we were 3½ years ago.

So the question is, will this economy create new jobs? We need them desperately. The other question is, why are we having policies in place that remain in place that actually incentivize the movement of jobs overseas?

Let me describe one of them I intend to fix with an amendment as soon as I have the ability to offer the amendment on the floor of the Senate.

Assume, for a moment, there are two businesses. Both produce garage door openers. They are both located in the United States. They both manufacture garage door openers, and they sell them in the United States. One of them decides they will move to China, so they move their plant to China. They fire their American workers. They hire workers in China. They make the same garage door opener in China and ship it back to our country.

There is one substantial difference now between those two firms, and that is the taxes they will pay on the profits they earn. The company that has moved to China to produce the product to ship back into this country will pay a lower U.S. income tax. In fact, they will largely pay no U.S. income tax.

We have a tax incentive in our law books that says: If you move your plant overseas and produce there for the purpose of shipping back into our country, we will give you a tax cut.

You talk about perversity, this is it. Our country says: We will reward you if you shut down your American company, your American business, move it to China, move it to another country, and ship the product back into our country.

Well, at a time when we are losing jobs and desperately need jobs in our country, the very least we should do—at least the baby step we ought to take—is to shut down the perverse incentive in our Tax Code that says: Ship your jobs overseas and we will give you a big break.

We will have an opportunity to vote on that. The Senate voted on that, actually, in an amendment I offered some years ago, and my amendment came up short. Perhaps having lost now 2.5 million net jobs in the last 3½ years, the Senate will come to a different conclusion. I hope that is the case because this issue of jobs is critically important.

TRADE AGREEMENTS

Mr. President, I have spoken often on the floor of the Senate about the subject of international trade. I will do so again briefly, just to say we have recently negotiated two free trade agreements, negotiated by the trade ambassador. I do not expect either, frankly, to come to the floor of the Senate this year. Why? Because I do not expect the administration, which negotiated these trade agreements, will want to have a debate on them: the Central American Free Trade Agreement and the Australian Free Trade Agreement. Why don't they want to have a debate on them? Because, like most recent trade agreements, they are not mutually beneficial; that is, beneficial to us and those with whom we negotiated the treaty. In most cases, they will end up costing this country lost jobs and large trade deficits.

I will not go into great discussion about the so-called CAFTA, Central American Free Trade Agreement, or to go back and talk about NAFTA, the North American Free Trade Agreement, both of which are terrible agreements, or the recent bilateral agreement we did with China, which is an awful agreement, or the agreement with Australia that really short-changes us in terms of what we should have required to have happen with state trading enterprises. I will not do that. But suffice it to say, I do not expect there to be brought to this floor a debate on this trade agreement by the administration because that is the last thing they want between now and this election, because it will be a significant debate about jobs and whether these trade agreements cost us jobs or gain jobs. The record is quite clear, we are losing jobs as a result of these many trade agreements.

We have the highest trade deficit in the history of this country, by far: a $470 billion trade deficit. Every single day—every single day—almost $1.5 billion in trade deficit; that is, goods we are importing in excess of goods we are exporting. Someday, someone has to pay the cost of that trade deficit.

Now let me describe my concern about this trade. I am not concerned about expanding trade. I happen to believe it is largely beneficial to expand trade. I think countries that engage in activities because of natural resources, and other things, where they have a natural advantage, that it makes sense for us to trade with them, and for those countries to trade with us in circumstances that are the reverse.

But that is not the case with most trade agreements today. In fact, the case is we have not a doctrine of comparative advantage, as Ricardo used to talk about nearly 200 years ago. The doctrine of comparative advantage is irrelevant. It is a natural advantage that becomes a political advantage by countries that create circumstances of production that are fundamentally unfair with respect to free trade.

An example: A country says: We will not allow workers to organize. If they try to organize, we will fire them. And, oh, by the way, we will not require the payment of any kind of a minimum wage. You can hire workers for 16 cents an hour, if you wish. And, by the way, there is no age issue with respect to child labor, so if you want to pay 16 cents an hour, and hire a 12-year-old kid to do it, that is fine as well. And, also, we will not require the workplace be safe. If you want to hire 12-year-olds, pay them 12 cents an hour, and put them in an unsafe workplace, that is all right, too. By the way, when you do it, and you have a 12-year-old working in an unsafe plant, working 12 hours a day, 7 days a week, you can dump the chemicals into the air and the water from that plant, and that is just fine as well.

Now if countries decide that is the condition of production in their country, and plants move to those countries to hire those workers so they can produce a product to ship back into our country, is that what we should aspire to have American workers compete with? The answer is, no, of course not. Yet that is exactly what is happening today. You think I am wrong? Check the facts. I am not saying in every factory they are hiring 12-year-olds, but I am saying it is happening in many parts of the world. I will give you one example I have used on the floor of the Senate previously to describe in more specific terms the way this works.

This is a picture of a Huffy bicycle. Most people know about Huffy bicycles—20 percent of the American marketplace. You can buy them at K-Mart, you can buy them at Wal-Mart, and you can buy them at Sears. Huffy bicycles used to be made in Ohio. They

were made by workers who made $11 an hour. They would get up and go to their jobs. I am sure they were proud of their jobs. They worked $11-an-hour jobs in Ohio to make Huffy bicycles. Right between the handlebars and the front fender they had a little insignia, a little metal insignia of the American flag.

Well, Huffy bicycles are no longer made in America. They are now made in China. The workers who made Huffy bicycles in Ohio were fired because $11 an hour was too much to pay someone to make a bicycle. Huffy bicycles are now made in China by workers who work 7 days a week, 12 to 14 hours a day, and are paid 33 cents an hour. In fact, Huffy bicycles no longer have the decal of the American flag between the handlebar and the front fender. They have a decal of the globe, descriptive, it seems to me, of what is happening to the elements of production and the manufacturing base in this country.

The question is this: Is it fair competition to ask workers in Ohio, making $11 an hour, to compete with workers in China who work 7 days a week, and make 33 cents an hour? Does that represent fair competition? Is that what we aspire to do? Or is this driving to the bottom the wages of American workers? And is it exporting the manufacturing expertise and base of the U.S. economy?

Globalization has happened quickly. The rules of globalization have not kept pace. We know that we don't want the product of Chinese prison labor to come in and hang on a store shelf in an American store and represent that as fair competition. Most all in the Chamber would probably agree the product of Chinese prison labor ought not be sold in this country because it is not fair competition. But then what about someone in Indonesia who works for 16 cents an hour? Is that fair competition for an American worker? Should we aspire to have an American worker compete in a circumstance where someone works 12 hours a day, sleeps in a bunker, 12 to a room, works 7 days a week in a plant that is unsafe?

The question of outsourcing of American jobs and the question of what is fair trade are questions that this Congress ultimately will have to answer because, if not, we will see a continued exodus from this country of jobs.

The economists, the so-called big thinkers who wear small glasses, tell us we are only talking about the outsourcing of low-tech, low-skill, low-wage jobs. That is absolutely untrue, flat out false. If those economists are still giving opinions and still making money, they should not be. I won't name the economists, but the economists who told us what would happen with the United States-Mexico trade agreement who were dead, flat out wrong. They said with that agreement we will import from Mexico the product of low-skilled, low-wage labor, and we will, therefore, benefit from that. It won't cost us high-skill, high-wage labor in the United States.

That is not true. The three largest exports from Mexico are automobiles, automobile parts, and electronics—the product of high-skilled labor. It has cost dearly American jobs.

There are so many elements to this that almost defy description. Part of it is the start of this process, when we negotiate the trade agreement. Let me give you one of the most idiotic provisions in an agreement I have ever seen. It was done a couple years ago. I have no idea which unnamed and unseen negotiator negotiated this, but we negotiated a bilateral trade agreement with China. And we have with China a very large trade deficit, now nearly $130 billion a year. So this is what our side agreed to: we will put a 2.5-percent tariff on Chinese automobiles shipped to the United States, and the Chinese will impose a tariff 10 times higher on any U.S. cars that we aspire to sell in China.

How would one come to that agreement with a country with whom we have such a large trade deficit? I have no idea. It is fundamentally incompetent to negotiate treaties that so undermine the basic manufacturing interests of our country.

Another example of automobiles—I don't come from a State that produces automobiles—is the country of Korea. I have a chart that shows what is happening with Korea. We import a substantial number of cars from Korea. Most people know the names of those cars. They buy those cars. We have ships coming across the ocean loaded with Korean cars. In fact, in a recent year, we had 618,000 Korean cars shipped in the U.S. marketplace for sale. Do you know how many cars we sold in Korea? Two thousand eight hundred. So there were 618,000 cars coming from Korea to the United States and 2,800 cars from the United States to Korea.

Why is that the case? Is it because Korean consumers don't want to buy American cars? No. It is because the Korean government has put up barrier after barrier to try to stop such sales. That is why you have a ratio of 217 to 1 Korean cars sold in the United States to U.S. cars sold in Korea. Why do we put up with it? It is because this country lacks the backbone and the spine and the will to demand fair trade and stand up for our products. If our producers can't compete, shame on us. Then we lose. But requiring our producers to compete when the game is rigged, saying our producers ought to compete, when foreign markets are closed to us, is fundamentally wrong. Yet that is what is happening. Japan, Europe, Korea, China—you can go right down the list.

I have mentioned a number of times that we have a trade regime in this country and people who work in that area seem to lack the stiff backbone that is necessary to stand up for our own economic interests. There is no evidence that we ever get tough with anybody, no matter the circumstances, because most of our trade policy is mushy-headed, foreign policy rather than sound, sensible economic policy.

We had a dispute with Europe on about beef trade, because Europe will not allow U.S. beef into its market. The WTO, for a change, ruled that the United States was right, and that we could retaliate on Europe for blocking our exports. And what do we do? We put tariffs on Roquefort cheese, goose liver, and truffles. That is going to scare the devil out of somebody, scare them with tariffs on Roquefort cheese, goose liver, and truffles, won't it?

Our country's trade officials don't have the foggiest idea how to deal with trade problems, whether it is standing up for beef interests in this country or standing up for manufacturers or the interests of workers. Our trade officials simply have been AWOL.

There is much to talk about with respect to international trade and jobs. The discussion about all of this relates to whether we have a job base to allow those who aspire to go to work to find a job. We have seen 2.5 million fewer jobs now than 3½ years ago, and at least a part of that is because we are outsourcing and seeing jobs move from this country to other countries.

At least two of the reasons for that are, one, we have a perverse Tax Code that actually rewards companies that move their jobs out of this country, and we ought to do something about that. And, second, we have basically incompetent trade agreements that fail to stand up for this country's economic interests.

My hope is that we could have a debate on trade in the Senate this year. It appears to me we are going to have a debate on virtually nothing. The minute someone offers an amendment, the others pack up their duffel bags and leave town. I don't understand it. Day after day we have no votes. Why? Because someone dared come to the floor to say, after 6 or 8 years, maybe we should have an increase in the minimum wage.

What does that do? It fills up airplanes leaving Washington, DC, because nobody wants to vote. And while they are out of town, they tell the press that those who offered the amendment are obstructionists, forgetting, of course, that the obstruction is really the refusal to give a vote to those who offered a very sensible amendment to the bill.

Most of us came here because we want to do serious things about serious issues. It would be good if, in the interest of this country, we could, in a spirit of some cooperation, decide here is the legislation we want on the floor, offer your amendments, have reasonable time agreements, have votes, and move on. Whatever the will of the Senate is, that is what we ought to do.

But instead, especially recently, we have seen a regrettable situation of the Senate deciding, if there is a controversial amendment that is offered, the majority doesn't like it, we will just stop working.

There is a lot to do. This country has an economy that regrettably at this point, while producing some growth, is not producing jobs. I just finished reading an article by an economist from the Reagan administration, Paul Craig Roberts, who was one of the architects of the economic strategy back in the 1980s. Paul Craig Roberts has it about right. He said this may well be an economic recovery without new jobs—a jobless recovery. And if that is the case, we are in trouble.

We need to search for ways to begin to create these jobs. If we have a recovery and no new jobs being created, we face some pretty difficult times. The American people want to go to work. These kids coming out of college want jobs. They want opportunity and hope. They want a good future. You do that by having an economy that produces jobs. There is no social program we discuss in the Congress that is as important or as productive as a good job that pays well.

That is what allows people to have a good life, provide for their family, and do the things they want to do. So the question for us is, what happened here? Why the disconnect? Why is an economy that is growing not producing jobs?

One answer is that we are seeing jobs moving to Sri Lanka, Bangladesh, China, Mexico—you name it. They are leaving. As they leave, a part of that departure is to be rewarded with a reverse tax cut, a tax incentive that says we will reward you while you leave.

We ought to close that now. We ought to go back and look at some of these trade agreements and decide whether it is in this country's interests not to be protectionist but to demand that the rules of trade be fair. If we are unwilling to do that, we are not going to see the creation of the kind of jobs that are necessary to restore the 2½ millions jobs that were lost and provide the additional jobs an increase in population requires year by year.

Mr. President, there are no votes today, tomorrow, Monday, or Tuesday. I guess the Senate comes back with perhaps a vote on Wednesday. I hope that perhaps we can start over and decide to treat seriously those things that are serious. There is such a tendency here to treat lightly those things that are serious and treat seriously those things that should be treated lightly. We never get to where we should be with respect to the interests of this country.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant journal clerk proceeded to call the roll.

Mr. ALEXANDER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. DOLE). Without objection, it is so ordered.

The Senator from Louisiana.

GET OUTDOORS ACT

Ms. LANDRIEU. Madam President, I rise with my colleague from Tennessee, to recognize the introduction of legislation in the House of Representatives today by Congressmen DON YOUNG of Alaska and GEORGE MILLER of California. The Get Outdoors Act is similar to an effort that many of us in the House and Senate were involved in during the 106th Congress.

I am particularly pleased to be joined by Senator ALEXANDER to announce our intention to introduce similar legislation in the Senate in the coming weeks.

The principles and concepts within this legislation from the 106th Congress were then and continue today to be one of the most significant conservation efforts ever considered by Congress. Our goal is to provide a steady, reliable stream of revenue to fund some of the most urgent conservation needs in the country.

The Get Outdoors Act, or GO Act, as the House bill will be referred to, is almost identical to the legislation considered by the House and Senate in the 106th Congress. That legislation had overwhelming bipartisan support. It was a landmark, multi-year commitment to conservation programs benefitting all 50 States.

The legislation we will be introducing uses a conservation royalty earned from the production of oil and gas off the Outer Continental Shelf for the protection and enhancement of our natural and cultural heritage, threatened coastal areas and wildlife habitat. It also reinvests in our local communities and provides for our children and grandchildren through enhanced outdoor recreational activities.

By enacting this legislation, we can ensure that we are making the most significant commitment of resources to conservation ever and ensure a positive legacy of protecting and enhancing cultural, natural, and recreational resources for Americans today and in the future.

As many of our colleagues will remember, during the 106th Congress the House of Representatives passed almost identical legislation by a vote of 315 to 102 and the Senate Committee on Energy and Natural Resources reported a similar version that had the support of both the Chairman and Ranking Member.

In addition, in September of 2000, a bipartisan group of 63 Senators sent a letter to the majority and minority leaders indicating their support to bring the bill to the floor. The effort was supported by Governors, Mayors and a coalition of over 5,000 organizations from throughout the country.

Unfortunately, despite that tremendous and unprecedented network of people who came together in support of the legislation, our efforts were cut short before a Bill could be signed into law. Instead a commitment was made by those who opposed the legislation to guarantee funding for these programs each year through the appropriation process.

However, as we have painfully witnessed since then, that commitment has not been honored. What has happened is exactly what those of us who initiated the effort always anticipated. Each of these significant programs has been shortchanged and a number of them have left out altogether or forced to compete with each other for scarce resources. So, today, the House has taken a great step to introduce similar legislation. The principle of the bill Senator ALEXANDER and I will soon introduce provides a reliable, significant and steady stream of revenue for the urgent conservation and outdoor recreation needs of our rapidly growing cities.

If we were to look at a map of the country and put lights where most of the population is, we would see a bright ring around the country because two-thirds of our population reside within 50 miles of our coasts. As a Senator from a coastal State, I understand the pressures that confront many of our coastal communities.

Today, with the price of oil near a 13-year high we should channel some of those revenues and re-invest them in our natural resources.

Some of the programs in the legislation we plan to introduce will include: impact assistance, coastal conservation and fishery enhancement for all coastal States and eligible local governments and to mitigate the various impacts of producing States that serve as the ''platform'' for the crucial development of Federal offshore energy resources from the Outer Continental Shelf. It does not reward drilling, but it does acknowledge the impacts to and the contributions of States that are providing the energy to run the country; flexible and stable funding for the State and Federal sides of the Land and Water Conservation Fund while protecting the rights of private property owners and with a particular emphasis on alleviating the maintenance backlog confronting our national parks; wildlife conservation, education and restoration through the successful program of Pittman-Robertson; urban parks and recreation recovery to rehabilitate and develop recreation programs, sites and facilities enabling cities and towns to focus on enhancing the quality of life for populations within our more densely inhabited areas by providing more green-spaces, more playgrounds and ball fields for our youth and the parents and community leaders that support them; historic preservation programs, including full funding of grants to the States, maintaining the National Register of Historic Places and administering the numerous historic preservation programs that are crucial to remember our proud past and fully funding the Payment In Lieu of Taxes program, or PILT, in order to compensate local governments, predominantly out west, for

losses to their tax bases because the Federal Government owns so much land in a number of those States.

While we confront the challenges of a war, budget deficits and a struggling economy, I believe it would be wise and we would show good stewardship to take this opportunity to set aside a small portion of the oil and gas royalties to our States and localities for initiatives such as outdoor spaces or recreation facilities where our children can play. The essence of this legislation, the American Outdoors Act, is to take the proceeds from a non-renewable resource for the purpose of reinvesting a portion of these revenues in the conservation and enhancement of our renewable resources.

We wanted to come to the floor today to share these ideas with our colleagues, to encourage their input and ask them to be a part of this unique conservation effort.

I would also like to add how much I appreciate the leadership of Senator ALEXANDER. I think we will make a great team and thank him for his cosponsorship as we attempt to move this legislation through the process.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Madam President, the Presiding Officer and I are new Members of the Senate, but we learn our lessons pretty quickly. One of the things you learn here is if you want to have an impact in the Senate, you have to put a focus on something you care about and then keep after it.

The Senator from Louisiana has done that. In her first term here she focused on the great American outdoors. Working with others, she came pretty close to passing an important piece of legislation 3 years ago.

There were some problems in it for Members of the Senate. It is my goal, working with her this year, and we hope with many others of our colleagues on the Energy and Natural Resources Committee and others of our colleagues on both sides of the aisle, to solve those problems and come up with legislation that represents the conservation majority, the huge conservation majority that exists in the United States of America.

The conservation majority of this country does not have a line down the middle with chairs on each side. It exists on both sides of every aisle and has broad support. We are good legislators, and if we are as good as we hope we are, we will be able to work and represent what our constituents would like us to do. So it is a privilege for me to work with Senator LANDRIEU. We both serve on the Energy and Natural Resources Committee. We are fortunate under Chairman PETE DOMENICI and ranking member JEFF BINGAMAN that we, most of the time, are able to work in a bipartisan way. So we are off to a good start in terms of fashioning a piece of legislation that will gain the support of our colleagues.

We are deliberately today not offering legislation. We want to discuss it first with members of our committee. We want to discuss it next with others, such as the Presiding Officer of the Senate, who has a long interest in conservation matters. We want her ideas and those of others. Then, perhaps in 3 weeks, after the recess, we will be able to come forward with a piece of legislation that has broad bipartisan support.

As the Senator from Louisiana said, this morning Congressman YOUNG of Alaska and GEORGE MILLER of California introduced the GO Act, the Get Outdoors Act of 2004. I believe they used it to emphasize we might do some work on this obesity problem that is really worrying us, in terms of health, if more of us spend a little more time walking outdoors, playing outdoors, and taking advantage of our country.

As the Senator from Louisiana said, the bill therefore will provide, I believe, about $3 billion in guaranteed annual funding for outdoor recreation purposes. It would be paid for, as she described, by what I think of as a conservation royalty. This is the way I think of it. It is a royalty on the revenues from oil and gas drilling on offshore Federal lands. After the royalties are paid to the landowner and after the royalties are paid to the State, this conservation royalty would be paid to a trust fund which would then spend the money for the benefit of conservation. Then, after that, the rest of the Federal revenues would go into the regular Federal appropriations process.

That is the way I like to think about it and I hope that is the way a majority of the Members of the Senate will want to think about it as well.

As the Senator said, we will be discussing these concepts that she so well outlined with our colleagues. And we hope they will join us as cosponsors. As she said, our bill will be similar to that which was introduced this morning in the House of Representatives, but it will not be the same.

In addition, it will be similar to the so-called CARA legislation that Senator LANDRIEU and many others worked hard on 3 years ago, but it will not be the same. There are some lessons that we need to learn from what happened 3 years ago.

For example, the cost of the Senate legislation may not be as much as the cost of the legislation offered in the House. That is yet to be determined.

In addition, as the Senator said, we intend to discuss with our colleagues whether States should have the option, for example, of spending the Federal share of the Land and Water Conservation Fund for maintenance of Federal lands rather than for acquisition.

I have learned over the years that there is a big difference of opinion between Senators from the West and Senators from the East about the acquisition of Federal lands. In North Carolina and Tennessee, we don't have much Federal land. So a lot of us—even many of us conservative Republicans—would be glad to have a little more. Out West there are a lot of people who think the Federal Government not only has enough but it has too much, and they don't want to see legislation that would acquire more.

We need to take that into account as we develop a piece of legislation that will represent the conservation majority but do it with respect for those States that are already largely owned by the Federal Government.

Our legislation, like that proposed in the House, will ensure that State and Federal parts of the Land and Water Conservation Fund will fulfill the intention that Congress originally envisioned. It will provide for wildlife conservation. That will benefit hunters and fishermen. There are more hunters and fish people with hunting and fishing licenses in Tennessee than there are people who vote. I am not sure that is a statistic to admire, but it is a fact, and it is one to which I pay attention. Bird watchers and all Americans who enjoy outdoor recreation will benefit from this legislation. It will provide funds to establish city parks so the children in and around our metropolitan areas can have decent, clean places to play; so families can have decent places to go; and so senior Americans can have decent, safe places to walk.

Someone once said Italy has its art, England has its history, and the United States has the Great American Outdoors. Walt Whitman wrote, ''If you would understand me, go to the heights or watershores.''

Our magnificent land, as much as our love for liberty, is at the core of the American character. It has inspired our pioneer spirit, our resourcefulness, and our generosity. Its greatness has fueled our individualism and optimism and has made us believe that anything is possible. It has influenced our music, literature, science, and language. It has served as the training ground of athletes and philosophers, of poets and defenders of American ideals.

That is why there is a conservation majority—a large conservation majority—in the United States of America.

That is why so many of us, as the Senator from Louisiana said, feel a responsibility in our generation to ensure to the next generation the inspiration of the dignity of the outdoors, its power, its elemental freedom; the opportunity to participate in the challenges of its discovery and personal involvement; and the fulfillment that is to be found in the endless opportunities for physical release and spiritual release.

Some of the words I just used came from the preamble of President Ronald Reagan's Commission on American Outdoors, which I chaired in 1985 and 1986.

In 1985, President Reagan asked a group of us—I was then the Governor of Tennessee—to look ahead for a generation and see what needed to be done for Americans to have appropriate places to go and what they wanted to do outdoors.

Our report, issued in 1987—very nearly a generation ago—recommended

that we light a prairie fire of action to protect what was important to us in the American outdoors and to build for the future. We focused on the importance of a higher outdoors ethic, suggested an ''outdoor corps'' to improve recreational facilities. We examined the role of voluntarism. We pointed out that the park most people like is the park closest to where they live and how important it is, therefore, to have urban parks as well as great national parks. We warned of how the liability crisis and runaway lawsuits threatened our outdoor activities and called for a new institution or set of institutions to train leadership for outdoor recreation.

We formed State commissions, such as Tennesseans Outdoors, which went to work with the same objectives in our own State that we had in our national Commission.

We envisioned a network of greenways, scenic byways, and shorelines. Most of the action we suggested was not from Washington, DC, but was community by community by community.

But we also acknowledged the important role the Federal Government has to play in providing outdoor recreation opportunities. Of course, we must have clean air and clean water, and we must protect and enhance recreation opportunities on Federal lands and waters.

Almost all of us on the Commission called for the creation of a $1 billion fund to fully fund the Land and Water Conservation Fund—both the State share and the Federal share. This is a way of balancing our need for more oil and gas with our need for recreational opportunities in the outdoors.

As I mentioned earlier, I think of these annual payments from the revenues derived from offshore drilling for oil and gas on Federal land as a royalty payment. Pay the owner a royalty, pay the State its royalty, then pay a conservation royalty for the use of that resource. Then the rest of those revenues go into the Federal Treasury to be appropriated. Pay a $3 billion annual conservation royalty—that is the number that the House bill uses—before it ever gets to the Federal appropriations process. Then appropriate the rest.

I believe this legislation will have broad bipartisan support in the Senate.

I look forward to working with Senator LANDRIEU, Chairman DOMENICI, with our colleagues on the Energy and Natural Resources Committee, and with all of our colleagues on both sides of the aisle to fashion legislation that is good legislation, that represents the overwhelming conservation majority in the United States of America, and which can pass the Senate and the House of Representatives this year.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Madam President, I commend my colleague, the Senator from Tennessee, for his leadership—as I said, for not just this year and the years he has been in the Senate but for his years of service in Tennessee, and as Chairman of this important Commission that outlined some of the principles we are talking about and searching for solutions to today; and for his eloquence in reminding us that even more than good stewardship is required.

One particularly fresh idea that he has brought to this effort is the conservation royalty.

I think we can begin to see that the companies are not only paying a royalty to the Government, but they are paying a royalty to future generations through conservation. I think it is royalty they would gladly pay. We are not asking them to pay more than they are today. But a portion of what they pay today.

I thank the Senator for his leadership, and I look forward to getting, as we said, ideas from our colleagues, taking it to the Energy Committee and developing broad bipartisan support. Even in these days of tight budgets, we can think about setting aside a portion of these revenues which are not insignificant. As you know, last year we generated $6 billion off the coast primarily of Louisiana, Texas, Mississippi, and Alabama, while still honoring the moratorium that is in place along the western coasts the eastern coasts and Florida. Even honoring the moratorium in place, we still were able to generate billions of dollars. Hopefully through this legislation we can dedicate that conservation royalty, a portion, to the worthy causes.

I thank the Senator.

Mr. ALEXANDER. Madam President, I thank the Senator from Louisiana.

Her comments make me think of this report. Let me hold this up. So staff will not worry, I will not ask to put this in the CONGRESSIONAL RECORD. There is a summary I will bring to the Senate when we introduce the bill. This is the report of President Reagan's Commission on Americans Outdoors, published in 1987. It is a very good resource and backup for many of the ideas we envision being part of this legislation.

I learned very quickly as Chairman of this Commission that most of the decisions we have to deal with in environmental and conservation matters involve balance. Senator LANDRIEU and I know, because of our service on the Energy and Natural Resources Committee, as we work hard to try to develop a national energy policy, that we are having a difficult time as a country compromising, creating balance between our need to produce and our need to conserve.

I certainly do not want to draw into this discussion all of those arguments. I will say very little more about it except it would be nice to find in this contentious Presidential year, in this time when we have so much disagreement about energy production and conservation, one area where we could show we are skilled enough as legislators to properly represent the huge conservation majority in the United States.

Most Americans, as President Reagan's Commission thought and almost all Members thought, of course, we have to drill for oil and gas; otherwise our natural gas prices are going through the roof; our jobs will be in Mexico; our lights will be out. Of course we have to do that.

Is that an insult to the environment? Yes, it is. What do we do about it? Shut down the wells? No, one thing we can do is take some of that money—actually a lot of this money—and pay a conservation royalty, compensate for that by creating a conservation benefit on the other side. This idea of the land and water conservation fund has been endorsed by politicians of both parties for a long time. What we are trying to do today is assure a steady stream of revenue to the State and Federal side of the conservation fund, plus a number of other conservation areas, in a way that respects each of our States. We can do it. There is enough of a majority; we can do that.

President Reagan's Commission on Americans Outdoors from 1985, 1986, and 1987, and the work that Senator LANDRIEU and the majority in both Houses did, form a wonderful beginning. We will see in the next few weeks if we are wise enough to take that to a successful conclusion.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ALEXANDER). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from North Carolina.

Mrs. DOLE. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FALLUJAH DEATHS

Mrs. DOLE. Mr. President, I watched with horror yesterday as the media displayed the images of crowded streets, in Fallujah—and burning bodies in the center of that horrific celebration. In the middle of that city that is part of the volatile Sunni Triangle, four Americans were attacked, executed, and then burned as a mob of Iraqis danced around the corpses.

I found it hard to believe I was watching a news program, given that the scene playing out before my eyes looked far more like a gruesome movie than tragic reality.

Sadly, it was a reality—and that reality continues today. Families have been notified that their loved ones were among the four casualties and are mourning the loss of these brave souls.

My home state of North Carolina grieves today as well. The four men who were brutally assassinated yesterday were employees from Blackwater Security Consulting, based in a city in northeastern North Carolina. Preliminary reports tell us that three had been Navy SEALs and one had been an Army Ranger.

The four contractors were stationed in Fallujah to provide a convoy of security—the very purpose of their presence was to protect the lives of Iraqi men and women and they in turn were subjected to such barbaric and despicable acts.

Yesterday's attack on these innocent men only further illustrates the evil influence Saddam Hussein still has over so many Iraqis. We are told that the 150,000 residents of Fallujah are being held captive by a brutal regime that wants nothing more than to return to the past days of tyrannical rule and streets of violence. The perpetrators of these ghastly acts hate freedom, loathe democracy and wish to turn back the clock—it is important to say now more than ever that we will not let this happen.

Mr. President, the horrific slaughters yesterday will not weaken the American resolve to bring order, democracy, and peace to this war torn nation. The criminal who orchestrated these murders are few—and the Iraqis who stand firm against such violence are the men and women we are seeking to serve as the Coalitional Provisional Authority acts to establish stability in the middle of chaos.

As peace and order are brought to all regions of Iraq, may justice arrive alongside them. It is my sincere hope that those responsible for these attacks will not escape punishment. Let our response be swift and just.

While I wish there were more I could offer to the families who grieve the horrific loss of their loved ones, my condolences and my prayers are all I have. My heart aches for the tears of so many—and my earnest prayer is that we see the end of these tragedies as brave Americans continue their work in Iraq. I deeply believe in their mission and in the cause of democracy, freedom, and peace.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. DOLE). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRAIG. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRAIG. I ask unanimous consent to speak for not more than 15 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY PRICES

Mr. CRAIG. Madam President, I have spoken in the last 3 days about the current price crisis this country is experiencing with the critical resource energy. The American consumer is going to the pump in their local community today to refuel their car and paying record high prices; in fact, the highest ever recorded on average in our history. I would hope they are beginning to ask the question why, why is this happening and why am I having to pay another $5 or $6 per tank of gas, an average of maybe $15 or $20 or $30 a month more.

In fact, I and the chairman of the Energy Committee, PETE DOMENICI, and others, held a press conference to speak to the issue of energy and why the Senate was not yet debating a comprehensive energy bill that is ready for us to debate once again and vote on.

At that time I mentioned the average consumer today will pay, as an individual, $300 or $400 more a year for the price of energy, and collectively, as a family, they may well pay more than that. When you consider their electrical bills and space heater bills, the average family is going to pay considerably more this year. That is money that won't come as a result of having a pay raise and, therefore, having the money to offset those costs. Those are dollars and cents that are going to come directly out of the family budget this year. It will have a substantial impact on that family's ability to do what they did a year ago, whether it was providing food for the table, clothes for their children, or maybe the family vacation, or the recreational value they place on a certain activity that would cost them a certain amount of energy.

I mentioned some days ago that I think probably families are already, if they own a motor home, recalculating whether they will actually be able to take that home and go someplace in the country this summer because of the potential cost, additional cost that 15 or 20 cents on a gallon of gas will mean this year. Those are all very real issues and some that clearly this Senate ought to address.

I have said for that average consumer who is asking the question why, I have an answer. The answer is that the Senate of the United States has refused to bring out and pass and set on our President's desk a comprehensive energy bill that addresses those and other issues that in the long term will get us back into the business of producing energy for our country and becoming less dependent on foreign supplies and, therefore, certainly dependent upon ourselves more than others. It is an important issue that we have before us today.

We have even seen it now break into Presidential politics, as Senator KERRY speaks of ways he can propose to bring down those prices. I have noticed he has not talked about production. He has not talked about increasing production. So there are going to be a lot of schemes. I use the word ''scheme'' because some are scheming at this moment as to how they might turn this to their political advantage, tragically enough; that is, the price of energy at this moment.

Why don't they just stop and ask the Senate why they can't pass a comprehensive national energy policy for our country? We have been 14 years without any new directions or new ideas as it relates to energy production, and it is clearly time we speak to that. There is a proposal that has just been brought forth. It is called the Gasoline Free Market Competition Act of 2003. Each time we see something like this as an idea, it is important that we put it in the right context. Each time a government agency investigates gasoline prices—and there have been 29 such investigations by Federal and State agencies over the past several decades—the findings literally have been all the same. The market controls the price of energy, not some unscrupulous producer. It is the market forces that ultimately produce the price at the pump.

The purpose for antitrust law is to protect the interests of the consuming public, not to increase the profit of any level or type of distributions, which is what happens in the legislation I have mentioned, which is S. 1731. That particular legislation would try to dictate refiners' distribution practices. I don't think our Government ought to ever get into the micromanagement of a marketplace. Our goal—and it always should be our goal—is to create transparency in the markets so all of the parties involve can understand them.

As noted in a recent economic study on ''The Economics of Gasoline Retailing,'' a Dr. Andrew Kleit, professor of energy and environmental economics at Penn State University, puts it this way:

> There is a difference between protecting competition and protecting competitors. Protecting competition means moving to provide consumers with the lowest sustainable prices, not protecting the profits of any level of production or any individual firm.

Professor Kleit's analysis shows that eliminating the ability of refiners to restrict where their brands can be distributed, as proposed in S. 1737, would likely reduce refiners' investment in distribution outlets and ultimately harm consumers.

From a competitive point of view, Professor Kleit says, ''these calls [for this type of distribution concepts in legislation] are [clearly] misguided.''

The strategy at issue is the result of competition between various forms of distribution in gasoline marketing. This competition promotes efficiencies which benefit consumers by bringing products to market for less cost. My fear is S. 1737 would not protect competition, only some of the competitors.

That is clearly where we ought not be going. But what I think S. 1737 really does is it tries to speak to a market today that is a product of Government interference in the past. By that I mean standards and new standards that do not allow the normal marketplace to flow and that, ultimately, confuse the process and create dislocations, whereas a more free market approach certainly would allow that to happen.

As we have seen in recent years, the Federal Trade Commission has carefully studied many of the proposals about mergers within the industry. In many instances, the FTC has required

companies to sell assets to new competitors as these mergers occur. Let me give some examples.

For example, the Exxon Mobil merger in 1999 resulted in the largest retail divestiture in FTC history—the sale or assignment of approximately 2,431 Exxon Mobil gas stations in the Northeast and mid-Atlantic, some 1,740; California stations, some 360; Texas stations, 319; and in Guam, 12; and the sale of Exxon refineries in California, terminals, a pipeline and other assets.

So my point is, while we may try to micromanage and use that as an excuse or an attempt to help the marketplace, what the FTC has done relating to these mergers has in part done that. In other words, we have given them the authority to do so.

Similarly, when British Petroleum merged with Amoco in 1998, they agreed to make certain divestitures to free up more than 1,600 gas stations in 30 markets in order to satisfy FTC concerns that their merger would substantially lessen competition in certain wholesale gasoline markets.

Let's stop passing the buck on energy prices.

Let's stop attempting to tinker with the energy bill and apply untested concepts and theories in the hope that we can create the perfect bill while our citizens are being crushed by high energy prices.

Let's pass the energy bill and implement the energy policies included in that bipartisan piece of legislation.

Let's stop the partisan rancor and do what our constituents sent us here to do—protect their jobs, protect their quality of life, and protect their security by passing this energy bill.

While many Senators may come to the floor well meaning in the next several months to find some political safe haven in which to address the issue of high energy prices, there really are not any. Nobody is scheming today. Nobody is glutting the marketplace. The reality is a problem of supply and demand. While I am quite sure you will have some State attorneys general out there calling for investigations, the problem is supply and demand. It clearly is that, and there is no other argument that can really fit or begin to explain why we have record high gas prices.

This Senate needs to pass a comprehensive energy bill, and we have one. It is ready to come to the floor. We are being denied that opportunity to bring it to the floor. All I am saying is use due caution as it relates to all kinds of new ways to argue the problem in the marketplace. But when you don't have enough supply of product or crude to go around, when you have world demands and us now depending on a world market for our supply of crude, we have a problem. This Senate refuses to address that problem.

I hope in the coming days as gas prices continue to spike, consumers will ask the question why, and turn to the Senate and say very simply: Do something. Pass a national energy policy. Put it on the President's desk and allow this country to get back into the business of production and meeting the supply to the market, instead of trying to find a scheme or another excuse that will only be a short, limited political ground on which to stand.

I believe there is no place to hide today and no Senator can have that opportunity. The vote has been on the record. Let's change the record and improve the record by the passage of a national energy policy that will once again put our country in the business of energy production.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CORNYN). Without objection, it is so ordered.

(The remarks of Ms. LANDRIEU pertaining to the introduction of S. 2274 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Ms. LANDRIEU. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant journal clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOBS CRISIS AND INDIFFERENCE TO WORKING FAMILIES

Mr. DASCHLE. Mr. President, in the last 3 years, America has lost nearly 3 million private-sector jobs, including nearly 2.9 million good manufacturing jobs.

The Bureau of Labor Statistics says there are 8.2 million Americans out of work today.

But that doesn't include the millions of ''discouraged workers'' who have stopped looking for jobs. And it doesn't include millions more who are underemployed.

All together, nearly 15 million American workers today are unemployed, under-employed, or have given up looking for work.

A month ago, the President's Council of Economic Advisors released its annual report on the economy. It predicted that the economy would create 3.8 million new jobs this year.

The President's own Labor and Commerce secretaries refused to endorse that prediction. Then the President himself backed away from those numbers.

After 3 years of promising jobs that never materialized, the Bush administration won't even predict anymore how many jobs their policies will create.

Last month, the economy added only 21,000 new jobs—every one of them in government. 21,000 new jobs. That is one job for every 389 Americans who need jobs.

All over America, people who have lost jobs are draining their savings accounts, tapping their 401(k)s, and running up expensive credit card debt to try to make ends meet.

The average length of unemployment is at a 20-year high.

When people finally find work, it often involves a substantial cut in pay. Jobs in growing industries pay, on average, 21 percent less than the jobs in industries that are shrinking.

We have a jobs crisis in this country. And it is not just unemployed workers who are feeling the pain.

With wages stagnant or falling, and health care and child care costs rising, many parents are working longer and harder than ever—and it's still not enough.

Consumer debt is at an all-time high. Home mortgage foreclosures, car repossessions, and credit card debt are all at record levels.

Millions and millions of American families are just one health crisis, one pink slip, or one bad break away from financial disaster.

You would never know any of this to look at the agenda of the Bush administration and Congressional Republicans.

The President and Congressional Republicans tell us, ''don't worry, the economy is getting stronger.''

Getting stronger for whom?

Not the millions of Americans who are unemployed and underemployed. Not the workers whose jobs are being shipped overseas with help—help—from this administration.

Not the 43 million Americans who can't afford health insurance and are living with the daily dread that one serious illness or accident could put them in a financial hole they will never dig their way out of.

America's families need jobs. And workers who have lost their jobs need help until they get back on their feet.

They need unemployment insurance, job training, and health care until they can find their next job.

Yet, this week, instead of just ignoring the economic stress so many American families are under, the Bush administration is knowingly, deliberately, increasing that stress.

Yesterday, the Federal unemployment insurance program expired.

Despite repeated Democratic efforts to extend the program, the Bush administration and Congressional Republicans have refused.

As a result, over one million workers have seen their unemployment benefits expire over the past 3 months, and nearly one million more will see their benefits expire in the next 3 months.

Last week, the President's Commerce Secretary said President Bush would sign an extension of the Federal unemployment program if Congress passed it.

So I urge President Bush to use his powers of persuasion to convince the Members of his own party to extend unemployment benefits.

It is wrong to punish workers who can't find jobs in a jobless recovery.

There is something else the President should do.

President Bush should make it clear that he will not strip overtime pay protections from one American worker. Not one.

Any day now, the Labor Department is expected to issue new regulations that could deny 8 million American workers their right to overtime pay. Those regulations were expected to be released yesterday, but they have now been delayed for some reason.

Bipartisan majorities in the House and the Senate voted last year to overturn the Bush regulations stripping workers of their overtime protections.

But the White House worked behind closed doors with Republican leaders in Congress to push the regulations through anyway.

If they have their way, up to 8 million workers—including firefighters, nurses, store supervisors and others—will lose their overtime pay.

Overtime pay isn't for luxuries; it is essential family income that's needed to pay mortgages, tuition, grocery bills, utility bills, health insurance premiums, and prescription drug costs.

For eligible workers, overtime pay makes up, on average, 25 percent of their income.

Last week, Republican leaders in the Senate actually pulled the JOBS bill to avoid voting on a Democratic amendment that would have preserved the overtime rights of American workers.

The Bush administration would rather force American companies to pay tariffs on the goods they sell in Europe than protect the overtime pay of American workers.

That shows how deeply out of touch this administration and its allies in Congress are with the real needs of average working Americans.

There are other signs as well. Two days ago, the Senate voted overwhelmingly to increase child-care funding in the welfare bill so that mothers who are moving from welfare to work won't have to leave their children home alone or with strangers.

Even though States are slashing funding for child care, the Bush administration insisted that no more money for child care is needed. If their view prevails, 450,000 children would be forced out of child care. That is how out of touch they are with this economy.

This administration has also refused, repeatedly, to raise the minimum wage.

It has fought to deny the earned income tax credit for low-income parents—at the same time it insists on more and bigger tax cuts for the wealthiest one percent.

The President's economic advisors even suggested re-classifying Burger King jobs as manufacturing jobs to try to disguise how many manufacturing jobs America is losing.

I have some advice for them: Forget about creating better-sounding statistics and figure out how to create better-paying jobs here in America.

Millions of Americans are hurting and need help.

I urge the President and the members of his administration, and Republican leaders in Congress, to listen to them and extend the federal unemployment insurance payments, stop this effort to deny working people overtime pay, work with us in a bipartisan way to create and keep good jobs here in America and make affordable health care and child care available for working families.

VIOLENCE IN FALLUJAH

Mr. President, today, I offer my condolences to the families of the nine Americans who lost their lives in Iraq yesterday.

Five Marines were killed in the most deadly car bombing our forces in Iraq have yet seen in the 11 months since the fall of the Saddam Hussein regime.

In addition, yesterday four private security contractors were attacked and brutally killed by a mob in Fallujah.

The barbarity of these acts is shocking, and it reminds us of the courage of the men and women—both civilian and military—serving in Iraq, working to bring freedom to the Iraqi people.

Every day, our soldiers and the private contractors engaged in the work of serving our military and rebuilding Iraq face the fear of violence.

Yet every day, they go about their work with skill and resolve because they understand that their efforts are building a safer Iraq, and a more secure Middle East.

The cost to our Nation has been profound.

Six hundred American service men and women have lost their lives since the beginning of hostilities.

Over 3,000 soldiers have been wounded.

Just over the weekend, in fact, a young man from my hometown of Aberdeen, SD, Sergeant Sean Lessin, sustained a severe head injury in the course of his duties in Iraq.

Sgt. Lessin is a member of the 147th Field Artillery Unit and is now receiving treatment at the U.S. Military Combat Support Hospital in Baghdad.

Our thoughts and prayers go out to Sgt. Lessin and his wife Jessica in Aberdeen.

Someone once wrote that ''True heroism is remarkably sober, very undramatic. It is not the urge to surpass all others at whatever cost, but the urge to serve others at whatever cost.''

The Americans who lost their lives yesterday—indeed, all those serving their Nation in Iraq—are true heroes.

At times such as these, when our Nation faces great challenges, the loss of such heroes is particularly painful, because they are so rare, and so important.

To the families of those killed, we offer our deepest condolences and our unbounded thanks for the sacrifice your loved ones have made.

To the men and women still serving in Iraq, you have the thanks and admiration of your Nation.

We recognize the escalating violence you face, and we will spare no effort to ensure that you have every tool, every resource, every possible advantage we can offer to help you complete your work and return home safely to your loved ones.

America will not be intimidated by barbaric acts whose only goal is to spread fear and chaos throughout Iraq.

Yesterday's events will only serve to strengthen America's resolve and seal America's unity.

The brave people who lost their lives did not die in vain.

Americans stand together today and always to finish the work we started and bring peace and democracy to the citizens of Iraq.

I yield the floor.

Mr. ALLEN. Mr. President, I rise today in support of the Senator WYDEN's amendment to the PRIDE Act that provides States the option to extend current TANF waivers and create additional waiver authority.

Virginia has been a leader in many important national reform movements throughout the history of our country. In February of 1995, during my tenure as Governor of the Commonwealth, Virginia enacted one of the most principled, tough, comprehensive welfare reform measures in the United States. It was a tough fight to get this measure passed by a Democrat led General Assembly.

Many other States enacted successful reforms and our approach and that of Wisconsin and Massachusetts served as a model for the entire Nation and encouraged self-sufficiency, the dignity of work and the pride of independence rather than dependence.

The ''Virginia Independence Program'' transformed an outdated welfare system that was failing taxpayers, sapping initiative from welfare recipients, and breaking up families. I have had many former welfare recipients thank me for ending the downward cycle of dependency and despair.

Unlike the Federal work requirement outlined in the 1996 law, able-bodied recipients in Virginia were required work within 90 days, the State had a 2-year limit on benefits, with transition assistance in the third year and promoted individual responsibility by allowing no increase in State benefits for recipients who have more children while receiving welfare.

Vital reforms were made for children. Virginia ended the marriage penalty, increased enforcement of child support by suspending professional and driver's licenses for ''deadbeat'' parents, required mothers to identify the father to receive benefits, or receive no benefits—this led to 99 percent identification and more child support.

Finally, the law required that minor-age mothers having children while on welfare must live with a parent or guardian and stay in school, more commonly referred to as ''Learnfare''.

These reforms resulted in a 60 percent decrease in welfare rolls, and saved more than $357 million in taxpayer funds in Virginia which were used for other priorities in education and law enforcement. Ultimately, I measure our success not by how many people are receiving welfare checks, but rather by how many people are leading independent, self-reliant lives.

Virginia's trailblazing welfare reform has been extremely successful in setting the stage for Federal welfare overhaul, significant declines in welfare roles nationwide, and increasing the number of former welfare recipients getting back to work. Virginia's waiver from Federal law has enabled much of the success in requiring able-bodied men and women to work for their benefits.

With the passage of the Federal welfare reform in the fall of 1996, Congress intended to give the States flexibility with the law. Flexibility through these waivers has allowed States the ability to develop innovative programs that best serve their citizens. Fifteen other States opted for waivers. Indeed, Virginia has far exceeded the goal of the Federal welfare legislation offering Virginians the best tools to provide for themselves and their families.

As of June 2003, Virginia's welfare waiver expired. It is imperative that the PRIDE Act, a continuation of welfare reform started in 1996, include waivers for States that have taken the initiative to make comprehensive welfare reforms. We need to ensure that States can continue to encourage independence through work, promote families and marriage and guarantee child-support enforcement.

I urge my colleagues to support this amendment so that States can maintain these positive results and successful welfare reforms.

UNEMPLOYMENT COMPENSATION

Mr. BINGAMAN. Mr. President, I rise today in support of the extension of the temporary extended unemployment compensation program, which expires today. I support this effort because, in my view, we still face an extremely serious problem of unemployment in the United States, specifically as it relates to the number of workers who have exhausted their unemployment insurance benefits and are still unable to find work.

The Democrats have tried to extend this program through unanimous consent at least a dozen times this winter and the effort has been rejected by Republican leadership every time. We tried in February of this year. We tried in January of this year. And we tried a number of times in November 2003. Each time the other side of the aisle said the program was no longer needed. Even worse, they said that extension of the program would only give incentives to workers to stay home instead of look for work. This is a very different view of American workers than I have.

According to the latest data from the Department of Labor, between December and February there will be at least 781,000 workers that will have exhausted their regular State benefits and will go without additional Federal unemployment assistance. Based on extrapolations from that analysis, the Center for Budget and Policy Priorities argues that with each week that goes by, another 80,000 workers will be added to this list. In no other comparable data on record has there been this many ''exhaustees.''

In my State of New Mexico, it is estimated that 4,300 workers have exhausted their benefits from December 2003 through March 2004. Through September 2004, it is estimated that 7,200 workers will have exhausted their benefits. In a State where the most recent unemployment rate is 5.7 percent and jobs are very difficult to come by, this is hardly an encouraging figure.

The Bush administration has argued that extension of the TEUC program is not necessary because the unemployment rate is low and the economy is growing. They suggested again and again that we are on the verge of an economic recovery and jobs are being created. I respectfully disagree.

In 2001, the Bush administration claimed that their tax cuts would create at least 800,000 jobs by 2002. That did not happen. In 2002, the Bush administration claimed that 3 million jobs would be created in 2003. That did not happen. In February, the Bush administration claimed in their economic report that 2.6 million jobs will be created in 2004, but everyone in the administration quickly backed away from that number. No one truly believes that this will happen.

Given the lack of coherent or comprehensive policy proposals by the administration, I say it is time we in Congress act to address job creation and help the victims of their failed policies. Extending the temporary emergency unemployment compensation program is, in my view, the least we can do for Americans that have been attempting to find work but cannot do so. As a practical matter, this means workers can continue to get unemployment insurance benefits while they continue to search for work.

So I want to add my voice to the others today and say that we must pass this legislation before it expires. American workers deserve to be dealt with in a fair and equitable manner, especially in this time of need. They need a lifeline, and it is up to us to provide it.

MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

LOCAL LAW ENFORCEMENT ACT OF 2003

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. On May 1, 2003, Senator KENNEDY and I introduced the Local Law Enforcement Enhancement Act, a bill that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society.

On July 4, 2000, an 18-year-old Brooklyn man was charged with allegedly slashing three men and threatening the life of another because he believed the men to be gay.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

DECRYING THE ETHNIC VIOLENCE IN KOSOVO

Mr. BIDEN. Mr. President, I rise today to condemn in the strongest possible terms the violence 2 weeks ago in Kosovo, which claimed the lives of 20 persons, injured more than 600 others, displaced more than 4,000 individuals, destroyed more than 500 homes, and destroyed or damaged more than 30 churches and monasteries.

In a reversal of the brutal murders and ethnic cleansing carried out in 1998 and 1999 against Kosovar Albanians by the forces of former Serbian strongman Slobodan Milosevic, the perpetrators of this violence were the former victims—the ethnic Albanians. Their principal targets were Kosovo Serbs, although Ashkali and other minorities in the province also suffered.

There is no way to gloss over or disguise these events: They are a disaster of the first magnitude. Five years ago last week, I submitted the resolution that was adopted by this body, authorizing military action against the Milosevic government in order to rescue the persecuted Kosovar Albanians. Over the subsequent eleven weeks the United States and its allies successfully waged an air war, which resulted in the withdrawal of Serbian forces from Kosovo. A United Nations Security Council Resolution created a protectorate administered by the United Nations Interim Administration in Kosovo—known popularly by its acronym UNMIK—under the military protection of NATO's Kosovo Force or KFOR.

Since the summer of 1999 the international community, working through these civilian and military structures, has attempted to pacify and stabilize the situation, rebuild the shattered infrastructure, and help guide the embittered and traumatized population toward eventual democratic self-rule. Resolution of Kosovo's final status was

understandably deferred until significant progress was achieved.

From thousands of miles away it is difficult to appreciate the scope of the effort that the international community has devoted to Kosovo. I might offer a very personal example. My older son, Beau, served for nearly a year in UNMIK as a lawyer, helping the Kosovars to build a legal system that would impartially dispense justice to all inhabitants of the province. Tens of thousands of other Americans, together with citizens of dozens of other countries, have similarly worked in civilian and military capacities for the last five years.

Although there has, in fact, been considerable progress in several areas, the recent violence graphically demonstrates that, on the whole, the effort is in danger of failing. The economy is in sad shape with more than half the population unemployed. Kosovar Albanians complain that the lack of action on final status has choked off any significant direct foreign investment, which is the sine qua non for economic development. But it would be irresponsible to move to final status before stability and democracy have been achieved—as clearly they have not yet been.

So where do we go from here? Kosovo is a complex problem, for which there are no simple answers. In fact, every policy in the short run carries significant downside potential. Nonetheless, we must immediately take several steps.

First of all, through KFOR and UNMIK, we must make it unmistakably clear to all the citizens of Kosovo that the violence must cease completely.

Second, all citizens of Kosovo must cooperate with KFOR, UNMIK, and the Kosovo police in identifying for prosecution the perpetrators of violence and the destruction of property.

Third, all displaced persons and refugees must be returned to their former towns and villages, guaranteed their personal safety, and granted assistance to rebuild their homes as speedily as possible. In this regard, I am encouraged by the commitment made by the Kosovo Assembly to establish a fund for the reconstruction of homes, churches, and other property destroyed during the March attacks.

Fourth, the United Nations should undertake a review of the structure and organization of UNMIK.

Fifth, the authorities in Pristina and Belgrade should reinvigorate and intensify their dialogue.

A resolution submitted by my good friend from Ohio, Senator VOINOVICH, and of which I am an original co-sponsor, makes many of these points.

I would add a few more important policy recommendations.

The so-called ''benchmarks'' established by UNMIK must be reviewed. I have supported the policy of ''standards before status'' whereby Kosovo must fulfill rigorous goals before the province's final status is considered. I still believe that, in general, this is the correct course. The precipitous calls by some people for abandonment of the benchmarks and rapid independence for Kosovo would, I believe, be a cure worse than the disease. The international community simply cannot reward murder and violence. ''Riots before status'' is not the answer.

Nonetheless, I believe that the UNMIK benchmarks have been too elaborately constructed. Few countries could completely fulfill their requirements. In the wake of the violence, the benchmarks should be streamlined and prioritized, with emphasis given to personal security, minority rights, and some kind of decentralization of government, although not the apartheid-like ''cantonization'' being demanded by politicians in Serbia.

If by the middle of 2005 the benchmarks on personal security and minority rights can be completely fulfilled, and significant progress made on the other benchmarks, then discussion of final status for Kosovo can begin.

We should do our best to strengthen the moderates in Kosovo and Serbia, but there are, unfortunately, very few such ''good guys'' on the political scene in Pristina and Belgrade. Short-term political expediency seems to trump principle, despite the occasional lofty sounding speeches. Most Kosovar Albanian leaders hesitated before publicly condemning the ethnic violence, Prime Minister Rexhepi being a very positive and conspicuous exception. General Ceku's call for restraint on the part of members of the Kosovo Protection Corps was also helpful. In the future, all Kosovar leaders must get the message that rewards will flow to those who genuinely try to build a peaceful, democratic, multi-ethnic society.

It would be easier to be sympathetic to the cries from Belgrade to defend and give special rights to the Kosovo Serbs if Serbian politicians had not been so demagogically nationalistic in the weeks and months prior to the violence. The new Serbian Government led by Prime Minister Kostunica seems hell-bent on insulting the very international community that it needs for support in the Kosovo question, and in other matters.

Above all, the Kostunica administration has repeatedly thumbed its nose at the International Criminal Tribunal for the Former Yugoslavia. In a speech in late February, Kostunica himself candidly explained: ''This country is not a simple deliverer of human goods to The Hague tribunal.'' No political campaign can justify this kind of know-nothing jingoism.

Then just last Tuesday the Serbian Parliament outdid even Kostunica's blustering when it voted by a wide margin to pay all Serbian war crimes indictees at ICTY ''compensation for lost salaries, plus help for spouses, siblings, parents, and children for flight and hotel costs, telephone and mail bills, visa fees, and legal charges.'' The measure was supported by deputies from the parties of ultra-nationalist Vojislav Seselj and of Milosevic. Both these gentlemen, of course, are currently residing in prison in The Hague. The party of Prime Minister Kostunica joined in voting for this measure, which, were it not so grotesque, might almost be labeled comic opera.

As long as up to 16 indictees, including three former Serbian generals, are openly living in Serbia, and the ''butcher of Bosnia,'' former General Ratko Mladic, is also probably there, the Serbian Government cannot expect much international support. The U.S. Government has just announced that it is suspending all economic assistance not used for democratizing purposes because of Belgrade's unsatisfactory level of compliance with ICTY, and until it cooperates fully, Serbia will not be allowed to join NATO's Partnership for Peace.

We can take some solace in the opposition to the Serbian Parliament's resolution by a few smaller parties, including that of Defense Minister Boris Tadic, a genuine democrat and man of principle. During the Kosovo violence, Tadic, who has carried out a vigorous reform of the Serbian military and security services, proved that he has instituted civilian control by keeping the lid on hotheads calling for intervention, reportedly in cooperation with U.S. Admiral Gregory Johnson, NATO's AFSOUTH Commander. There is a chance that later this year Mr. Tadic may run for President of Serbia against a candidate of Seselj's party.

In order to get Kosovo back onto the right path, the U.S. Government must alter its policy. And make no mistake about it: Kosovo matters. It matters to the people of Kosovo. It matters to the people of Serbia. It matters to the stability of the entire area of the former Yugoslavia. It matters to the Balkans, since Serbia is the key to regional stability, and because the fate of Kosovo directly impacts ethnic Albanians in neighboring Albania, in the Former Yugoslav Republic of Macedonia, in southern Serbia, and in Montenegro. In that context, Kosovo matters to the security of all of Europe and, hence, to the security of the United States of America.

One thing is crystal clear: the Bush administration can no longer afford to relegate Kosovo, Serbia and Montenegro, and Macedonia to the back burner of its international concerns. The administration has been living in an ideologically driven dreamworld in which victory in the Balkans was prematurely declared in order to get on with perceived higher priorities like national missile defense.

Lest anyone think I am criticizing the focus on the war on terrorism in Central Asia and the Middle East, I am not. As early as the fall 2000 election campaign—nearly one year before the terrorist attacks of September 11, 2001—Presidential candidate George W. Bush announced that he would unilaterally withdraw U.S. ground forces

from the NATO-led peacekeeping operations in Bosnia and Kosovo. His future National Security Advisor Dr. Rice echoed this misguided notion in a newspaper interview. The following spring, Defense Secretary Rumsfeld, flying in the face of all objective evidence, declared that the problem of Bosnia had been settled three or four years earlier. Even in this body resolutions for withdrawal of U.S. forces were periodically submitted, but, I am happy to say, rejected.

Now we are waging war, attempting to quell resistance movements in Afghanistan and Iraq. We all know that our armed forces are stretched perilously thin, and obviously some troop adjustments have had to be made. U.S. forces in Bosnia have been reduced to little more than one thousand, or about 5 percent of their initial strength. Later this year NATO will turn over command of SFOR to the European Union, although some American troops will remain at our base in Tuzla, at the request of the Government of Bosnia and Herzegovina.

Let me repeat that for my colleagues: the Government of Bosnia and Herzegovina, with the representatives of all three major groups—the Bosnian Muslims, Serbs, and Croats—concurring, requested that American troops stay on in Bosnia after the EU takes command of the peacekeeping force. The fact is that the United States has stature unequaled in that part of the world perhaps even higher in Kosovo than in Bosnia.

As in SFOR, we have drastically reduced our troop strength in KFOR. Given the events of the past few weeks, we dare not reduce it further. KFOR troops played a key role in quelling the Kosovo violence. I am told that of the various national contingents, American KFOR troops especially distinguished themselves.

Further proof of the Bush administration's downgrading the importance of the region was its abolishing the position of Special Coordinator for the Balkans. This position should be reinstated and filled by a senior career diplomat with extensive experience in Balkan affairs.

This new Special Coordinator should immediately engage the political leadership in Pristina and Belgrade in serious dialogue. I do not want to prejudge what the final international legal status of Kosovo will be, although I cannot imagine that Kosovo will ever revert to direct control from Belgrade. Whatever the end result, direct negotiations between Pristina and Belgrade must be an integral part of the process. No other path would stand the test of time.

The United States was Serbia's ally in two world wars in the first half of the twentieth century. The United States is revered by Kosovar Albanians as their savior from the recent tyranny of Slobodan Milosevic. We have earned a credibility that no other country, or group of countries, possesses.

This administration should utilize this unique position, in coordination with other members of the contact group, to jumpstart the process of creating a safe, prosperous, democratic, multi-ethnic Kosovo.

GREY BERETS RISKED ALL IN IRAQ WAR

Mr. CHAMBLISS. Mr. President, we have all heard the expression that ''knowledge is power.'' At no time is this more true than when we are at war. Our military uses satellites, reconnaissance aircraft, remote sensing devices, and long-range patrols to learn where the enemy is, what he is doing, and how we can kill him.

But there is another type of knowledge which is just as essential if we are to be successful in combat. The side which knows and understands the weather the best has a large advantage.

Now, I know some may reply that we do not need to be concerned about the weather. We have smart bombs, stealth fighters and guided missiles. We have sensing devices which let us see in the darkness. But despite this high technology, we still have to give Mother Nature her due. Rain, clouds and low visibility can still ground aircraft or hamper operations. High temperatures affect men and equipment. Dust storms can rapidly render sophisticated machines and electronics unusable.

Our troops faced many weather extremes as we prepared for the start of Operation Iraqi Freedom a year ago. Extreme heat, thunderstorms, and dust storms all threatened operations. To learn more about Iraq's weather and to gather the data necessary to predict, if possible, weather patterns in that country, a group of brave meteorologists dropped behind enemy lines. They fed their information to the Air Force's 28th Operational Weather Squadron, known as ''The Hub.''

As detailed in a special being carried by the Weather Channel, the United States Air Force dropped its Special Operations Forces Weathermen, known as the ''Grey Berets,'' behind enemy lines weeks before the beginning of armed conflict. The Grey Berets took exceptional risks to gather the data necessary for our Army, Navy and Air Force to conduct operations. For example, 5 days before the land invasion started, Grey Beret Sgt Charles Rushing waded ashore to gather information on fog, surf, and currents to enable a helicopter assault team to successfully seize key Iraqi refineries on the Al-Faw peninsula before Iraqi troops blew them up.

After the war began, the Hub reported on the biggest dust storm to hit the region in 30 years. The storm, covering over 300 miles, shredded tents and clogged engines and lungs. To the north, the storm created other problems, by dumping snow and sleet on Bashur Airport, the target of the most ambitious combat paratroop assault since World War II. The 173d Airborne brigade was flying toward a mountainous drop zone while Cpt John Roberts, chief Grey Beret weather forecaster, had to make a call on whether the weather would lift long enough for 1,000 paratroopers to safely make their jump.

The actions and decisions of these two men are just two examples where our Grey Berets helped ensure the success of our troops. There are many, many more.

Mr. President, I commend the Grey Berets for their heroism and professionalism and their contributions to our armed services. I also thank the Weather Channel for bringing their achievements to wider public notice.

S. 275, THE PROFESSIONAL BOXING AMENDMENTS ACT

Mr. McCAIN. Mr. President, I am pleased that the Senate has agreed by unanimous consent to pass S. 275, the Professional Boxing Amendments Act of 2004 (Act). I would like to thank the bill's cosponsors, Senators STEVENS, DORGAN, and REID for their commitment to professional boxing and the warriors who sustain the sport.

This amendment is designed to strengthen existing Federal boxing laws by making uniform certain health and safety standards, establishing a centralized medical registry to be used by local commissions to protect boxers, reducing arbitrary practices of sanctioning organizations, and providing uniformity in ranking criteria and contractual guidelines. It also would establish a Federal entity, the United States Boxing Commission—USBC—to promulgate minimum uniform standards for professional boxing and enforce Federal boxing laws.

Over the past 7 years, the Commerce Committee has taken action to address the problems that plague the sport of professional boxing. The committee has already developed two Federal boxing laws that have been enacted, the Professional Boxing Safety Act of 1996, and the Muhammad Ali Boxing Reform Act of 2000. These laws established minimum uniform standards to improve the health and safety of boxers, and to better protect them from the often coercive, exploitative, and unethical business practices of promoters, managers, and sanctioning organizations. While these laws have had a positive impact on professional boxing, the sport remains beset by a variety of problems, some beyond the scope of local regulation.

Promoters continue to steal fighters from each other, sanctioning organizations make unmerited ratings changes without offering adequate explanations, promoters refuse to pay fighters who have put their lives on the line, local boxing commissions fail to ensure the protection of boxers' health and safety, boxers are contractually and financially exploited, and the list continues. Most recently, we have learned of a federal law enforcement

investigation that reportedly may yield a dozen or more indictments for charges of fight fixing.

All too often my office receives a call from a parent whose child was killed in a match asking why proper medical or safety precautions were not taken by the local commission with jurisdiction, or from a boxer who has worked tirelessly to escape poverty, only to find themselves subject to the exploitation of the unscrupulous few who control the sport.

Professional boxing is the only major sport in the United States that does not have a strong, centralized association or league to establish and enforce uniform rules and practices. There is no widely established union of boxers, no collective body of promoters or managers, and no consistent level of regulation among state and tribal commissions. Due to the lack of uniform business practices or ethical standards, the sport of boxing has suffered from the physical and financial exploitation of its athletes.

The General Accounting Office confirmed in a July 2003 report on professional boxing regulation that, because professional boxing is regulated predominantly on a state-by-state basis, there is a varying degree of oversight depending on the resources and priorities of each state or tribal commission. The report also indicates that the lack of consistency in compliance with Federal boxing law among state and tribal commissions ''does not provide adequate assurance that professional boxers are receiving the minimum protections established in Federal law.''

The consequences of this vacuum of effective public or private oversight has led to decades of scandals, controversies, unethical practices, and far too many unnecessary deaths in professional boxing. Yet another tragic, but precise example, of poor local regulation occurred just last year in Utah where a 35-year-old boxer collapsed and died in a boxing ring. The young man should never have been allowed to participate in the bout given that he had suffered 25 consecutive losses over a three-year period leading up to the fight, including a loss only one month earlier to the same opponent against whom he was fighting when he died. While tragic in its own right, this is merely one in a seemingly endless series of incidents that continue to occur as a direct result of inadequate state regulation.

This measure would improve existing boxing law, and also establish the USBC. The primary functions of the commission would be to protect the health, safety, and general interests of boxers. More specifically, the USBC would, among other things: administer Federal boxing laws and coordinate with other federal agencies to ensure that these laws are enforced; oversee all professional boxing matches in the United States; and work with the boxing industry and local commissions to improve the status and standards of the sport. The USBC also would maintain a centralized database of medical and statistical information pertaining to boxers in the United States that would be used confidentially by local commissions in making licensing decisions.

There has been quite a bit of confusion among local boxing commissions regarding the effect that this bill would have on them. Let me be clear. The purpose of the USBC would not be intended to micro-manage boxing by interfering with the daily operations of local boxing commissions. Instead, the USBC would work in consultation with local commissions, and only exercise its authority should reasonable grounds exist for intervention.

The problems that plague the sport of professional boxing compromise the safety of boxers and undermine the credibility of the sport in the public's view. This bill is urgently needed to provide a realistic approach to curbing such problems.

Mr. DORGAN. I am pleased to support with my colleague, Senator MCCAIN, the Professional Boxing Amendments Act of 2003.

This is an issue that we have now been examining for some time, and I am pleased that the Senate is moving this legislation forward.

The Senate Commerce Committee had the opportunity over the past years to spend time with figures such as Roy Jones Junior, Muhammad Ali, Bert Sugar, Lou Dibella, and Bernard Hopkins, and we heard some things that caused great concern.

I grew up as a boxing fan who wants to see the sport succeed, but I have worried about how the sport is doing, and I believe this legislation will take an important step.

Professional boxing is the only major sport in the United States that does not have a strong, centralized association or league to establish and enforce uniform rules and practices for its participants. There is no union, no organization that polices promoters or managers, and unfortunately no consistent level of state regulation among the state athletic commissions.

Part of the problem is the alphabet soup of 29 sanctioning bodies—all with different titles and rankings—and another part is a lack of faith that anyone, not the state commissions, managers or promoters are on the up and up.

I believe that a system based on state commissions alone just takes us to the lowest common denominator. We are in desperate need of some basic national standards and uniform enforcement.

There continue to be stories about how some people are exploiting the patchwork of federal and state boxing regulations to the detriment of boxers and their fans.

This manipulation is often tolerated, or tacitly permitted by the state boxing commissions, and too often current laws are rarely enforced by the state attorneys general, or the U.S. Attorney's office who are too busy or just not interested.

This bill will create a United States Boxing Commission to oversee the sport. The federal Commission would have the responsibility to license promoters, managers, and sanctioning organizations. The Commission would be able to keep things in line by revoking or suspending licenses as situations warrant.

It is imperative that we establish this federal mechanism in order to protect not only the boxers, but also the overall integrity of the sport.

QUESTIONS ABOUT IRAQ AID REQUEST

Mr. LEAHY. Mr. President, I want to discuss an issue concerning U.S. efforts to rebuild Iraq. Before I begin, however, I want to again recognize the bravery and sacrifices that are being made every day by Americans and Iraqis, and especially those who have been killed or wounded. There have been, almost daily, horrific, cowardly acts of terrorism, increasingly aimed at citizens. The appalling attacks this week, where the bodies of Americans were dragged through the streets, disgust and deeply sadden us all. My deepest condolences go out to the families and friends of those who have died.

Yesterday, the Inspector General of the Coalition Provisional Authority, CPA–IG, issued his first report on the reconstruction efforts in Iraq. I want to remind people that it was Senator FEINGOLD, and later in the process, Senator STEVENS, not the Bush administration, who worked hard to establish the CPA–IG office during the debate on the Iraq supplemental. I had the privilege of working with Senator FEINGOLD to help draft some of the provisions of his amendment, and he, along with Senators STEVENS, are to be commended for their leadership on this issue.

Page 33 of the CPA–IG's report contains a table, and I ask unanimous consent that it be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, so ordered.

(See exhibit 1).

Mr. LEAHY. The information it contains concerns me, as it should every Senator. It shows that, as of February 29, 2004, nearly 4 months after President Bush signed the Iraq supplemental into law, only $900 million of the $18.4 billion appropriated for reconstruction programs has been obligated, less than 5 percent.

At a time when security is the most critical issue in Iraq, sadly demonstrated by this week's tragic attacks in which nine Americans were killed, the administration has obligated only $292 million of the $3.24 billion for ''security and law enforcement,'' less than 10 percent of the total appropriated. This is money that is supposed to go for training a new Iraqi army and police force to reduce the risks to American soldiers and civilians working in

Iraq. On top of this, only $25 million for ''justice, public safety, and civil society'' has been obligated. This is less than 3 percent of the $1 billion appropriated.

Not one dime of the $1.85 billion appropriated in the supplemental has been obligated for ''health care,'' ''private sector development,'' ''roads, bridges and construction,'' and ''transportation and telecommunications.''

It would be one thing if the administration had warned us they were going to have trouble spending the $18 billion, but they said the opposite. They told us these funds were urgent. It was ''an emergency.'' The money had to be appropriated immediately, and not one dime less than the amount requested. There was no time for Congress to carefully consider this legislation. It had to be rammed through as fast as possible.

The administration resisted accountability for how it would spend these billions and billions of dollars, and that fact was, and is, a major concern that many in the Senate have had about that supplemental appropriations bill.

In a letter to Congress on September 17, 2003, the President stated: ''This request reflects urgent and essential requirements. I ask the Congress to appropriate the funds as requested, and promptly return the bill to me for signature.''

Ambassador Bremer testified before the Senate Foreign Relations Committee on September 24, 2003: ''No one part of this $87 billion supplemental is dispensable, and no part is more important than the others . . . This is a carefully considered, integrated request. This request is urgent. The urgency of military operations is self-evident. The funds for nonmilitary action in Iraq are equally urgent. Unless this supplemental passes quickly, Iraqis face an indefinite period with blackouts eight hours a day. The link to the safety of our troops is indirect but no less real.''

I would point out to Ambassador Bremer, who I respect a great deal, that less than 8 percent of the funds for ''electricity'' have been obligated. That is $428 million out of $5.6 billion.

I could go on, but by now the point is clear: If every dime of the $18 billion was so necessary, as a lump sum, to pay for the reconstruction of Iraq this year, why then has so little been obligated nearly 4 months after the President signed the bill?

I did not vote for the $18 billion and at the time I discussed my reasons in detail. But one of the reasons was that it was obvious that the White House was asking for far more than they could effectively use this year because they did not want to revisit this issue in an election year. They did not want to have to defend this controversial program again in the court of public opinion. They did not want the accountability that should accompany the spending of such large sums.

This is one Senator who does not believe we should spend billions of dollars of the taxpayers' money without proper accountability. We all knew we would have to spend billions to help rebuild Iraq. But the issue was how many billions, over what period of time, and how to pay for it in a time of rising deficits. Back when we were asked to vote on the supplemental, I urged, as did others, that because the situation in Iraq was, and is, so unpredictable, that we appropriate only as much as could be effectively used. I said that we should then revisit the issue this year, see how the funds were being used, make any necessary adjustments to the reconstruction program, count what other nations were contributing, and then decide how much additional U.S. funding this year would be needed to fill gaps in resources.

But the White House would have none of that. The President insisted on getting every dime up front, paid for by increasing the deficit rather than reducing the President's tax cut for the wealthiest Americans, even though, as the CPA–IG and OMB reports clearly show, they cannot possibly spend it all this year. They probably will not be able to spend half of it. All that talk about how this had to be done in the blink of an eye and without adequate checks and balances was baloney.

Congress received some of the first indications that the administration was going to have trouble handling all of this money when the Office of Management and Budget published a plan, on January 5, 2004, that projected CPA spending at a modest $1.4 billion by the end of the first quarter. The CPA–IG report confirms that the administration is having difficulty handling all of this money, as many of us predicted.

We all want this money spent wisely, and no one wants any administration to spend money for the sake of spending money. Also, this is not to take anything away from the brave men and women who are working so hard, under extremely difficult conditions, to rebuild Iraq.

But the issue exposed by this report is not the administration's spending rate in Iraq. The issue it exposes is the administration's credibility. It seems self-evident that a large portion of the money was not as urgently needed as administration officials insisted at the time, or the CPA, as press reports have suggested, is tied up in bureaucratic knots and is not able to move fast enough to rebuild Iraq. I submit that the answer is both of the above, but I will let the numbers speak for themselves.

Perhaps we will see a large ramping up of spending in the second quarter, as the administration suggests it will do according to OMB's spending plan. Perhaps the administration can provide a good explanation for why these projects have proceeded so slowly. But regardless, it is clear that Congress could, and I believe should, have appropriated only a portion of the money last year. There is plenty of opportunity to act on another supplemental this year, instead of frittering away the Senate's time on hot-button political issues designed to score points in an election year.

I believe the Congress can encourage the administration to do better in Iraq, shaping a more effective strategy in the process. This Vermonter believes that more debate, more transparency, and even a dose of frugality, especially when it comes to spending $18 billion of the taxpayers' money would be a good thing.

I yield the floor.

EXHIBIT 1

The CPA has allocated $7.9 billion of the $18.4 billion. Additionally, the CPA has established a $4 billion reserve. Table 8 below contains more detail on program status.

TABLE 8.—PROGRAM STATUS [1] (IN MILLIONS) AS OF FEBRUARY 29, 2004

Sector 2207	Report [2] spending plan	Apportioned	Committed	Obligated
Security and law enforcement	$3,243.0	$2,232.7	$850.4	$292.0
Electricity	5,560.0	1,683.1	1,301.4	428.2
Oil infrastructure	1,701.0	1600.0	772.2	4.0
Justice, public safety, and civil society	1,018.0	560.9	130.3	25.0
Democracy	458.0	458.0	106.0	106.0
Education, refugees, human rights, governance	280.0	138.5	32.6	27.1
Roads, bridges and construction	370.0	119.3	0.0	0.0
Health care	793.0	330.0	0.0	0.0
Transportation and telecommunications	500.0	164.0	61.9	0.0
Water resources and sanitation	4,332.0	496.2	18.0	18.0
Private sector development	184.0	64.5	2.0	0.0
Total by sector	18,439.0	7,947.2	3,273.0	900.3
Construction	12,611.0	3,950.0	1,783.2	595.8
Nonconstruction	5,370.0	3,539.2	1,383.8	198.5
Democracy	458.0	458.0	106.0	106.0
Total by program	18,439.0	7,947.2	3,273.0	900.3

[1] Have not been formally reviewed or audited by the CPA–IG.
[2] Public Law 108–106 Section 2207 is the CPA quarterly progress report. As of the date of this report, CPA was revising the IRRF allocations.

INTERNATIONAL ATOMIC ENERGY AGENCY SAFEGUARDS AGREEMENT

Mrs. FEINSTEIN. Mr. President, I rise today to congratulate the Senate for ratifying the International Atomic Energy Agency—IAEA—Safeguards Agreement by unanimous consent last night.

The Additional Protocol will augment the IAEA's safeguards monitoring system and provide early warning about illicit nuclear weapons-related activities under the Nuclear Nonproliferation Treaty.

By acting swiftly to ratify the treaty, the United States Senate has sent a clear signal to the international community that the United States is committed to not only maintaining a leadership role in the effort to prevent the proliferation of nuclear weapons but also to work closely with other nations in that endeavor.

We know that we cannot go it alone and we will need the help of our friends and allies.

In addition, the Additional Protocol will strengthen the IAEA in its work in dealing with nuclear programs in Iran, Libya and elsewhere and encourage other countries to ratify their own additional protocols.

Clearly, there is much work to be done and the international community will face additional challenges in the near future. Nevertheless, I am pleased that the United States Senate has taken this important step to protect our citizens and our national security interests.

STOCK OPTION ACCOUNTING REFORM ACT

Mr. WARNER. Mr. President, I rise in support of S. 1890, the Stock Option Accounting Reform Act. I am pleased to cosponsor this important legislation, and I applaud the distinguished Senator from Wyoming, Senator ENZI, and the distinguished Democratic whip for their leadership.

I urge all my colleagues to pay close attention to this legislation, and to join those of us who believe that the mandatory expensing of stock options would harm American companies, and more importantly, harm American workers who benefit from the issuance of stock options from their employers.

The Financial Accounting Standards Board—FASB—may soon take action that would require public companies to record employee stock options as an expense. This will unequivocally impede economic growth and stifle the economic recovery of our high-tech sector as well as other industries.

As a result of FASB's proposal, companies will take a massive earnings charge based on stock option ''costs''. Just as we hope to turn the corner, the tech industry will be disproportionately hit with phantom costs that will undermine general investor confidence in the tech recovery.

Expensing will destroy our partnership culture of distributing stock options to our entire workforce. We know from empirical research that broad-based employee ownership delivers higher returns to shareholders, greater productivity, and increased returns on equity.

In addition, small companies and start-ups, which depend on employee stock options to attract the smartest and brightest, will be dealt a detrimental blow. The costs associated with the implementation of this new rule will inhibit small business growth. In a time when the United States is struggling to keep more jobs in America, this proposal undermines U.S. competitiveness.

Talented and skilled U.S. workers will be forced to look to our competitors, countries such as Taiwan and Singapore, for high paying technology based employment.

It is imperative that the United States retains its status as a global technology leader. Innovation and hard work are two basic fundamentals that founded our country. Broad based employee stock options provide incentives for workers to work harder, promote savings and serve as an incentive for creating new ideas, which ultimately promotes economic growth.

I commend my colleagues for introducing this important piece of legislation, and it is my hope that you will join me in voting in favor of S. 1980.

Mr. ENSIGN. Mr. President, our worse fears about FASB's seemingly predetermined crusade against stock options have unfortunately proven true. As expected, FASB has released a proposed expensing rule for stock options that is a lose-lose for individual investors and the American economy.

Trial lawyers are gearing up for the biggest windfall of the 21st Century. They will be the only winners in this misguided action. FASB's proposed rule would allow companies to either use Black Scholes or a Binomial method to expense options. Both are flawed models and will yield very different and certainly inaccurate results.

There is no question that market capital will be destroyed when these flawed numbers hit financial statements. Because companies have to choose the method they use to expense, and the inputs that feed into that flawed model, they will most certainly be barraged by class action lawsuits from greedy trial lawyers who will exploit the difficult decisions that FASB is going to force companies to make.

Ironically, despite FASB's stated goal of improving information for investors, individual investors will now have absolutely no ability to make meaningful comparisons between companies. Different companies using different flawed valuation models will confuse and mislead the very people FASB purports to help.

Our technology sector is on the cusp of recovery. We cannot afford to let bad accounting destroy jobs and cripple our global competitiveness. There are bigger picture issues here that FASB is neither tasked with examining, nor equipped to look at. That is the responsibility of the Congress and Administration.

This move represents a tremendous threat to our global competitiveness. Communist China has, as a part of their 5 year plan, the use of stock options. They are setting out to duplicate the success of our very own Silicon Valley and stock options are at the very heart of the Chinese government plan.

This is not about executive compensation. That is a separate and distinct issue. WorldCom and Enron had nothing to do with stock options. In fact, the Enzi-Baker bill says go ahead and expense for the top 5 executives. This is about small businesses and rank and file workers and preserving their ability to use this powerful tool for innovation and growth. This is about preserving broad-based employee stock ownership plans.

Make no mistake about it. If FASB's rule goes into effect, rank and file workers are the ones that will suffer. We need to support policies that create jobs and wealth for Americans, not destroy them.

Mr. ALLEN. Mr. President, yesterday the Financial Accounting Standards Board, FASB, released an exposure draft of a rule that will require companies to treat employee stock options as an accounting expense. I find this proposal fundamentally flawed for a number of reasons and urge my colleagues to support legislation to prevent this from becoming a reality.

During my time as Governor of Virginia, I witnessed unparalleled growth in the technology sector of my State's economy. Many new and exciting businesses brought their products, services, and, most importantly, jobs to Virginia.

Many of these technology companies that located to Virginia were small ''start-ups'' with little more than a good idea and the willingness to take a risk for the hope of reward later. These technology companies contributed greatly to the tremendous economic expansion witnessed during the 1990s.

However, technology companies were able to attract and retain top talent and key directors without having to raise large amounts of capital by granting employee stock options. In the end, shareholders and employees won. Employee stock options granted by many technology companies were awarded broadly to employees not only to give them an ownership interest in the company, but also to better align the interests of employees and shareholders.

I think employee ownership and incentives are great. It is desirable to have motivated employees caring abut the success of their company. Broad-based employee stock options give employees—from the newly graduated worker to the experienced CEO—ownership in the company. Indeed, a well-respected technology CEO has said that employees with stock options are like homeowners, whereas those without stock options are like renters—there is a difference in the attitude, commitment and level of entrepreneurial spirit. The proposed FASB action will destroy our partnership culture of distributing stock options to the entire workforce of a company. Broad-based employee ownership delivers higher returns to shareholders, greater productivity, increased return on equity, and higher returns on assets.

Unfortunately, the unelected officials of the Financial Accounting Standards Board want to bring this era to an end. In their effort to treat employee stock options as an accounting expense, they are disregarding three fundamental issues. First, employee options are not freely tradable. How do you value something that has no market? How do you put a price on something if it is not for sale? The answer is that you cannot. There is no accurate way to value these options without an open market.

Second, employee stock options are subject to lengthy vesting periods—typically between 4 or 5 years. If the employee changes jobs before the options vest, they are forfeited.

Finally, employee stock options will be exercised only if the stock price rises above the strike price. How does one predict future stock prices with any degree of certainty? There are entire industries dedicated to such a practice, yet I am unaware of anyone who is able to predict with absolute certainty what a stock price will be over a given length of time.

This news is sure to be greeted with joy by our competitors in the Pacific Rim. Entrepreneurs in Taiwan, Singapore and China will not just continue to focus on software development or gene sequencing there. They will create global competitors there which will be listed on those stock markets. They will be free to offer stock options without the burden of expensing and our most talented people will flock there, just as they flocked to the Silicon Valley and Virginia when our technology industries were built.

I find it distressing that a communist country, the People's Republic of China, has companies attracting entrepreneurial people and customers with stock options. Meanwhile, here in America an unelected, prejudicial board wishes to stop such employee ownership, motivation and success to Americans. This proposal will harm the ability of innovative American companies to successfully compete.

Despite the issues I have discussed, FASB is determined to make fundamentally flawed assumptions about future stock price and employment trends. What is more, according to a Bear Stearns report, there will be a 44-percent decline in NASDAQ 100 companies' profits if they would have been required to expense employee stock options in 2003.

I hope my colleagues are aware of the issues and risks posed by moving forward with this flawed proposal. At this time, we need to embrace efforts to keep people working and our economy growing. If FASB is allowed to proceed, the economic effects will be disastrous.

TRIBUTE TO THE HONORABLE JOHN R. LEWIS

Mr. SARBANES. Mr. President, 5 years ago Salisbury University, which is located in the town of Salisbury on Maryland's Eastern Shore, established PACE, the Institute for Public Affairs and Civic Engagement. PACE has a dual mission: to serve the communities of the Eastern Shore, using campus resources, faculty-student research teams and off-campus opportunities like internships and a voter registration drive to promote responsible citizenship and good government; and to promote the active engagement of students in civic affairs. For Salisbury Professors Harry Basehart, of the political science department, and Francis Kane, of the philosophy department, who together founded PACE and serve as its co-directors, this is a personal mission as well.

Among PACE's many programs is an annual lecture series that brings to the campus distinguished guests to speak on issues of public life, especially issues that most concern Salisbury's students. The speaker this year, on March 29, was Congressman JOHN R. LEWIS, who represents Georgia's 5th Congressional District and is serving his ninth term.

It is fair to say that in all his life from his childhood in rural Troy, AL, through his years as a student leader in the civil rights movement, to his dedicated service in the Congress Congressman LEWIS has never known a day of lassitude, apathy or indifference. He spoke to Salisbury's students from the perspective of his own student years, and I have rarely seen an audience listen with such focused intensity.

As it happens, I was born and raised in Salisbury. I was deeply honored to have the opportunity to introduce Congressman LEWIS to the Salisbury community, and I ask unanimous consent to print my introductory remarks in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTRODUCTION FOR CONGRESSMAN JOHN R. LEWIS, PACE LECTURE, SALISBURY UNIVERSITY

(By Senator Paul S. Sarbanes)

It is pleasure to return to the campus of Salisbury University. As many of you know, coming to Salisbury is as always coming home. My parents had come to this country as immigrants from Greece and they settled in Salisbury. I grew up here and went to Wicomico County's public schools. Lifelong convictions and aspirations first took shape in Salisbury.

Today it is a special pleasure to be here, because I have the signal honor and privilege of introducing my congressional friend and colleague, John R. Lewis, as the third speaker in the annual lecture series sponsored by PACE, this University's Institute for Public Affairs and Civic Engagement.

The purpose of the lecture series is to bring distinguished public figures to the campus to speak on issues of public life. That certainly describes Congressman Lewis, who is serving his ninth term in the House of Representatives as the representative of Georgia's 5th congressional district, which includes the city of Atlanta. Congressman Lewis sits on the Ways and Means and Budget Committees, both with critically important jurisdictions. He is universally respected as a legislator. Most recently he guided to enactment legislation to establish a new National Museum of African American History and Culture. The Museum will take its rightful place among our nation's great Smithsonian Institutions on the Mall.

But as many of you surely know—as I hope all of you know—Congressman Lewis's distinguished record in the House of Representatives is but one part of what makes him so special as this year's PACE lecturer.

When PACE was established 5 years ago, its founders Professors Harry Baseheart and Fran Kane said their objective was "to save the next generation from the enervating winds of political apathy and cynicism and to play a part in a revival of civil engagement among our students." Through its many programs, including this lectureship, that is precisely what PACE does.

I think it is fair to say that there has not been a single day in John Lewis's remarkable life which has been marked by cynicism, apathy or disengagement. For the full story, I commend to you his absolutely gripping memoir, Walking with the Wind. But I want to say a few words about it.

In his memoir, Congressman Lewis tells us that his engagement began as he watched the bus boycott in Montgomery, AL, 50 miles from his home in rural Troy. Martin Luther King put words into action, he says, "in a way that set the course of my life from that point on. . . . With all that I have experienced in the past half century, I can still say without question that the Montgomery bus boycott changed my life more than any other event before or since."

John Lewis was then 15 years old. He was setting out on a long and dangerous road with twists and turns, on a journey demanding inexhaustible supplies of moral and also physical courage.

Today we call that road the Civil Rights Movement. It is central to understanding the history of our country in the past 50 years.

Seen from another perspective, the Movement is the story of John Lewis's life, as he has lived it day by day.

In 1957, John Lewis managed to get to college in Nashville on a full scholarship. There he became a leader in the student sit-in movement, which challenged the laws that allowed African Americans to spend their money shopping in Nashville's stores but forbade them to sit at the lunch counters. David Halberstam has observed that the students had much in the way of ideals and convictions, but they had no protection—"no police force, no judges, no cops, no money."

John Lewis went to jail for sitting down—the first of some 40 times he was to go to jail. Three months later, the lunch counters "served food to black customers for the first time in the city's history."

John Lewis went on the Freedom Rides, which tested the Supreme Court ruling that all vestiges of segregation in interstate travel had to end. As he observes in his memoir, "Issuing the decision was one thing, of course. Carrying it out, as I would soon learn firsthand, was another."

He rode the first bus, which traveled from Washington, DC, to Mississippi. He can recount for you better than I how many times he was beaten and jailed in the course of that ride. The violence that the Freedom Riders encountered was for most Americans unimaginable.

In the summer of 1961, when the ride ended, John Lewis was 21 years old.

There is not enough time today to do justice to that ride, or John Lewis's years as chairman of SNCC, the Student Non-Violent Coordinating Committee, or his speech on the Mall in Washington in 1963. But in this election year I want to comment on the events that took place in Selma, AL, on March 7, 1965. They have gone down in our history as "Bloody Sunday."

On that day several hundred Americans set out to march from Selma to Montgomery, Alabama's capital. Their purpose was to press for the right to vote, a right denied to African Americans. The unarmed marchers were brutally attacked by a "human wave" of "troopers and possemen." John Lewis was among many beaten unconscious.

Bloody Sunday shocked the Nation. Five months later the historic Voting Rights Act of 1965 was signed into law—a direct consequence of the horrific attack at Selma. In the words of Taylor Branch, "The powerful new law broke decades of impediment and heartache."

On Bloody Sunday, every marcher's life was on the line—for the right to vote.

I ask you to reflect on the events at Selma and their meaning for our Nation, and on November 2—Election Day 2004—to exercise your priceless citizen's right vote.

From the beginning our Nation has lived by certain abiding principles. These were set out more than 60 years ago by the distinguished Swedish sociologist Gunnar Myrdal, in his landmark study of race and America democracy, An American Dilemma. He called this ''The American Creed.'' Here are his words: ''It is the current in the structure of this great and disparate nation . . . encompassing our 'ideals of the essential dignity of the individual human being, of the fundamental equality of all men (and women), and of certain inalienable rights to freedom, justice, and a fair opportunity.' These ideals are ''written into the Declaration of Independence, the Preamble of the Constitution, the Bill of Rights and into the constitutions of the several states.''

For much of its history our Nation failed to live up to the principles it espoused. It has been John Lewis's lifelong mission to end the terrible contradiction that once assured these rights to some of our people while cruely denying them to others. He has led and inspired generations of Americans to make our Nation a better place for all our people. He has an incredible story to tell. It is a privilege to have Congressman Lewis on the Salisbury campus today, and I am honored to introduce him.

CAPT JOHN LAWRENCE FROM, JR.

Mr. LEAHY. Mr. President, recently I heard about CAPT John Lawrence From, Jr. in McLean, VA, a retired Navy nuclear submarine captain, who lived next door to Jim Rosser and his wife, Nicki Watts. They told me that he had died of pneumonia at Arlington Hospital at the age of 82. Retired Air Force Colonel Watts sent me material about him, and I would like to include it in the RECORD. Sometimes obituaries are so cold and give so little about somebody's life that I wanted the Senate to pause and think of Captain From.

Captain From not only served in the Pacific during World War II, but also commanded the first Polaris missile nuclear submarine. The Pacific Theater tours were dangerous, extraordinarily uncomfortable, and extremely necessary to our efforts to win World War II.

People get mentioned on this floor for many things, but I agree with Colonel Watts that Captain From should receive recognition here.

I ask unanimous consent to have printed in the RECORD some material I have about him.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

John Lawrence From, Jr. (Larry), 82, a retired Navy nuclear submarine captain, died March 19, 2004, of pneumonia at Arlington Hospital. He had lived in McLean, VA, since 1972.

Captain From, a native of Norfolk, VA, was a 1943 graduate (class of 1944) of the U.S. Naval Academy in Annapolis, MD.

He served in the Pacific Theater during WWII, making six submarine war patrols. After the war, he commanded a diesel-electric submarine, and in the 1960s commanded the first Polaris missile nuclear submarine, the USS George Washington III (SSBN 598), and later the Ulysses S. Grant. (Larry was pictured on the cover of LIFE magazine's March 22, 1963 issue as the first Polaris captain.) He retired in late 1972 at the conclusion of his last assignment as Commanding Officer, Naval Submarine Base, Pearl Harbor.

Captain From was a graduate of the Naval War College in Newport, RI, and the National War College in Washington, DC. He received a master's degree in international affairs from George Washington University.

His service awards included the Legion of Merit with Gold Star (second award), the Joint Service Commendation Medal, and the Navy Commendation Medal with Combat ''V''. Submarines, while he served in them, were awarded the Presidential Unit Citation and Navy Unit Commendation.

In the late 1960s, he was instrumental in establishing, developing, and maintaining a Boy Scout Troop in the Chesterbrook Woods community of McLean.

After retiring from the Navy, Larry worked for nearly 12 years at Science Applications International Corporation as Vice President of research and development, and provided the Navy with state-of-the-art underwater tracking systems based on advanced signal processing techniques.

Larry was a parishioner of St. John's Catholic Church in McLean, and his faith was like the submarines he served: silent but deep. He was committed to serving the Lord and his lovely wife, Mary Jane, whom he loved so devoutly and cared for for so many years. Through it all, he remained a tower of strength, always to be commended and remembered.

Survivors include his wife of 58 years, Mary Jane; three children, Deborah J. Fletcher of Mill Valley, CA, Tina L. Egge of Fredericksburg, VA, and Michael E. From of Seattle, WA; and three grandsons, Kyle Egge, and Christopher and Patrick From. He is also survived by his brother, William From, and sister, Mary Elizabeth Troxell.

Larry was interred at Arlington Cemetery on March 30th.

TRIBUTE TO COLONEL DEBORAH A. GUSTKE

Mr. INOUYE. Mr. President, I would like to recognize a great American and a true military hero who has honorably served our country for 32 years in the Army and Army Nurse Corps: Colonel Deborah A. Gustke. Colonel Gustke has a true passion for nursing and served in a variety of clinical nursing and leadership positions at various Army medical facilities including Fort Benning, GA, Tripler Army Medical Center, Hawaii, and Fort Hood, TX. Her tremendous leadership skills led to her selection as a nurse recruiter and subsequent selection for long-term civilian schooling to obtain an advanced degree as an oncology clinical nurse specialist. Colonel Gustke served with distinction in a series of senior leadership positions as chief nurse at Fort Knox, KY, Fort Rucker, AL, and at Fort Bliss, TX, and as the Army Nurse Corps personnel proponent staff officer. In every circumstance, Colonel Gustke was recognized for her clinical excellence and stellar leadership.

In 2000, Colonel Gustke was appointed the Assistant Chief of the Army Nurse Corps. As assistant chief, Colonel Gustke developed and implemented policies and procedures that affected nearly 35,000 nursing personnel throughout the Army. Collaborating with senior Army and Department of Defense organizations, she worked to successfully obtain direct hire authority, thereby dramatically reducing the hiring time for civilian nurses. She spearheaded several recruitment and retention initiatives, including the $18 million Health Professional Loan Repayment Program, the critical skills retention bonus, and increased capacity for the Army Enlisted Commissioning Program. Her efforts decreased the impact of the national nursing shortage on the Army. In addition, she implemented the recognition of the advanced practice nurse role for the Army Medical Department. As chair of the Federal Nursing Service Council, she sponsored the development of a Federal nursing research model that focused on improving soldier readiness and patient-care outcomes.

Colonel Gustke's accomplishments are eloquent testimony to her talent, dedication, loyalty, and determination in ensuring that the best possible nursing care is always available to our soldiers, their family members and our deserving retirees. Colonel Gustke has established a legacy of superior performance to be emulated by all, which reflects greatly on herself, the United States Army, the Department of Defense, and the United States of America. I extend my deepest appreciation on behalf of a grateful Nation for her dedicated service. Congratulations to Colonel Gustke. I wish her Godspeed.

ADDITIONAL STATEMENTS

AMERICAN LEGACY FOUNDATION

• Mr. HARKIN. Mr. President, I wanted to take a moment today to speak about the American Legacy Foundation. This foundation celebrated its 5th anniversary this past month, and I wanted to express my continued support for the foundation in the future.

This foundation, formed under the master settlement agreement reached with big tobacco, has worked tirelessly over the last 5 years on its mission to build a world where young people reject tobacco and anyone can quit.

We know that tobacco is still the leading cause of preventable death in this country. Forty-seven million Americans smoke, and 400,000 people a year die because of it. Smokers have a one in three chance of dying from smoking-related conditions.

Even more alarming, every day, 3,000 children under age 18 start smoking, of which 1,000 will ultimately die of smoking related diseases. Almost 90 percent of adult smokers started using tobacco at or before age 18; the average youth smoker begins at age 13 and becomes a daily smoker by age 14½.

The American Legacy Foundation, through its highly effective public

awareness campaign truth® alone, has helped reduce youth smoking rates to a 28-year historic low. I have heard from young people in my home state of Iowa who say that seeing the truth® television and magazine advertisements have affected their decisions about tobacco. The foundation also has a number of successful cessation programs in operation across the country.

The American Legacy Foundation clearly still has work to do. Educating American young people about the harmful effects of smoking is not merely a 5-year long task. Yet this year, the foundation received its last payment from the master settlement agreement. Without increased resources, the important work of the American Legacy Foundation cannot continue.

I ask that my colleagues to join with me in recognizing the achievements of the American Legacy Foundation and in pledging our support for the important work they do educating our nation about the dangers of tobacco use.●

DANA CORPORATION'S 100TH ANNIVERSARY

● Mr. DEWINE. Mr. President, I rise today to recognize the Dana Corporation, a fine Ohio company celebrating a very important milestone—100 years of quality service as one of the world's chief automotive suppliers. The Dana Corporation, headquartered in Toledo, OH, develops automotive parts and systems that have truly revolutionized the automotive industry.

I would like to take just a few moments to tell my colleagues in the Senate about this Ohio company and how much of an impact it has made in my home State. Back in early 1904, a young engineering student named Clarence Spicer received a patent for developing the first feasible universal joint to power an automobile. With this one invention, Clarence Spicer forever changed the way automobiles operated by changing the drive mechanism from chain to joint operated. It was from these early insights and humble circumstances that the Dana Corporation was born.

The company gained standing and financial prosperity under the leadership of businessman, attorney, politician, and financier, Charles Dana. Under his leadership, the company began to grow in technology, production, and geographic reach. Today, the Dana Corporation employs at least 28,000 Americans. In Ohio, alone, the company employs 3,151 people in 22 different facilities. They are world renowned for their research and production of drive shafts and axles; engine cradles, full-body frames, brake and chassis products, including suspensions and steering products; heat exchangers, valves, and coolers; and bearings and sealing products. Their dedication and insight have helped move some of history's greatest vehicles—from the Model T and World War II-era Jeep to London taxicabs, 18-wheel rigs, giant earth-moving machines, and every car on the NASCAR racing circuit.

I commend the Dana Corporation for its century of success and wish the company and all of its employees continued success in producing and manufacturing high-quality automotive supplies.●

IN MEMORY OF REVEREND JIMMY WATERS

● Mr. CHAMBLISS. Mr. President, for most of his 83 years, the Reverend Jimmy Waters made a significant impact on the lives of many Georgians. The former pastor of Macon's Mabel White Memorial Baptist Church and Tattnall Square Baptist Church has spent, as he said, a great deal of time battling fires. For more than 55 years, he was chaplain of the Macon-Bibb County Fire Department assisting the men who fought physical fires. For nearly 60 years, he was also an ordained minister, fighting, as he said, the hell fire that threatens men's souls.

In addition to presiding over the growth of Mabel White from 800 members to over 3,900, he served as chaplain to the Macon Police Department, the Bibb County Sheriff's Office, the Georgia State Patrol, and the Georgia bureau of Investigation. He was also named lifetime chaplain of the Georgia Peace Officers Association, which awarded the first Jimmy Waters Scholarship in his honor to a University of Georgia criminal justice student.

Reverend Waters was a graduate of Mercer University, where he entered the ministry while he was still a freshman and earned both his bachelor's and doctorate degrees. As a loving father and husband, he raised three daughters with his wife, the former Annette Burton of Crawfordville. His family often sang with him as he conducted religious services in churches located as far away as Israel and Italy.

Reverend Waters was not the type of Christian who kept his lamp under a bushel. He and his siblings sang gospel music on Atlanta's WSB radio station in the 1930s. In addition to his duties as pastor, he initiated televised services from Mabel White, and later began broadcasts of ''The Victory Hour.'' After he retired from Mabel White in 1977, he devoted his efforts to Jimmy Waters Ministries, which spread the Gospel through radio, television, and evangelism. As religious director for WMAZ radio and television in Macon, he recorded over 25,000 broadcasts at home and abroad until he stopped in 2003. He also served as co-host for many fundraising telethons for Macon's WMAZ–TV in support of the Muscular Dystrophy Association, the Children's Miracle Network and Cerebral Palsy.

Dr. Waters was often recognized for his work, serving as President of the Georgia Baptist Convention from 1974–1976 and as Chairman of the Southern Baptist Convention's Radio and Television Commission from 1977–1978. In all of the many positions he accepted, he brought energy and integrity to the job.

That inner fire that he brought to his work is the reason why so many of us will miss Reverend Jimmy Waters. He was a great American and my good friend.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE— March 31, 2004

At 12.16 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 386. Concurrent resolution congratulating the United States Air Force Academy on its 50th Anniversary and recognizing its contributions to the Nation.

ENROLLED BILLS SIGNED

The following enrolled bills, previously signed by the Speaker of the House, were signed on today, April 1, 2004, by the President pro tempore (Mr. STEVENS.)

H.R. 2584. An act to provide for the conveyance to the Utrok Atoll local government of a decommissioned National Oceanic and Atmospheric Administration ship, and for other purposes.

S. 2057. An act to require the Secretary of Defense to reimburse members of the United States Armed Forces for certain transportation expenses incurred by the members in connection with leave under the Central Command Rest and Recuperation Leave Program before the program was expanded to include domestic travel.

MEASURES REFERRED

The following concurrent resolution was read the first and second times by unanimous consent, and referred as indicated:

H. Con. Res. 386. Concurrent resolution congratulating the United States Air Force Academy on its 50th Anniversary and recognizing its contributions to the Nation; to the Committee on Armed Services.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on March 31, 2004, she had presented to the President of the United States the following enrolled bills:

S. 2231. An act to reauthorize the Temporary Assistance for Needy Families block grant program through June 30, 2004, and for other purposes.

S. 2241. An act to reauthorize certain shcool lunch and child nutrition programs thfough June 30, 2004.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–6963. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Delaware and Maryland: Adequacy of State Solid Waste Landfill Permit Programs Under RCRA Subtitle D'' (FRL#7642–8) received on March 31, 2004; to the Committee on Agriculture, Nutrition, and Forestry.

EC–6964. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; North Dakota; State Implementation Plan Corrections'' (FRL#7641–8) received on March 31, 2004; to the Committee on Agriculture, Nutrition, and Forestry.

EC–6965. A communication from the Administrator, National Aeronautics and Space Administration, transmitting a draft of proposed legislation relative to appropriations to the Administration; to the Committee on Commerce, Science, and Transportation.

EC–6966. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting, a draft of proposed legislation entitled the ''National Heritage Partnership Act''; to the Committee on Energy and Natural Resources.

EC–6967. A communication from the Secretary of Energy, transmitting, a draft of proposed legislation to amend Part D of the Energy Employees Occupational Illness Compensation Program Act of 2000 (EEOICPA); to the Committee on Energy and Natural Resources.

EC–6968. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''6-Benzyladenine; Exemption from the Requirement of a Tolerance'' (FRL#7347–6) received on March 31, 2004; to the Committee on Environment and Public Works.

EC–6969. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Bacillus Thuringiensis Cry2AB2; Amended Exemption from Requirement of a Tolerance'' (FRL#7345–4) received on March 31, 2004; to the Committee on Environment and Public Works.

EC–6970. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Bacillus Thuringiensis CryIF Protein in Cotton; Extension of Temporary Exemption from the Requirement of a Tolerance'' (FRL#7242–3) received on March 31, 2004; to the Committee on Environment and Public Works.

EC–6971. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Flumioxazin; Pesticide Tolerance'' (FRL#7351–2) received on March 31, 2004; to the Committee on Environment and Public Works.

EC–6972. A communication from the Federal Register Certifying Officer, Fiscal Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Endorsement and Payment of Checks Drawn on the United States Treasury'' (RIN1510–AA45) received on March 31, 2004; to the Committee on Finance.

EC–6973. A communication from the Regulations Coordinator, Administration for Children and Families, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Tribal Child Support Enforcement Programs; Final Rule'' (RIN0970–AB73) received on March 31, 2004; to the Committee on Finance.

EC–6974. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled ''Frivolous Agreement to Avoid Concerning Statutory and Nonstatutory Stock Options'' (Notice 2004–28) received on March 31, 2004; to the Committee on Finance.

EC–6975. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled ''Loss Deductions for Diminution in Value of Stock Attributable to Corporate Misconduct'' (Notice 2004–27) received on March 31, 2004; to the Committee on Finance.

EC–6976. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled ''Announcement and Report Concerning Advance Pricing Agreements'' (Ann. 2004–26) received on March 31, 2004; to the Committee on Finance.

EC–6977. A communication from the Assistant Secretary, Legislative Affairs, transmitting, pursuant to the Emergency Wartime Supplemental Appropriations Act, the report of the export of defense articles or defense services to Iraq; to the Committee on Foreign Relations.

EC–6978. A communication from the Assistant Secretary, Legislative Affairs, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Russia, Ukraine, and Norway; to the Committee on Foreign Relations.

EC–6979. A communication from the Assistant Secretary, Legislative Affairs, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $100,000,000 or more to Japan and Russia; to the Committee on Foreign Relations.

EC–6980. A communication from the Assistant Secretary, Legislative Affairs, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Russia and Kazahkstan to the Committee on Foreign Relations.

EC–6981. A communication from the Deputy Assistant Secretary for Labor-Management Programs, Employment Standards Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled ''Obligations of Federal Contractors and Subcontractors; Notice of Employee Rights Concerning Payment of Union Dues or Fees'' (RIN1215–AB33) received on March 31, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC–6982. A communication from the Regulations Coordinator, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Grants to States for Operation of Qualified High Risk Pools'' (RIN0938–AM42) received on March 31, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC–6983. A communication from the Inspector General, Department of Defense, transmitting, pursuant to law, a report relative to the Department of Defense voting assistance program; to the Committee on Rules and Administration.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH for the Committee on the Judiciary.

William Gerry Myers III, of Idaho, to be United States Circuit Judge for the Ninth Circuit.

Peter W. Hall, of Vermont, to be United States Circuit Judge for the Second Circuit.

Roger T. Benitez, of California, to be United States District Judge for the Southern District of California.

Marcia G. Cooke, of Florida, to be United States District Judge for the Southern District of Florida.

Paul S. Diamond, of Pennsylvania, to be United States District Judge for the Eastern District of Pennsylvania.

Jane J. Boyle, of Texas, to be United States District Judge for the Northern District of Texas.

Walter D. Kelley, Jr., of Virginia, to be United States District Judge for the Eastern District of Virginia.

Matthew G. Whitaker, of Iowa, to be United States Attorney for the Southern District of Iowa for the term of four years.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. BUNNING (for himself, Mrs. BOXER, and Mr. BURNS):

S. 2268. A bill to provide for recruiting, training, and deputizing persons for the Federal flight desk officer program; to the Committee on Commerce, Science, and Transportation.

By Mr. BOND (for himself and Ms. MIKULSKI):

S. 2269. A bill to improve environmental enforcement and security; to the Committee on Environment and Public Works.

By Mr. DEWINE (for himself, Mr. KOHL, Mr. GRASSLEY, Mr. SCHUMER, Mr. SPECTER, Mr. FEINGOLD, Mr. LEAHY, and Mr. COLEMAN):

S. 2270. A bill to amend the Sherman Act to make oil-producing and exporting cartels illegal; to the Committee on the Judiciary.

By Mr. DURBIN (for himself, Mr. LAUTENBERG, Mr. CORZINE, Mrs. FEINSTEIN, Mr. KENNEDY, and Mrs. BOXER):

S. 2271. A bill to establish national standards for discharges from cruise vessels into the waters of the United States, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BINGAMAN (for himself and Mr. SMITH):

S. 2272. A bill to amend title XIX of the Social Security Act to expand the pediatric vaccine distribution program to include coverage for children administered a vaccine at a public health clinic or Indian clinic, and for other purposes; to the Committee on Finance.

By Mr. MCCAIN (for himself, Mr. HOLLINGS, Ms. SNOWE, Mr. KENNEDY, Mrs. CLINTON, Mr. ROCKEFELLER, Mr. BIDEN, Mr. CARPER, and Mr. LAUTENBERG):

S. 2273. A bill to provide increased rail transportation security; to the Committee on Commerce, Science, and Transportation.

By Ms. LANDRIEU:

S. 2274. A bill to expand and improve retired pay, burial, education, and other mobilization benefits for members of the National Guard and Reserves who are called or ordered to active duty, and for other purposes; to the Committee on Finance.

By Ms. MIKULSKI (for herself, Mr. SPECTER, Mrs. MURRAY, Mrs. CLINTON, Ms. LANDRIEU, Mr. SCHUMER, Mr. LIEBERMAN, Mr. DASCHLE, and Mr. DAYTON):

S. 2275. A bill to amend the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.) to provide for homeland security assistance for high-risk nonprofit organizations, and for other purposes; to the Committee on Governmental Affairs.

By Mrs. BOXER:

S. 2276. A bill to allow the Secretary of Homeland Security to make grants to Amtrak, other rail carriers, and providers of mass transportation for improvements to the security of our Nation's rail and mass transportation system; to the Committee on Commerce, Science, and Transportation.

By Mr. MCCAIN:

S. 2277. A bill to amend the Act of November 2, 1966 (80 Stat. 1112), to allow binding arbitration clauses to be included in all contracts affecting the land within the Salt River Pima-Maricopa Indian Reservation; to the Committee on Indian Affairs.

By Mr. ENSIGN (for himself and Mr. CRAIG):

S. 2278. A bill to amend title 28, United States Code, to provide for the appointment of additional Federal circuit judges, to divide the Ninth Judicial Circuit of the United States into 3 circuits, and for other purposes; to the Committee on the Judiciary.

By Mr. HOLLINGS (for himself, Mr. MCCAIN, and Mr. BREAUX):

S. 2279. A bill to amend title 46, United States Code, with respect to maritime transportation security, and for other purposes; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SPECTER:

S. Res. 327. A resolution providing for a protocol for nonpartisan confirmation of judicial nominees; to the Committee on Rules and Administration.

By Mr. NELSON of Florida (for himself and Mr. ALLEN):

S. Res. 328. A resolution expressing the sense of the Senate regarding the continued human rights violations committed by Fidel Castro and the Government of Cuba; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 726

At the request of Ms. STABENOW, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 726, a bill to treat the Tuesday next after the first Monday in November as a legal public holiday for purposes of Federal employment, and for other purposes.

S. 847

At the request of Mr. SMITH, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 847, a bill to amend title XIX of the Social Security Act to permit States the option to provide medicaid coverage for low income individuals infected with HIV.

S. 973

At the request of Mr. NICKLES, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 973, a bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain restaurant buildings.

S. 1123

At the request of Mrs. BOXER, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 1123, a bill to provide enhanced Federal enforcement and assistance in preventing and prosecuting crimes of violence against children.

S. 1223

At the request of Mr. BINGAMAN, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 1223, a bill to increase the number of well-trained mental health service professionals (including those based in schools) providing clinical mental health care to children and adolescents, and for other purposes.

S. 1369

At the request of Mr. AKAKA, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 1369, a bill to ensure that prescription drug benefits offered to medicare eligible enrollees in the Federal Employees Health Benefits Program are at least equal to the actuarial value of the prescription drug benefits offered to enrollees under the plan generally.

S. 1381

At the request of Ms. SNOWE, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1381, a bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities.

S. 1447

At the request of Mr. BINGAMAN, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 1447, a bill to establish grant programs to improve the health of border area residents and for bioterrorism preparedness in the border area, and for other purposes.

S. 1808

At the request of Mr. SESSIONS, the name of the Senator from South Carolina (Mr. GRAHAM) was added as a cosponsor of S. 1808, a bill to provide for the preservation and restoration of historic buildings at historically women's public colleges or universities.

S. 1980

At the request of Mr. GRAHAM of Florida, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1980, a bill to amend the Help America Vote Act of 2002 to require a voter-verified permanent record or hardcopy under title III of such Act, and for other purposes.

S. 2020

At the request of Mrs. BOXER, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2020, a bill to prohibit, consistent with Roe v. Wade, the interference by the government with a woman's right to choose to bear a child or terminate a pregnancy, and for other purposes.

S. 2039

At the request of Mr. WYDEN, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 2039, a bill to waive time limitations specified by law in order to allow the Medal of Honor to be awarded posthumously to Rex T. Barber of Terrebonne, Oregon, for acts of valor during World War II in attacking and shooting down the enemy aircraft transporting Japanese Admiral Isoroku Yamamoto.

S. 2059

At the request of Mr. FITZGERALD, the name of the Senator from Minnesota (Mr. COLEMAN) was added as a cosponsor of S. 2059, a bill to improve the governance and regulation of mutual funds under the securities laws, and for other purposes.

S. 2099

At the request of Mr. MILLER, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 2099, a bill to amend title 38, United States Code, to provide entitlement to educational assistance under the Montgomery GI Bill for members of the Selected Reserve who aggregate more than 2 years of active duty service in any five year period, and for other purposes.

S. 2175

At the request of Mr. DODD, the names of the Senator from Connecticut (Mr. LIEBERMAN) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of S. 2175, a bill to amend the Public Health Service Act to support the planning, implementation, and evaluation of organized activities involving statewide youth suicide early intervention and prevention strategies, and for other purposes.

S. 2227

At the request of Mr. BIDEN, the name of the Senator from Nebraska (Mr. NELSON) was added as a cosponsor of S. 2227, a bill to prevent and punish counterfeiting and copyright piracy, and for other purposes.

S. 2242

At the request of Mr. BIDEN, the name of the Senator from Nebraska (Mr. NELSON) was withdrawn as a cosponsor of S. 2242, a bill to prevent and punish counterfeiting and copyright piracy, and for other purposes.

S. 2258

At the request of Mr. HATCH, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 2258, a bill to revise certain requirements for H–2B employers for fiscal year 2004, and for other purposes.

S. 2261

At the request of Mr. DEWINE, the names of the Senator from New Jersey (Mr. LAUTENBERG) and the Senator from Vermont (Mr. JEFFORDS) were added as cosponsors of S. 2261, a bill to expand certain preferential trade treatment for Haiti.

S. 2266

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of S. 2266, a bill to amend the Small Business Act to provide adequate funding for Women's Business Centers.

At the request of Mr. EDWARDS, his name was added as a cosponsor of S. 2266, supra.

At the request of Mr. JEFFORDS, his name was added as a cosponsor of S. 2266, supra.

S. 2267

At the request of Ms. SNOWE, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 2267, a bill to amend section 29(k) of the Small Business Act to establish funding priorities for women's business centers.

At the request of Mr. PRYOR, his name was added as a cosponsor of S. 2267, supra.

At the request of Mr. LEVIN, his name was added as a cosponsor of S. 2267, supra.

S.J. RES. 19

At the request of Mr. SPECTER, the names of the Senator from Maine (Ms. SNOWE) and the Senator from New Jersey (Mr. CORZINE) were added as cosponsors of S.J. Res. 19, a joint resolution recognizing Commodore John Barry as the first flag officer of the United States Navy.

S.J. RES. 28

At the request of Mr. CAMPBELL, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S.J. Res. 28, a joint resolution recognizing the 60th anniversary of the Allied landing at Normandy during World War II.

At the request of Mr. FEINGOLD, his name was added as a cosponsor of S.J. Res. 28, supra.

S. CON. RES. 81

At the request of Mr. DASCHLE, his name was added as a cosponsor of S. Con. Res. 81, a concurrent resolution expressing the deep concern of Congress regarding the failure of the Islamic Republic of Iran to adhere to its obligations under a safeguards agreement with the International Atomic Energy Agency and the engagement by Iran in activities that appear to be designed to develop nuclear weapons.

S. CON. RES. 90

At the request of Mr. LEVIN, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. Con. Res. 90, a concurrent resolution expressing the sense of the Congress regarding negotiating, in the United States-Thailand Free Trade Agreement, access to the United States automobile industry.

S. RES. 313

At the request of Mr. FEINGOLD, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. Res. 313, a resolution expressing the sense of the Senate encouraging the active engagement of Americans in world affairs and urging the Secretary of State to coordinate with implementing partners in creating an online database of international exchange programs and related opportunities.

S. RES. 317

At the request of Mr. HAGEL, the names of the Senator from Nebraska (Mr. NELSON) and the Senator from Alaska (Ms. MURKOWSKI) were added as cosponsors of S. Res. 317, a resolution recognizing the importance of increasing awareness of autism spectrum disorders, supporting programs for increased research and improved treatment of autism, and improving training and support for individuals with autism and those who care for individuals with autism.

S. RES. 326

At the request of Mr. VOINOVICH, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. Res. 326, a resolution condemning ethnic violence in Kosovo.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BOND (for himself and Ms. MIKULSKI):

S. 2269. A bill to improve environmental enforcement and security; to the Committee on Environment and Public Works.

Mr. BOND. Mr. President, I am delighted to join with my friend and colleague Senator MIKULSKI to introduce today the Environmental Enforcement and Security Act (EESA) of 2004. This bill will increase substantially enforcement of our Nation's environmental laws, increase environmentally related homeland security, and further protect our Nation's water supply from terrorist attack.

Our families and environment deserve communities free from intentional violators of environmental laws and terrorists who would attack our drinking water supplies.

With this dramatic new commitment to environmental enforcement and drinking water security, we will tell those who would intentionally harm us that we are coming after them.

The environment and health of our communities need vigorous prosecution of intentional violations of our Nation's environmental laws. The U.S. Environmental Protection Agency (EPA) Criminal Enforcement program investigates the most significant and egregious violators of environmental laws that pose a significant threat to human health and the environment. However, the number of EPA Criminal Enforcement Special Agents has remained constant for the last several years.

In addition, in our post-9/11 world, EPA Special Agents are needed for homeland security duties to detect, investigate and respond to terrorist threats involving chemical or biological hazards.

EPA Special Agents support the Department of Homeland Security, Federal Bureau of Investigation and the Department of Justice. EPA Special Agents are members of FBI Counter-Terrorism Response Teams and Evidence Response Teams.

However, with this new post-9/11 need to respond to the threat of terrorism, some are concerned that environmental violations may not be receiving the attention they deserve. A recent report by the EPA Inspector General, an internal review by the EPA Enforcement and Compliance Assurance program, and various media accounts tell how EPA needs more resources to meet both its environmental and homeland security duties.

Our bill responds to these calls with a dramatic new commitment to EPA's enforcement program. My bill will put 50 new EPA Criminal Enforcement Special Agents on the environmental beat. EESA will also provide for 80 Special Agents to support homeland security duties.

With our bill, we will no longer need to make a choice between protecting our homeland and protecting our environment.

With out bill, those who would intentionally hurt our families and communities through environmental harm will know that we are sending the manpower and resources needed to come after them.

We are also sending local communities new funding to protect our drinking water supplies. Every family and every business needs clean and safe drinking water. Every mother needs to know that when she turns on the tap in her kitchen sink, clean and safe water will come out.

That is why our bill devotes $100 million for additional drinking water security protections. EESA will send grant funds directly to water systems to protect against terrorist attack with fencing, intruder detection, access control and water monitoring. The need is great, but the federal government will attempt to do its share.

Our bill will also enhance EPA's ability to protect the environment and human health in several other ways. EESA will double the number of enforcement trainers and triple EPA's enforcement training budget. EESA funds will train Federal, State and local inspectors, law enforcement agents and prosecutors with the training they need to pursue environmental violations.

Our bill will also improve the environment by doubling compliance assistance funds to fill gaps in enforcement coverage, reach regulated facilities not visited by inspectors, and help the regulated community, especially small businesses, to understand EPA's complex and extensive regulatory requirements.

Our bill will also make EPA's enforcement actions more efficient and targeted by fully funding a strategic enforcement targeting program. EESA will enhance EPA's ability to target its enforcement actions to where the environment needs them most. Strategic targeting will also improve EPA's ability to identify and respond to increased noncompliance with environmental laws.

Our Nation's environmental laws exist to protect our families, our communities and our natural resources. Those who would intentionally violate our environmental laws deserve the full force of the government to stop them.

Our families and communities also deserve our most vigorous efforts to protect them from the specter of terror. Chemical and biological threats represent one of the most sinister means for men to terrorize each other.

We will send our homeland security agencies the environmental expertise and personnel they need to confront these threats.

We will also send our local communities new help for additional drinking water security protections.

Our environment deserves no less, our families deserve no less. I urge my colleagues to support passage and funding of the Environmental Enforcement and Security Act of 2004.

By Mr. DEWINE (for himself, Mr. KOHL, Mr. GRASSLEY, Mr. SCHUMER, Mr. SPECTER, Mr. FEINGOLD, Mr. LEAHY, and Mr. COLEMAN):

S. 2270. A bill to amend the Sherman Act to make oil-producing and exporting cartels illegal; to the Committee on the Judiciary.

Mr. DEWINE. Mr. President, I wish to talk this afternoon about a bill that my colleagues, Senator KOHL, Senator GRASSLEY, Senator FEINGOLD, Senator SPECTER, Senator SCHUMER, Senator LEAHY, Senator COLEMAN, and I are introducing, which is called the No Oil Producing and Exporting Cartels Act of 2004. We are introducing this bill to address the longstanding problem of foreign governments acting in the commercial arena to fix, allocate, and establish production and price levels of petroleum products.

Every consumer in America knows that gasoline prices have reached record highs over the last couple of weeks. The national average has reached a new record high for self-serve unleaded gas. That is approximately $1.80 per gallon. But over the last week in my home State of Ohio gas prices have been even higher. In Marietta, gas was $1.84; in Cleveland, $1.86; in Columbus, it topped out at $1.88 in some stations. Many analysts predict that prices could get as high as $2 per gallon, or higher, by the summer.

This is of particular interest to me because Ohio and the Midwestern States always seem to be hit especially hard by gas prices spikes. These spikes are acutely painful to persons who commute long distances and to those who live on fixed incomes such as the elderly.

What is the cause? Certainly there are many causes, but as we might expect, there are a number of factors at play. But there is surprising agreement among industry experts about the primary cause of high gas prices and that is the increase in imported crude oil prices.

We also know the biggest factor in setting crude oil prices is OPEC. The unacceptably high price of imported crude oil is a direct result of collusive agreements among OPEC nations to maintain the price of oil.

Despite the fact that gasoline prices are going through the roof, OPEC members met yesterday in Austria and decided to cut the output of oil even further. We have been through this process more than enough to know what that means for the American consumer. When demand is high and supplies are cut, that obviously means higher prices. That is exactly what OPEC did to us yesterday. It ripped off American consumers by raising gas prices even more.

this is an outrage. In fact, OPEC is probably the most notorious example of an illegal cartel in the world today, even at a time when it is widely understood that such conduct is counterproductive and ill-suited for our global economy. Supreme Court Justice Scalia in a recent case described collusion among competitors as ''the supreme evil of antitrust.'' Nation after nation has adopted antitrust enforcement principles that recognize the illegality of price fixing and output restrictions among competitors. In 1998, the Organization for Economic Cooperation and Development, then composed of twenty-nine member nations, issued a formal recommendation denouncing price fixing. OPEC's continued actions, in ongoing defiance of American and international antitrust principles, should not be tolerated.

Until now, however, OPEC has effectively received special treatment under U.S. antitrust laws—despite the fact that oil is a commodity that touches the lives of nearly every American consumer. It is time that we take steps to assure that oil is subject to the principles of the free market. The bill that we are introducing today would do just that and help in the fight to lower gas prices.

Senator KOHL and I have introduced this bill twice before—in 2000 and 2001. It is an idea whose time has come. The purpose of our NOPEC bill is simple—it would treat OPEC like any other cartel. If OPEC were a group of private companies colluding on prices, the executives could be prosecuted and sent to jail, and the firms would pay millions of dollars in fines or maybe even billions in fines. Unfortunately, however, for years enforcement has been constrained by two related court opinions.

In 1979, a Federal District Court found that OPEC's price-setting decisions were ''governmental'' acts and accordingly that they were given sovereignty status and protected by the Foreign Sovereign Immunities Act. Subsequently, in 1981, a Federal Court of Appeals declined to consider the appeal of that antitrust case based on the so-called ''act of state'' doctrine.

NOPEC would effectively reverse these decisions by making it clear that OPEC's activities are not protected by sovereign immunity and that the Federal courts should not decline to hear such a case based on the ''act of state'' doctrine. As a result, under NOPEC, the Department of Justice and the Federal Trade Commission could bring a legal antitrust enforcement action against foreign states engaging in the restraint of trade regarding oil and other petroleum products. Simply put, NOPEC assures that our U.S. antitrust agencies have jurisdiction and authority to bring such cases.

We don't intend to give up the fight for lower gasoline prices. Today, I want the members of OPEC to hear a message loud and clear—we won't quit fighting for American consumers. When OPEC wants to do business with America, it must abide by our antitrust laws.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2270

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''No Oil Producing and Exporting Cartels Act of 2004 '' or ''NOPEC''.

SEC. 2. SHERMAN ACT.

The Sherman Act (15 U.S.C. 1 et seq.) is amended by adding after section 7 the following:

''SEC. 7A. OIL PRODUCING CARTELS.

''(a) IN GENERAL.—It shall be illegal and a violation of this Act for any foreign state, or any instrumentality or agent of any foreign state, to act collectively or in combination with any other foreign state, any instrumentality or agent of any other foreign state, or

any other person, whether by cartel or any other association or form of cooperation or joint action—

''(1) to limit the production or distribution of oil, natural gas, or any other petroleum product;

''(2) to set or maintain the price of oil, natural gas, or any petroleum product; or

''(3) to otherwise take any action in restraint of trade for oil, natural gas, or any petroleum product;

when such action, combination, or collective action has a direct, substantial, and reasonably foreseeable effect on the market, supply, price, or distribution of oil, natural gas, or other petroleum product in the United States.

''(b) SOVEREIGN IMMUNITY.—A foreign state engaged in conduct in violation of subsection (a) shall not be immune under the doctrine of sovereign immunity from the jurisdiction or judgments of the courts of the United States in any action brought to enforce this section.

''(c) INAPPLICABILITY OF ACT OF STATE DOCTRINE.—No court of the United States shall decline, based on the act of state doctrine, to make a determination on the merits in an action brought under this section.

''(d) ENFORCEMENT.—The Attorney General of the United States and the Federal Trade Commission may bring an action to enforce this section in any district court of the United States as provided under the antitrust laws.''.

SEC. 3. SOVEREIGN IMMUNITY.

Section 1605(a) of title 28, United States Code, is amended—

(1) in paragraph (6), by striking ''or'' after the semicolon;

(2) in paragraph (7), by striking the period and inserting ''; or''; and

(3) by adding at the end the following:

''(8) in which the action is brought under section 7A of the Sherman Act.''.

Mr. KOHL. Mr. President, in recent weeks, consumers all across the Nation have watched gas prices rise, seemingly without any end in sight. On March 24, U.S. gasoline prices reached a record high average of $ 1.74 a gallon. And, if consumers weren't paying enough already, just yesterday the OPEC nations decided to cut production by a million barrels a day, an action sure to drive prices even higher. Such blatantly anti-competitive action by the oil cartel violates the most basic principles of fair competition and free markets and should not be tolerated. It is for this reason that I rise today, with my colleagues Senators DEWINE, SPECTER, LEAHY, FEINGOLD, SCHUMER, COLEMAN and GRASSLEY, to reintroduce the ''No Oil Producing and Exporting Cartels Act'' (''NOPEC''). This legislation is identical to our NOPEC bill introduced in the last two Congresses, a bill which passed the Judiciary Committee unanimously in 2000.

Real people suffer real consequences every day in our nation because of OPEC's actions. Rising gas prices are a silent tax that takes hard-earned money away from Americans every time they visit the gas pump. Higher oil prices drive up the cost of transportation, harming thousands of companies throughout the economy from trucking to aviation. And those costs are passed on to consumers in the form of higher prices for manufactured goods. Higher oil prices mean higher heating oil and electricity costs. Anyone who has gone through a Midwest winter or a deep South summer can tell you about the tremendous personal costs associated with higher home heating or cooling bills.

We have all heard many explanations offered for rising energy prices. Some say that the oil companies are gouging consumers. Some blame disruptions in supply. Others point to the EPA requirement mandating use of a new and more expensive type of ''reformulated'' gas in the Midwest or other ''boutique'' fuels around the country. Some even claim that refiners and distributors have illegally fixed prices. On this issue, Senator DEWINE and I have asked the Federal Trade Commission to investigate these allegations. As a result of our inquiries, the FTC has put a task force in place to find out if those allegations were true. While we continue to urge the FTC to be vigilant, the FTC has to date found no evidence of illegal domestic price fixing as a cause of higher gas prices.

But one cause of these escalating prices is indisputable: the price fixing conspiracy of the OPEC nations. For years, this conspiracy has unfairly driven up the cost of imported crude oil to satisfy the greed of the oil exporters. We have long decried OPEC, but, sadly, no one in government has yet tried to take any action. NOPEC will, for the first time, establish clearly and plainly that when a group of competing oil producers like the OPEC nations act together to restrict supply or set prices, they are violating U.S. law. It will authorize the Attorney General or FTC to file suit under the antitrust laws for redress. Our bill will also make plain that the nations of OPEC cannot hide behind the doctrines of ''Sovereign Immunity'' or ''Act of State'' to escape the reach of American justice.

The most fundamental principle of a free market is that competitors cannot be permitted to conspire to limit supply or fix price. There can be no free market without this foundation. And we should not permit any nation to flout this fundamental principle.

Some critics of this legislation have argued that suing OPEC will not work or that threatening suit will hurt more than help. I disagree. Our NOPEC legislation will, for the first time, enable our authorities to take legal action to combat the illegitimate price-fixing conspiracy of the oil cartel. It will, at a minimum, have a real deterrent effect on nations that seek to join forces to fix oil prices to the detriment of consumers. This legislation will be the first real weapon the U.S. government has ever had to deter OPEC from its seemingly endless cycle of price increases.

There is nothing remarkable about applying U.S. antitrust law overseas. Our government has not hesitated to do so when faced with clear evidence of anti-competitive conduct that harms American consumers. A few years ago, for example, the Justice Department secured record fines totaling $725 million against German and Swiss companies engaged in a price fixing conspiracy to raise and fix the price of vitamins sold in the United States and elsewhere. Their behavior harmed consumers by raising the prices consumers paid for vitamins every day and plainly needed to be addressed. As this and other cases show, the mere fact that the conspirators are foreign nations is no basis to shield them from violating these most basic standards of fair economic behavior.

Even under current law, there is no doubt that the actions of the international oil cartel would be in gross violation of antitrust law if engaged in by private companies. If OPEC were a group of international private companies rather than foreign governments, their actions would be nothing more than an illegal price fixing scheme. But OPEC members have used the shield of ''sovereign immunity'' to escape accountability for their price-fixing. The Foreign Sovereign Immunities Act, though, already recognizes that the ''commercial'' activity of nations is not protected by sovereign immunity. And it is hard to imagine an activity that is more obviously commercial than selling oil for profit, as the OPEC nations do. Our legislation will correct one erroneous twenty-year-old lower federal court decision and establish that sovereign immunity doctrine will not divest a U.S. court from jurisdiction to hear a lawsuit alleging that members of the oil cartel are violating antitrust law.

In the last few weeks, I have grown more certain than ever that this legislation is necessary. Between OPEC's decision yesterday to cut oil production and the FTC's conclusion for the last several years that there is no illegal conduct by domestic companies responsible for rising gas prices, I am convinced that we need to take action, and take action now, before the damage spreads too far.

For these reasons, I urge that my colleagues support this bill so that our nation will finally have an effective means to combat this selfish conspiracy of oil-rich nations.

By Mr. DURBIN (for himself, Mr. LAUTENBERG, Mr. CORZINE, Mrs. FEINSTEIN, Mr. KENNEDY, and Mrs. BOXER):

S. 2271. A bill to establish national standards for discharges from cruise vessels into the waters of the United States, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. DURBIN. Mr. President, today I am introducing the Clean Cruise Ship Act of 2004. I am proud to be joined by Senators LAUTENBERG, CORZINE, FEINSTEIN, KENNEDY and BOXER in offering this legislation. I also am honored to be working with Congressman FARR, who is leading companion legislation

in the House and is a co-chair of the House Oceans Caucus.

America's oceans span nearly 4.5 million square miles, an area 23 percent larger than the nation's land area. They are a resource for travel, commerce, recreation and the global ecosystem. They comprise 70 percent of our planet.

We cannot continue to take this vast resource for granted. The Pew Commission found in June 2003 that our oceans are in crisis. The report cites five priorities: implementing a sustainable national ocean policy; coordinating the governance of ocean resources; reorienting our fisheries policy to emphasize sustainability; protecting ocean habitat and managing coastal development; and controlling the sources of pollution threatening our marine ecosystems. Today I want to concentrate on the fifth priority: controlling pollution.

With growing amounts of pollution caused by human activity, we are significantly degrading the marine environment. According to the EPA, pollution has rendered 44 percent of tested estuaries and 12 percent of ocean shoreline miles unfit for swimming, fishing or supporting aquatic life. The Coast Guard estimates that marine debris is responsible for the deaths of more than 1 million birds and 100,000 marine mammals each year. About 90 percent of Florida's coral reefs are believed to be dead or dying.

We have taken some actions to protect our oceans, but we still have a long way to go. We need to improve enforcement of our existing environmental protection laws, but we also need to update them to accommodate for the changing times.

Specifically, we need to address pollution from passenger cruise ships. The cruise line industry has grown significantly over the past 34 years. In 1970, cruise ships carried 500,000 passengers in the United States. In 2002, the cruise line industry carried 6.5 million passengers in about 150 ships in the United States, and that number has continued to grow.

In addition to a tremendous increase in the number of passengers, cruise ships themselves have grown. Today the average cruise vessel accommodates 3,100 passengers and crew. Carnival recently built the largest passenger ship in the world, the Queen Mary 2: it's 1,132 feet long, which is more than twice as long as the Washington Monument is tall; it is 236 feet high, about the height of a 23-story building; and it weights about 151,400 long tons, the rough equivalent of 390 fully loaded 747 jets.

According to the EPA, a typical 3,000 passenger cruise ship each week generates 210,000 gallons of sewage; 1 million gallons of gray water, including runoff from baths, laundry machines and dishwashers; and 37,000 gallons of oily bilge water. Ships of the size of cruise vessels today, which generate the amount of waste of today, did not exist when the Clean Water Act and other environmental laws were written in the 1970s. Therefore, our laws regarding cruise ships are grossly inadequate.

My colleagues may be shocked to learn that it is legal to dump raw sewage 3 miles from shore; and it is legal to dump sewage within 3 miles so long as it is run through a machine, which complies with a standard that is over 20 years old and which is never rigorously tested once installed. Also it is legal to dump gray water—which can contain harmful toxins and nutrients—anywhere in the ocean. Only Alaskan waters are protected by strong federal legislation enacted in 2000 that regulates sewage and graywater.

The legislation I am introducing today,the Clean Cruise Ship Act of 2004, would draw from key provisions of the federal law in place in Alaska and the Clean Water Act. This bill would: first, create a no discharge zone that would prevent dumping of sewage, graywater and oily bilge water within 12 miles of shore—to protect our coasts and estuaries; second, apply the current Alaskan standards to sewage and graywater discharges outside of 12 miles from shore; third, allow the Coast Guard and EPA to jointly issue discharge requirements based on the best available technology, with the goal of zero pollutants by 2015; and finally, strengthen enforcement.

Studies show that the Alaskan standards, which our bills applies to the rest of the country, can be achieved. Indeed, ships that have been upgraded to treat sewage and graywater with modern technology are easily meeting or exceeding standards for such constituents as fecal coliform and chlorine.

Not only is this bill technologically feasible: it is affordable. The cost to upgrade each ship will be more than $3 million. To put this into context, Carnival Cruise Lines just spent $800 million to build the new Queen Mary 2, and earned $6.7 billion in revenues last year.,

The Clean Cruise Ship Act of 2004 is a reasonable approach to an urgent problem. I urge my colleagues to support this important legislation.

By Mr. BINGAMAN (for himself and Mr. SMITH):

S. 2272. A bill to amend title XIX of the Social Security Act to expand the pediatric vaccine distribution program to include coverage for children administered a vaccine at a public health clinic or Indian clinic, and for other purposes; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, in conjunction with Senator SMITH, I am introducing the ''Children's Vaccine Access Act of 2004.'' This legislation makes three changes to the Vaccines for Children program with the intent of expanding access and the delivery of vaccines to our Nation's children. This legislation is supported by the Administration and included in the Administration's budget as recommended by the Centers for Disease Control and Prevention, or CDC.

First, the legislation expands access to the Vaccines for Children, or VFC, program for children whose private health insurance does not cover immunizations by allowing children to receive their VFC vaccines at State and local public health clinics. Currently, underinsured children must go to specially designated Federal Qualified Health Centers or rural health centers to receive VFC vaccines. Consequently, our bill expands the number of access points at which children can get the vaccines they need.

According to the CDC, there are approximately 3,000 Federally Qualified Health Centers enrolled in VFC, compared with approximately 7,000 health department clinics. As the CDC notes, ''Increasing access points for VFC eligible underinsured children will allow those who may have been previously denied immunizations at public health clinics to be vaccinated with the full series of routinely administered vaccines.''

Second, the bill seeks to restore the tetanus and diphtheria vaccines to the VFC program by lifting the 1993 price caps that were in use prior to enactment of the VFC program. The price caps are so low that, for example, the tetanus booster vaccine was unfortunately dropped from VFC coverage when no vaccine manufacturer would bid on the contract at the 1993-imposed price cap levels.

CDC estimates that over 200,000 additional children would be served through VFC with these two changes.

And finally, the bill includes new authorizing language to allow the CDC to sell the VFC purchased stockpile vaccines to its grantees or back to manufacturers for use in the private sector in the event that the stockpiled vaccines are needed by non VFC-eligible children.

Immunizations are critical to both children's health and the public health care system. The VFC program began on October 1, 1994, to improve vaccine availability to children nationwide by providing vaccines free-of-charge to Medicaid-eligible, uninsured, underinsured, American Indian, or Alaska Native children through both public and private providers. The VFC program automatically covers vaccines recommended by the Advisory Committee on Immunization Practices, or ACIP, and approved by the CDC.

VFC has had an enormous impact on improving the immunization rates among our Nation's children. According to the Children's Defense Fund, ''Between 1993 and 1999, there was nearly a 20 percent increase in the number of fully immunized two year-olds.''

However, the goal of achieving a 90 percent immunization coverage rate, with the complete series of recommended vaccines, has still not been achieved. According to the National Immunization Survey (NIS), the nationwide vaccination coverage levels

among children 19–35 months of age for the 4:3:1:3:3 series of childhood immunizations was 74.8 percent in 2002. Unfortunately, the immunization rate in New Mexico was just 64.6 percent in 2002 and second worst in the Nation to only Colorado. To address that problem, in December 2001, I requested the CDC to work with the State of New Mexico on improving its immunization rate and a number of positive developments have taken place, including the creation of an Immunization Task Force at the state level and the passage of legislation to create an immunization registry by the New Mexico Legislature this past month.

It is my belief that the strides the Nation and New Mexico continue to make to further improve the childhood immunization rate is assisted by this legislation. I would like to thank the CDC for their fine work on the VFC program and their assistance with this legislation and in its assistance directly to the State of New Mexico. I would also like to thank Senator SMITH for his dedication and support for this initiative to improve the health of our Nation's children.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2272

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Children's Vaccine Access Act of 2004''.

SEC. 2. EXPANSION OF DEFINITION OF FEDERALLY VACCINE-ELIGIBLE CHILD.

(a) IN GENERAL.—Section 1928(b)(2)(A)(iii)(I) of the Social Security Act (42 U.S.C. 1396s(b)(2)(A)(iii)(I)) is amended by striking ''or a rural health clinic (as defined in section 1905(l)(1))'' and inserting '', a rural health clinic (as defined in section 1905(l)(1)), or a State or local public health clinic''.

(b) CONFORMING AMENDMENT.—Section 1928(h)(3) of the Social Security Act (42 U.S.C. 1396s(h)(3)) is amended by striking ''and 'tribal organization' '' and inserting '', 'tribal organization', and 'urban Indian organization' ''.

SEC. 3. REPEAL OF PRICE CAP FOR PRE-1993 VACCINES.

(a) IN GENERAL.—Section 1928(d)(3)(B) of the Social Security Act (42 U.S.C. 1396s(d)(3)(B)) is repealed.

(b) CONFORMING AMENDMENT.—Section 1928(d)(3) of such Act (42 U.S.C. 1396s(d)(3)) is amended by striking subparagraph (C) and inserting the following:

''(B) NEGOTIATION OF DISCOUNTED PRICE.—With respect to contracts entered into for a pediatric vaccine described in this section, the price for the purchase of such vaccine shall be a discounted price negotiated by the Secretary.''.

SEC. 4. SIMPLIFIED ADMINISTRATION OF VACCINE SUPPLY.

Section 1928(d)(6) of the Social Security Act (42 U.S.C. 1396s(d)(6)) is amended by inserting after the second sentence the following: ''The Secretary may sell such quantities of vaccines from such supply to public health departments or back to the vaccine manufacturer as the Secretary determines appropriate. Proceeds received from such sales shall be available to the Secretary only for the purpose of procuring pediatric vaccines stockpiles under this section and shall remain available until expended.''.

SEC. 5. EFFECTIVE DATE.

The amendments made by this Act take effect on October 1, 2004.

By Mr. MCCAIN (for himself, Mr. HOLLINGS, Ms. SNOWE, Mr. KENNEDY, Mrs. CLINTON, Mr. ROCKEFELLER, Mr. BIDEN, Mr. CARPER, and Mr. LAUTENBERG):

S. 2273. A bill to provide increased rail transportation security; to the Committee on Commerce, Science, and Transportation.

Mr. MCCAIN. Mr. President, I am joined by Senator HOLLINGS and other members of the Senate Commerce Committee in introducing the Rail Security Act of 2004.

The recent attacks on Madrid's commuter rail system demonstrated all too vividly that our own transit system, Amtrak, and the freight railroads could be vulnerable to terrorist attack. Only modest resources have been dedicated to rail security since the September 11, 2001 terrorist attacks on the United States, and efforts to address rail security remain fragmented. The Department of Homeland Security (DHS) has not completed a vulnerability assessment for the rail system, nor is there an integrated security plan that reflects the unique characteristics of passenger and freight rail operations.

The legislation we are introducing today would authorize resources to ensure rail transportation security receives a high priority in our efforts to secure our country from terrorism. The legislation directs DHS to complete a vulnerability assessment for the rail system and make recommendations for addressing security weaknesses within 180 days of enactment. It also authorizes funding to address long-standing fire and life safety needs for several tunnels along the Northeast Corridor, and authorizes appropriations to meet immediate security needs for intercity and freight rail transportation. Further, as recommended by the General Accounting Office, the proposal requires DHS to sign a memorandum of agreement with the Department of Transportation to make clear each department's roles and responsibilities with respect to rail security.

The freight railroads, individual commuter authorities, and Amtrak have, on their own initiative, completed risk assessments and taken steps to safeguard passengers, facilities, and cargo. These efforts, accomplished at a very small cost to the federal government, have helped make our rail system safer. The legislation introduced today will augment these efforts and bring these individual initiatives together in a coordinated rail security program.

More than 2 years ago, in the aftermath of the September 11th attacks, the Commerce Committee reported rail security legislation but unfortunately that proposal was not adopted by the full Senate. The Commerce Committee will meet in the coming weeks to consider this legislation and it is my hope that the proposal will be acted upon quickly by the full Senate.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2273

Be it enacted by the Senate and House of Representatives 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 ''Rail Security Act of 2004''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Rail transportation security risk assessment.
Sec. 3. Rail security.
Sec. 4. Study of foreign rail transport security programs.
Sec. 5. Passenger, baggage, and cargo screening.
Sec. 6. Certain personnel limitations not to apply.
Sec. 7. Fire and life safety improvements.
Sec. 8. Transportation security.
Sec. 9. Amtrak plan to assist families of passengers involved in rail passenger accidents.
Sec. 10. System-wide Amtrak security upgrades.
Sec. 11. Freight and passenger rail security upgrades.
Sec. 12. Department of Transportation oversight.
Sec. 13. Rail security research and development.
Sec. 14. Welded rail and tank car safety improvements.
Sec. 15. Northern Border rail passenger report.

SEC. 2. RAIL TRANSPORTATION SECURITY RISK ASSESSMENT.

(a) IN GENERAL.—

(1) VULNERABILITY ASSESSMENT.—The Under Secretary of Homeland Security for Border and Transportation Security, in consultation with the Secretary of Transportation, shall complete a vulnerability assessment of freight and passenger rail transportation (encompassing rail carriers, as that term is defined in section 20102(1) of title 49, United States Code). The assessment shall include—

(A) identification and evaluation of critical assets and infrastructures;

(B) identification of threats to those assets and infrastructures;

(C) identification of vulnerabilities that are specific to the transportation of hazardous materials via railroad; and

(D) identification of security weaknesses in passenger and cargo security, transportation infrastructure, protection systems, procedural policies, communications systems, employee training, emergency response planning, and any other area identified by the assessment.

(2) EXISTING PRIVATE AND PUBLIC SECTOR EFFORTS.—The assessment shall take into account actions taken or planned by both public and private entities to address identified security issues and assess the effective integration of such actions.

(3) RECOMMENDATIONS.—Based on the assessment conducted under paragraph (1), the Under Secretary, in consultation with the

Secretary of Transportation, shall develop prioritized recommendations for improving rail security, including any recommendations the Under Secretary has for—

(A) improving the security of rail tunnels, rail bridges, rail switching areas, other rail infrastructure and facilities, information systems, and other areas identified by the Under Secretary as posing significant rail-related risks to public safety and the movement of interstate commerce, taking into account the impact that any proposed security measure might have on the provision of rail service;

(B) deploying weapon detection equipment;

(C) training employees in terrorism prevention, passenger evacuation, and response activities;

(D) conducting public outreach campaigns on passenger railroads;

(E) deploying surveillance equipment; and

(F) identifying the immediate and long-term economic impact of measures that may be required to address those risks.

(4) PLANS.—The report required by subsection (c) shall include—

(A) a plan, developed in consultation with the freight and intercity passenger railroads, and State and local governments, for the government to provide increased security support at high or severe threat levels of alert; and

(B) a plan for coordinating rail security initiatives undertaken by the public and private sectors.

(b) CONSULTATION; USE OF EXISTING RESOURCES.—In carrying out the assessment required by subsection (a), the Under Secretary of Homeland Security for Border and Transportation Security shall consult with rail management, rail labor, owners or lessors of rail cars used to transport hazardous materials, shippers of hazardous materials, public safety officials (including those within other agencies and offices within the Department of Homeland Security) and other relevant parties.

(c) REPORT.—

(1) CONTENTS.—Within 180 days after the date of enactment of this Act, the Under Secretary shall transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report containing the assessment and prioritized recommendations required by subsection (a) and an estimate of the cost to implement such recommendations.

(2) FORMAT.—The Under Secretary may submit the report in both classified and redacted formats if the Under Secretary determines that such action is appropriate or necessary.

(d) 2-YEAR UPDATES.—The Under Secretary, in consultation with the Secretary of Transportation, shall update the assessment and recommendations every 2 years and transmit a report, which may be submitted in both classified and redacted formats, to the Committees named in subsection (c)(1), containing the updated assessment and recommendations.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Under Secretary of Homeland Security for Border and Transportation Security $5,000,000 for fiscal year 2005 for the purpose of carrying out this section.

SEC. 3. RAIL SECURITY.

(a) RAIL POLICE OFFICERS.—Section 28101 of title 49, United States Code, is amended by striking ''the rail carrier'' each place it appears and inserting ''any rail carrier''.

(b) REVIEW OF RAIL REGULATIONS.—Within 1 year after the date of enactment of this Act, the Secretary of Transportation, in consultation with the Under Secretary of Homeland Security for Border and Transportation Security, shall review existing rail regulations of the Department of Transportation for the purpose of identifying areas in which those regulations need to be revised to improve rail security.

SEC. 4. STUDY OF FOREIGN RAIL TRANSPORT SECURITY PROGRAMS.

(a) REQUIREMENT FOR STUDY.—Within one year after the date of enactment of the Rail Security Act of 2004, the Comptroller General shall complete a study of the rail passenger transportation security programs that are carried out for rail transportation systems in Japan, member nations of the European Union, and other foreign countries.

(b) PURPOSE.—The purpose of the study shall be to identify effective rail transportation security measures that are in use in foreign rail transportation systems, including innovative measures and screening procedures determined effective.

(c) REPORT.—The Comptroller General shall submit a report on the results of the study to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure. The report shall include the Comptroller General's assessment regarding whether it is feasible to implement within the United States any of the same or similar security measures that are determined effective under the study.

SEC. 5. PASSENGER, BAGGAGE, AND CARGO SCREENING.

(a) REQUIREMENT FOR STUDY AND REPORT.—The Under Secretary of Homeland Security for Border and Transportation Security, in cooperation with the Secretary of Transportation, shall—

(1) analyze the cost and feasibility of requiring security screening for passengers, baggage, and mail on passenger trains; and

(2) report the results of the study, together with any recommendations that the Under Secretary may have for implementing a rail security screening program to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 1 year after the date of enactment of this Act.

(b) PILOT PROGRAM.—As part of the study under subsection (a), the Under Secretary shall complete a pilot program of random security screening of passengers and baggage at 5 passenger rail stations served by Amtrak selected by the Under Secretary. In conducting the pilot program, the Under Secretary shall—

(1) test a wide range of explosives detection technologies, devices and methods;

(2) require that intercity rail passengers produce government-issued photographic identification which matches the name on the passenger's tickets prior to boarding trains; and

(3) attempt to achieve a distribution of participating train stations in terms of geographic location, size, passenger volume, and whether the station is used by commuter rail passengers as well as Amtrak passengers.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Under Secretary of Homeland Security for Border and Transportation Security to carry out this section $5,000,000 for fiscal year 2005.

SEC. 6. CERTAIN PERSONNEL LIMITATIONS NOT TO APPLY.

Any statutory limitation on the number of employees in the Transportation Security Administration of the Department of Transportation, before or after its transfer to the Department of Homeland Security, does not apply to the extent that any such employees are responsible for implementing the provisions of this Act.

SEC. 7. FIRE AND LIFE SAFETY IMPROVEMENTS.

(a) LIFE SAFETY NEEDS.—The Secretary of Transportation is authorized to make grants to Amtrak for the purpose of making fire and life-safety improvements to tunnels on the Northeast Corridor in New York, N.Y., Baltimore, Md., and Washington, D.C.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation for the purposes of carrying out subsection (a) the following amounts:

(1) For the 6 New York tunnels to provide ventilation, electrical, and fire safety technology upgrades, emergency communication and lighting systems, and emergency access and egress for passengers—

(A) $100,000,000 for fiscal year 2005;

(B) $100,000,000 for fiscal year 2006;

(C) $100,000,000 for fiscal year 2007;

(D) $100,000,000 for fiscal year 2008; and

(E) $170,000,000 for fiscal year 2009.

(2) For the Baltimore & Potomac tunnel and the Union tunnel, together, to provide adequate drainage, ventilation, communication, lighting, and passenger egress upgrades—

(A) $10,000,000 for fiscal year 2005;

(B) $10,000,000 for fiscal year 2006;

(C) $10,000,000 for fiscal year 2007;

(D) $10,000,000 for fiscal year 2008; and

(E) $17,000,000 for fiscal year 2009.

(3) For the Washington, D.C. Union Station tunnels to improve ventilation, communication, lighting, and passenger egress upgrades—

(A) $8,000,000 for fiscal year 2005;

(B) $8,000,000 for fiscal year 2006;

(C) $8,000,000 for fiscal year 2007;

(D) $8,000,000 for fiscal year 2008; and

(E) $8,000,000 for fiscal year 2009.

(c) INFRASTRUCTURE UPGRADES.—There are authorized to be appropriated to the Secretary of Transportation for fiscal year 2005 $3,000,000 for the preliminary design of options for a new tunnel on a different alignment to augment the capacity of the existing Baltimore tunnels.

(d) AVAILABILITY OF APPROPRIATED FUNDS.—Amounts appropriated pursuant to this section shall remain available until expended.

(e) PLAN REQUIRED.—The Secretary may not make amounts available to Amtrak for obligation or expenditure under subsection (a)—

(1) until Amtrak has submitted to the Secretary, and the Secretary has approved, an engineering and financial plan for such projects; and

(2) unless, for each project funded pursuant to this section, the Secretary has approved a project management plan prepared by Amtrak addressing project budget, construction schedule, recipient staff organization, document control and record keeping, change order procedure, quality control and assurance, periodic plan updates, periodic status reports, and such other matter the Secretary deems appropriate;

(f) FINANCIAL CONTRIBUTION FROM OTHER TUNNEL USERS.—The Secretary shall, taking into account the need for the timely completion of all life safety portions of the tunnel projects described in subsection (a)—

(1) consider the extent to which rail carriers other than Amtrak use the tunnels;

(2) consider the feasibility of seeking a financial contribution from those other rail carriers toward the costs of the projects; and

(3) seek financial contributions or commitments from such other rail carriers at levels reflecting the extent of their use of the tunnels.

SEC. 8. TRANSPORTATION SECURITY.

(a) MEMORANDUM OF AGREEMENT.—Within 60 days after the date of enactment of this Act, the Secretary of Transportation and the Under Secretary of Homeland Security for Border and Transportation Security shall execute a memorandum of agreement governing the roles and responsibilities of the Department of Transportation and the Department of Homeland Security, respectively, in addressing railroad transportation security matters, including the processes the departments will follow to promote communications, efficiency, and nonduplication of effort.

(b) RAIL SAFETY REGULATIONS.—Section 20103(a) of title 49, United States Code, is amended by striking ''safety'' the first place it appears, and inserting ''safety, including security,''.

SEC. 9. AMTRAK PLAN TO ASSIST FAMILIES OF PASSENGERS INVOLVED IN RAIL PASSENGER ACCIDENTS.

(a) IN GENERAL.—Chapter 243 of title 49, United States Code, is amended by adding at the end the following:

''§ 24316. Plans to address needs of families of passengers involved in rail passenger accidents

''(a) SUBMISSION OF PLAN.—Not later than 6 months after the date of the enactment of the Rail Security Act of 2004, Amtrak shall submit to the Chairman of the National Transportation Safety Board a plan for addressing the needs of the families of passengers involved in any rail passenger accident involving an Amtrak intercity train and resulting in a loss of life.

''(b) CONTENTS OF PLANS.—The plan to be submitted by Amtrak under subsection (a) shall include, at a minimum, the following:

''(1) A process by which Amtrak will maintain and provide to the National Transportation Safety Board, immediately upon request, a list (which is based on the best available information at the time of the request) of the names of the passengers aboard the train (whether or not such names have been verified), and will periodically update the list. The plan shall include a procedure, with respect to unreserved trains and passengers not holding reservations on other trains, for Amtrak to use reasonable efforts to ascertain the number and names of passengers aboard a train involved in an accident.

''(2) A plan for creating and publicizing a reliable, toll-free telephone number within 4 hours after such an accident occurs, and for providing staff, to handle calls from the families of the passengers.

''(3) A process for notifying the families of the passengers, before providing any public notice of the names of the passengers, by suitably trained individuals.

''(4) A process for providing the notice described in paragraph (2) to the family of a passenger as soon as Amtrak has verified that the passenger was aboard the train (whether or not the names of all of the passengers have been verified).

''(5) A process by which the family of each passenger will be consulted about the disposition of all remains and personal effects of the passenger within Amtrak's control; that any possession of the passenger within Amtrak's control will be returned to the family unless the possession is needed for the accident investigation or any criminal investigation; and that any unclaimed possession of a passenger within Amtrak's control will be retained by the rail passenger carrier for at least 18 months.

''(6) A process by which the treatment of the families of nonrevenue passengers will be the same as the treatment of the families of revenue passengers.

''(7) An assurance that Amtrak will provide adequate training to its employees and agents to meet the needs of survivors and family members following an accident.

''(c) USE OF INFORMATION.—The National Transportation Safety Board and Amtrak may not release to any person information on a list obtained under subsection (b)(1) but may provide information on the list about a passenger to the family of the passenger to the extent that the Board or Amtrak considers appropriate.

''(d) LIMITATION ON LIABILITY.—Amtrak shall not be liable for damages in any action brought in a Federal or State court arising out of the performance of Amtrak in preparing or providing a passenger list, or in providing information concerning a train reservation, pursuant to a plan submitted by Amtrak under subsection (b), unless such liability was caused by Amtrak's conduct.

''(e) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section may be construed as limiting the actions that Amtrak may take, or the obligations that Amtrak may have, in providing assistance to the families of passengers involved in a rail passenger accident.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak $500,000 for fiscal year 2005 to carry out this section. Amounts appropriated pursuant to this subsection shall remain available until expended.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 243 of title 49, United States Code, is amended by adding at the end the following:

''Sec.
''24316. Plan to assist families of passengers involved in rail passenger accidents''.

SEC. 10. SYSTEM-WIDE AMTRAK SECURITY UPGRADES.

(a) IN GENERAL—Subject to subsection (c), the Under Secretary of Homeland Security for Border and Transportation Security is authorized to make grants, through the Secretary of Transportation, to Amtrak—

(1) to secure major tunnel access points and ensure tunnel integrity in New York, Baltimore, and Washington, D.C.;

(2) to secure Amtrak trains;

(3) to secure Amtrak stations;

(4) to obtain a watch list identification system approved by the Under Secretary;

(5) to obtain train tracking and communications systems that are coordinated to the maximum extent possible;

(6) to hire additional police and security officers, including canine units; and

(7) to expand emergency preparedness efforts.

(b) CONDITIONS.—The Secretary of Transportation may not disburse funds to Amtrak under subsection (a) unless the projects are contained in a systemwide security plan approved by the Under Secretary, in consultation with the Secretary of Transportation, and meet the requirements of section 7(e)(2).

(c) EQUITABLE GEOGRAPHIC ALLOCATION.—The Secretary shall ensure that, subject to meeting the highest security needs on Amtrak's entire system, stations and facilities located outside of the Northeast Corridor receive an equitable share of the security funds authorized by this section.

(d) AVAILABILITY OF FUNDS.—There are authorized to be appropriated to the Under Secretary of Homeland Security for Border and Transportation Security $62,500,000 for fiscal year 2005 for the purposes of carrying out this section. Amounts appropriated pursuant to this subsection shall remain available until expended.

SEC. 11. FREIGHT AND PASSENGER RAIL SECURITY UPGRADES.

(a) SECURITY IMPROVEMENT GRANTS.—The Under Secretary of Homeland Security for Border and Transportation Security is authorized to make grants to freight railroads, the Alaska Railroad, hazardous materials shippers, owners of rail cars used in the transportation of hazardous materials, and, through the Secretary of Transportation, to Amtrak, for full or partial reimbursement of costs incurred in the conduct of activities to prevent or respond to acts of terrorism, sabotage, or other intercity passenger rail and freight rail security threats, including—

(1) security and redundancy for critical communications, computer, and train control systems essential for secure rail operations;

(2) accommodation of cargo or passenger screening equipment at the United States-Mexico border or the United States-Canada border;

(3) the security of hazardous material transportation by rail;

(4) secure intercity passenger rail stations, trains, and infrastructure;

(5) structural modification or replacement of pressurized tank cars to improve their resistance to acts of terrorism;

(6) employee security awareness, preparedness, passenger evacuation, and emergency response training;

(7) public security awareness campaigns for passenger train operations; and

(8) other improvements recommended by the report required by section 2, including infrastructure, facilities, and equipment upgrades.

(b) ACCOUNTABILITY.—The Under Secretary shall adopt necessary procedures, including audits, to ensure that grants made under this section are expended in accordance with the purposes of this Act and the priorities and other criteria developed by the Under Secretary.

(c) CONDITIONS.—The Secretary of Transportation may not disburse funds to Amtrak under subsection (a) unless Amtrak meets the conditions set forth in section 10(b) of this Act.

(d) TANK CAR REPLACEMENT INCENTIVE.—A grant under subsection (a)(5) may be for up to 15 percent of the cost of the modification or replacement of a pressurized tank car.

(e) ALLOCATION BETWEEN RAILROADS AND OTHERS.—Unless as a result of the assessment required by section 2 the Under Secretary of Homeland Security for Border and Transportation Security determines that critical rail transportation security needs require reimbursement in greater amounts to any eligible entity, no grants under this section may be made—

(1) in excess of $65,000,000 to Amtrak; or

(2) in excess of $100,000,000 for the purposes described in paragraphs (3) and (4) of subsection (a).

(f) PROCEDURES FOR GRANT AWARD.—The Under Secretary shall prescribe procedures and schedules for the awarding of grants under this title, including application and qualification procedures (including a requirement that the applicant have a security plan), and a record of decision on applicant eligibility. The procedures shall include the execution of a grant agreement between the grant recipient and the Under Secretary. The Under Secretary shall issue a final rule establishing the procedures not later than 90 days after the date of enactment of this Act.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Under Secretary of Homeland Security for Border and Transportation Security $250,000,000 for fiscal year 2005 to carry out the purposes of this section. Amounts appropriated pursuant to this subsection shall remain available until expended.

SEC. 12. DEPARTMENT OF TRANSPORTATION OVERSIGHT.

(a) SECRETARIAL OVERSIGHT.—The Secretary of Transportation may use up to 0.5 percent of amounts made available to Amtrak for capital projects under the Rail Security Act of 2004 to enter into contracts for the review of proposed capital projects and related program management plans and to oversee construction of such projects.

(b) USE OF FUNDS.—The Secretary may use amounts available under subsection (a) of this subsection to make contracts for safety, procurement, management, and financial compliance reviews and audits of a recipient of amounts under subsection (a).

SEC. 13. RAIL SECURITY RESEARCH AND DEVELOPMENT.

(a) ESTABLISHMENT OF RESEARCH AND DEVELOPMENT PROGRAM.—The Under Secretary of Homeland Security for Border and Transportation Security, in conjunction with the Secretary of Transportation, shall carry out a research and development program for the purpose of improving freight and intercity passenger rail security, including research and development projects to—

(1) reduce the vulnerability of passenger trains, stations, and equipment to explosives;

(2) test new emergency response techniques and technologies;

(3) develop improved freight technologies, including—

(A) technologies for sealing rail cars;

(B) automatic inspection of rail cars;

(C) communication-based train controls; and

(D) emergency response training;

(4) test wayside detectors that can detect tampering with railroad equipment; and

(5) support enhanced security for the transportation of hazardous materials by rail, including—

(A) technologies to detect a breach in a tank car and transmit information about the integrity of tank cars to the train crew;

(B) research to improve tank car integrity, with a focus on tank cars that carry toxic-inhalation chemicals; and

(C) techniques to transfer hazardous materials from rail cars that are damaged or otherwise represent an unreasonable risk to human life or public safety.

(b) COORDINATION WITH OTHER RESEARCH INITIATIVES.—The Under Secretary of Homeland Security for Border and Transportation Security shall ensure that the research and development program authorized by this section is coordinated with other research and development initiatives at the Department and the Department of Transportation.

(c) ACCOUNTABILITY.—The Under Secretary of Homeland Security for Border and Transportation Security shall carry out any research and development project authorized by this section through a reimbursable agreement with the Secretary of Transportation if the Secretary of Transportation—

(1) is already sponsoring a research and development project in a similar area; or

(2) has a unique facility or capability the would be useful in carrying out the project.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to appropriated to the Under Secretary of Homeland Security for Border and Transportation Security $50,000,000 in each of fiscal years 2005 and 2006 to carry out the purposes of this section. Amounts appropriated pursuant to this subsection shall remain available until expended.

SEC. 14. WELDED RAIL AND TANK CAR SAFETY IMPROVEMENTS.

(a) TRACK STANDARDS.—Within 90 days after the date of enactment of this Act, the Federal Railroad Administration shall—

(1) require each railroad using continuous welded rail track to include procedures (in its program filed with the Administration) that improve the identification of cracks in rail joint bars;

(2) instruct Administration track inspectors to obtain copies of the most recent continuous welded rail programs of each railroad within the inspectors' areas of responsibility and require that inspectors use those programs when conducting track inspections; and

(3) establish a program to periodically review continuous welded rail joint bar inspection data from railroads and Administration track inspectors and, whenever the Administration determines that it is necessary or appropriate, require railroads to increase the frequency or improve the methods of inspection of joint bars in continuous welded rail.

(b) TANK CAR STANDARDS.—The Federal Railroad Administration shall—

(1) within 1 year after the date of enactment of this Act, validate the predictive model it is developing to quantify the maximum dynamic forces acting on railroad tank cars under accident conditions; and

(2) within 18 months after the date of enactment of this Act, initiate a rulemaking to develop and implement appropriate design standards for pressurized tank cars.

(c) OLDER TANK CAR IMPACT RESISTANCE ANALYSIS AND REPORT.—Within 2 years after the date of enactment of this Act, the Federal Railroad Administration, in coordination with the National Transportation Safety Board, shall—

(1) conduct a comprehensive analysis to determine the impact resistance of the steels in the shells of pressure tank cars constructed before 1989; and

(2) transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure with recommendations for measures to eliminate or mitigate the risk of catastrophic failure.

SEC. 15. NORTHERN BORDER RAIL PASSENGER REPORT.

Within 180 days after the date of enactment of this Act, the Under Secretary of Homeland Security for Border and Transportation Security, in consultation with the heads of other appropriate Federal departments and agencies and the National Railroad Passenger Corporation, shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure that contains—

(1) a description of the current system for screening passengers and baggage on passenger rail service between the United States and Canada;

(2) an assessment of the current program to provide preclearance of airline passengers between the United States and Canada as outlined in ''The Agreement on Air Transport Preclearance between the Government of Canada and the Government of the United States of America'', dated January 18, 2001;

(3) an assessment of the current program to provide preclearance of freight railroad traffic between the United States and Canada as outlined in the ''Declaration of Principle for the Improved Security of Rail Shipments by Canadian National Railway and Canadian Pacific Railway from Canada to the United States'', dated April 2, 2003;

(4) information on progress by the Department of Homeland Security and other Federal agencies towards finalizing a bilateral protocol with Canada that would provide for preclearance of passengers on trains operating between the United States and Canada;

(5) a description of legislative, regulatory, budgetary, or policy barriers within the United States Government to providing pre-screened passenger lists for rail passengers travelling between the United States and Canada to the Department of Homeland Security;

(6) a description of the position of the Government of Canada and relevant Canadian agencies with respect to preclearance of such passengers; and

(7) a draft of any changes in existing Federal law necessary to provide for pre-screening of such passengers and providing pre-screened passenger lists to the Department of Homeland Security.

By Ms. LANDRIEU:

S. 2274. A bill to expand and improve retired pay, burial, education, and other mobilization benefits for members of the National Guard and Reserves who are called or ordered to active duty, and for other purposes; to the Committee on Finance.

Ms. LANDRIEU. Mr. President, I rise to introduce and send to the desk the 21st Century Citizen Soldier Benefits Act which I introduce on behalf of myself.

I thought I would take a moment this afternoon to outline the framework and the context of this bill because it has to do with our Armed Forces. It has to do with a very important component of our Armed Forces, which is our Guard and Reserve units, part of our total force, a very important part of that total force as I hope to outline.

This is an attempt to put before the Senate and the Congress a comprehensive bill—one that I find and I know people in Louisiana across party lines and in very energetic and enthusiastic ways support because the need is so great—to support our men and women in uniform, particularly our Guard and Reserve components.

If the war on terror is teaching us anything—and we are learning some tough lessons each and every day as we move forward through this war—we all know we cannot defend this Nation adequately without the strength provided by our National Guard and Reserves.

Since 9/11 when this country was attacked, the first time in this large measure since the attack on Pearl Harbor many years ago, over 355,000 guardsmen and reservists have been mobilized.

To give a grasp of that number, our Navy today, arguably the most powerful in the world, has 375,000 sailors. So in 2½ years, we have called up almost enough guardsmen and reservists to man every ship in the United States Navy. That is a lot of manpower and a lot of womanpower, and they deserve our very best effort. They are not just backfilling for Active Forces. They are serving on the front lines, as we have seen today how brutal those front lines can be. They are being wounded and killed just like our Active Forces. In fact, 97 of the 600 deaths in Iraq have been Guard and Reserve deaths.

Today 176,000 citizen soldiers wear the uniform full time, and that number, as I will show, is growing exponentially. By May 1, 40 percent of the

troops in Iraq will be members of the National Guard and Reserve. These are men and women who have full-time jobs, who are coaches, small business owners, policemen, firemen, State workers, and waiters and waitresses in our restaurants. They hold many jobs, but they are then called up. They take off their daily dress clothes and put on the uniform and go to the front lines to protect us.

In Louisiana, and I know this is true in Texas, thousands of men and women have been called up.

We have 3,051 reservists on active duty right now. Over 6,000 Louisiana reservists have been activated since 9/11. For many, their activation periods have unfortunately lasted, because of the demand on our troops, sometimes in excess of 18 months to 24 months. The 528th Engineering Battalion from Monroe, LA, recently deployed to Afghanistan, 500 Louisianans on their way serving already. Marine Reserve Company B of Bossier City, 150 Marines have just been put on alert for mobilization. Company B has already been mobilized before.

Last month, the Department of Defense put another 18,000 National Guardsmen on alert status, including 3,800 members from Louisiana's 256th Separate Infantry Brigade. I will be visiting their leaders on Monday, in Lafayette, LA, and be visiting with their families to talk about the separation that is going to occur and how we are doing as a nation, as a State, and as a community, to help them through this difficult time as they help, protect, and give us their very best in this war effort.

The National Guard and Reserve, as I said, make up now 45 percent of our forces. We simply cannot fight without them. Yet as I am going to explain, the benefits, their pensions, their compensation, their GI benefits, their retirement benefits, and even their burial benefits do not match with their level of service and do not match with the contribution they are, in fact, making.

I understand why because when the framework for the Guard and Reserves was initially put together, they were thought of as sort of a backup, as a filler.

They do other things as well other than, of course, fighting wars. They help our States mobilize at times of national and natural disasters. So I am clear, as are many of us, about why initially, as the Guard and Reserve was created and the framework developed, those rules and regulations were put into place back in the 1940s, in the 1960s, and in the 1970s.

In 2004, the times are different. The demands are great and they are meeting this challenge. As a Congress we need to meet them more than halfway.

Nearly 35,000 have been mobilized more than once. Imagine returning from Afghanistan, reuniting with your family, getting your business restarted, getting back into the desk you left before you went to serve, only to be told to get ready because you are leaving in another few months, get ready to ship out again.

We have a retention and recruiting crisis looming on the horizon. I would like to show the number of troops, reservists, who have been called up from 1953 through 1989, through the Berlin crisis of 1961, through the Cuban missile crisis, and the Vietnam war, we called up a total of 199,877, about 200,000, through all of this, three times in 40 years. Since 1990, in the last 14 years, we have called up 634,984—the Persian Gulf war, the intervention in Haiti, Bosnian peacekeeping, Operation Southern Watch, the Kosovo conflict, now our ongoing war on terrorism, which has many fronts, primarily in Afghanistan and in Iraq. That is unprecedented in terms of our recent history.

The question to us should be: Are we doing what we should as we are increasing our military budget substantially? I, for one, have supported each and every increase and almost argued in many instances for more money going to our military. What portion of that increase is going to the Guard and Reserve to make sure their pensions are intact, that when they retire their compensation is fair, that their families are cared for at least at a decent and adequate level while they serve us so magnificently and so beautifully? So we can see we are calling more and more on our Guard and Reserve.

I ask unanimous consent to have printed in the RECORD an excellent article that appeared in the Washington Post in January of this year by Mr. Vernon Loeb, a very excellent staff writer.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 21, 2004]

ARMY RESERVE CHIEF FEARS RETENTION CRISIS

(By Vernon Loeb)

The head of the Army Reserve said yesterday that the 205,000-soldier force must guard against a potential crisis in its ability to retain troops, saying serious problems are being ''masked'' temporarily because reservists are barred from leaving the military while their units are mobilized in Iraq.

Lt. Gen. James R. Helmly said his staff is working on an overhaul of the reserve aimed in part at treating soldiers better and being more honest with them about how long they're likely to be deployed. Helmly said the reserve force bureaucracy bungled the mobilization of soldiers for the war in Iraq, and gave them a ''pipe dream'' instead of honest information about how long they might have to remain there.

''This is the first extended-duration war our Nation has fought with an all-volunteer force,'' said Helmly. ''We must be sensitive to that. And we must apply proactive, preventive measures to prevent a recruiting-retention crisis.''

Helmly said his staff is engaged in an overhaul of the reserve aimed at turning the Army's part-time soldiers into a top-flight fighting force that can handle the strains of the global war on terrorism. In a Pentagon briefing for defense reporters, Helmly outlined an array of planned changes and bluntly described the force he took over in May 2002 as being dominated by bureaucrats who often ignored soldiers' needs.

In a recent memo, Helmly said, he told his subordinates that he was ''really tired of going to see our reserve soldiers [and finding] they're short such simple things as goggles. It's about damn time you listen to your lawyers less and your conscience more. That will probably get me in trouble. But I told them, I want this stuff fixed.''

Reservists in Iraq have long complained about having to spend a year there with inadequate equipment, including a lack of body armor.

Most reservists went to Iraq last year on year-long mobilizations, with a belief that they would be required to spend only 6 months in the country. But they were abruptly informed in September that they would have to spend 12 months in Iraq, pushing the total length of many reservists' mobilizations to 16 months or longer.

Analysts inside and outside the military say these long overseas mobilizations could have the effect of driving reservists out of the military in droves once they begin returning from Iraq over the next several months. After that, the service will lift the ''stop-loss'' provisions that prohibit soldiers from quitting the reserve when their hitches are up.

Helmly said he has not been surprised by such criticism. ''The [Iraq] mobilization was so fraught with friction that it really put a bad taste in a lot of people's mouths,'' he said. ''We had about 10,000 who had less than 5 days' notice that they were going to be mobilized. Then we had about 8,000 who were mobilized, got trained up, and never deployed.''

''No sooner do the statues of Saddam Hussein start tumbling down, then the guidance was, start planning to demobilize everybody,'' Helmly said, only to find in July that a growing insurgency required remobilizing 4,000 to 5,000 of the 8,000 that were initially mobilized but never deployed.

''One lesson I have certainly learned . . . it is imperative that we communicate with our soldiers and their families in advance, and that we not set false expectations,'' Helmly said.

To that end, Helmly said, a ''major order culture change'' is taking place in the reserve so that reservists know, upon joining, that they will be called up to active duty for between 9 and 12 months every 4 to 5 years.

As part of that change, he said, the current total of 2,091 reserve units will be reduced significantly so that every unit—typically a support company of about 150 soldiers—is manned, equipped and ready to go to war, if necessary.

Currently, 226,000 soldiers would be necessary to man all those units. But the Army Reserve is only authorized by Congress to have 205,000 soldiers, Helmly said, and at any given time, only between 160,000 and 175,000 of them are available for mobilization.

''We will in fact inactivate units beginning next year specifically to harvest the strength so we can man fully our remaining units,'' Helmly said, adding that maintenance and ''water support'' units will be reduced in favor of more military police, civil affairs and heavy truck transport detachments.

''I'm often asked by families, how do you know you'll be able to recruit for this force?'' Helmly said. ''There are no knowns; we're treading new virgin territory here. But most of our people will respond well to the initiatives we're putting forward. They don't wish to be part of a second-class team.''

Ms. LANDRIEU. According to this reporter:

The head of the Army Reserve said yesterday that the 205,000-soldier force must guard against a potential crisis in its ability to retain troops, saying serious problems are being ''masked'' temporarily because reservists are barred from leaving the military while their units are mobilized in Iraq.

He goes on to say:

Lieutenant General Helmly told his subordinates that he was ''really tired of going to see our reserve soldiers [and finding] they're short such simple things as goggles. It's about damn time you listen to your lawyers less and your conscience more. They will probably get me in trouble. But I told them, I want this stuff fixed.''

Not only are these men and women being called up in unprecedented numbers, not only are they being prevented from leaving, which is masking a potential readiness crisis, but they are also not being provided with some of the basic tools, equipment, and body armor that they need to protect themselves; therefore, contributing to a state of unease.

Not that these guardsmen and reservists are not patriotic, not that they would not walk across hot coals, and in many instances they do every day to protect us, but we should at least be able to take these modest steps to make sure we are strengthening them and honoring their service to us.

The operations in Iraq, Afghanistan, and Kosovo are ongoing, with no end in sight. We do not know if emergent threats around the world will become real and embroil us in yet other military operations, partially because our Active Forces are stretched so thin we need to call up our Guard and Reserve, and yet because of this we could face a retention crisis.

As I said, the deployments are lengthy, the benefits and legal protections are not sufficient in many instances, and the equipment is lacking. So let us hope we can take steps through this legislation and others to fix this situation.

I hope the bill I offer today and sponsor today—and I look forward to many cosponsors joining on this bill—will improve the Guard and Reserve benefits, and legal protections. As I said, we are calling it the 21st Century Citizen Soldier Benefit Act.

We have had two major changes or improvements to the Guard and Reserve framework, one in 1940 and one in 1994. It is time, 10 years later, this year, 2004, with the unprecedented nature of their service, to step up this framework of support for our Guard and Reserve. It is time for Congress, in my opinion, to take a comprehensive look at the benefits and protections afforded to the members of the Guard and Reserve.

We have not done so since 1994. It is time that we do this. My bill does it in several ways.

First, we call for equal benefits for equal service in the area of burial benefits, for activated Guard and Reserve should be the same as Active Duty. Guardsmen and Reservists cannot be buried in national cemeteries unless they are killed in action. Think about that. A man or a woman serves not just for 6 months, but maybe 2 years, comes home, is called back to go again, dodges the bullets, gets past the landmines, perhaps is seriously injured but escapes unscathed and comes home after serving valiantly, and then is denied burial benefits because they were not ''killed in action.'' I think because of what they have done, it is time for us to give them the right opportunities for burial in our national cemeteries if they are serving the time that our Active Duty serve, with all the dignity that they would deserve in such a situation.

The bill does not authorize every member of the Guard and Reserve to these burial rights, but it is inconceivable why someone who fought overseas for our Nation cannot be buried with his or her comrades simply because one soldier was in the Reserve and one soldier was active—fighting side by side, same foxhole, same patrol, same landmine but yet not the same burial ground.

No. 2, we hope in this bill that guardsmen and reservists activated for 2 years should have active duty GI bill benefits—the GI bill, which is probably one of the best pieces of legislation this Congress has ever passed, it is referred to hundreds of time in speeches on and off the floor, and is one of the bills Americans generally know about, quote, and can say what it does. It has enabled millions of American troops to enroll in college when they returned from World War II. The GI bill created a bedrock of middle-class Americans. It was one of the cornerstones that helped us build the middle class, and it ushered in 50 years of unprecedented economic growth. Why? Because when people get good training and good education, their earning potential goes up and the contribution they can make to their community rises in a significant way.

Today, members of the Active-Duty Forces receive more in GI benefits than the Guard and Reserve personnel, and if the Guard and Reserve personnel weren't contributing in equal ways to our active duty, I would not be here arguing for them, but they are contributing in equal ways, putting their lives in danger. Our bill will allow them to participate more equally in the GI benefits.

The third part of this bill would seek to create parity between Reserve components and Active Duty in terms of their retirement age. Right now, Active Duty can leave the military once they serve 20 years. We think that is a great benefit. It is one of the attractions to the military service. Many of our military men and women serve honorably for 20 years and then retire to go off and have yet a second and third career, as lifespans continue to increase. We are proud of that. We believe and know they contribute in many ways even past their service.

But Guard and Reserve today cannot collect retirement until 60 years of age. This bill would reduce it to 55 years and end what is an unjust situation and help them. Hopefully it will address part of this retention issue by making these benefits more generous.

The fourth and I think one of the most important issues this bill seeks to address is ending the pay gap faced by guardsmen and reservists. Mr. President, I don't know if in Texas you have had a lot of people complain to you about this, but I sure have had people in Louisiana come up and say to me, Senator, I can't possibly understand how we would ask someone to put on their uniform, go to Iraq, and take a 40-percent, 30-percent, or 20-percent cut in pay, to put their life on the line while we enjoy all the benefits staying home here in a safe place here on the homefront. It is not that we have not had challenges right here on the homefront, but not to the same degree and intensity as we are finding on the front lines of the battlefield.

Yet the fact is, because there is no tax credit in our law right now and because it is not mandatory for employers—or the Federal Government, I might add, which is something Senator DURBIN and I have worked very hard on together—to maintain their salaries at the level before they leave, some of these guardsmen and reservists are actually taking a 30-percent or 40-percent cut in pay to serve us and to keep us safe. That means while they are making the sacrifice on the battlefield, which many of these men and women are willing to make, we are asking their spouses and their children to give up the car, sell the house, give up their college fund, and it is simply not fair in a country that has the resources we have. In this Congress we want to give tax credits to everybody in the world for everything under the sun. I don't know how we can't find the few hundreds of millions of dollars that it would take to give this tax credit to allow people to serve in the Guard and Reserve and just maintain their salary level while they serve so it doesn't put their families in jeopardy.

I am going to go visit our troops in Lafayette on Monday. I know the community comes together. I know the women, many of them, join together for bake sales and help out and pay each other's car payments. Sometimes the community pulls together to pay the mortgage on the house. I think that is wonderful and it is the good old American spirit. But I don't know if it is necessary, not when we are giving out tax credits to companies that are taking jobs overseas, not when we are giving out tax credits to people who make millions and are not putting on the uniform. The least we can do is help our businesses to write off what they would have as a voluntary compensation package to maintain this salary level for the men and women serving overseas to minimize the sacrifice made by their families here at home. It would also require the Federal Government to step up to the plate

and, as one of the largest employers in the Nation, to make sure those salaries are compensated.

Let me share stories, one or two, from these families. There was an April 22, 2003 article from USA Today that I will ask unanimous consent to have printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From USA Today, Apr. 22, 2003]

RESERVISTS UNDER ECONOMIC FIRE

WASHINGTON.—Drastic pay cuts. Bankruptcy. Foreclosed homes. They aren't exactly the kind of challenges that members of America's military reserves signed up for when they volunteered to serve their country.

But for many, the biggest threat to the home front isn't Saddam Hussein or Osama bin Laden. It's the bill collector.

Four in 10 members of the National Guard or reserves lose money when they leave their civilian jobs for active duty, according to a Pentagon survey taken in 2000. Of 1.2 million members, 223,000 are on active duty around the world.

Concern is growing in Congress, and several lawmakers in both parties have introduced legislation to ease the families' burden.

Janet Wright says she ''sat down and cried'' when she realized how little money she and her children, Adelia, 5, and Carolyn, 2, would have to live on when her husband was sent to the Middle East. In his civilian job with an environmental cleanup company, Russell Wright makes $60,000 a year—twice what he'll be paid as a sergeant in the Marine Forces Reserve. Back in Hammond, La., his wife, who doesn't have a paying job, is pouring the kids more water and less milk. She is trying to accelerate Carolyn's potty training schedule to save on diapers.

She doesn't know how long she'll have to pinch pennies. Like his fellow reservists, Russell Wright has been called up for one year. He could be sent home sooner, or the military could exercise its option to extend his tour of duty for a second year. Even so, Janet Wright considers her family lucky: She can still pay the mortgage, and the children's pediatrician accepts Tricare, the military health plan.

Ray Korizon, a 23-year veteran with the Air Force Reserve and an employee of the Federal Aviation Administration, says his income will also be cut in half if his unit ships out. Korizon, who lives in Schaumburg, Ill., knows the financial costs of doing his patriotic duty from bitter experience. Before the Persian Gulf War in 1991, he owned a Chicago construction company with 26 employees. He was sent overseas for six months and lost the business.

Still, he never considered leaving the reserve. Korizon says he enjoys the work and the camaraderie. But he worries about whether his two kids can continue to see the same doctor when he shifts to military health coverage. ''It's hard to go out and do the job you want to do when you're worried about things back home,'' he says.

Once regarded as ''weekend warriors,'' they have become an integral part of U.S. battle plans. Call-ups have been longer and more frequent.

''The last time you'd see this type of mobilization activity was during World War II,'' says Maj. Charles Kohler of the Maryland National Guard. Of the Maryland Guard's 8,000 members, 3,500 are on active duty. Kohler knows several who are in serious financial trouble. One had to file for bankruptcy after a yearlong deployment, during which his take-home pay fell by two-thirds.

Stories like that are the result of a shift in military policy. Since the end of the Cold War, the ranks of the full-time military have been reduced by one-third. The Pentagon has increasingly relied on the nation's part-time soldiers. More than 525,000 members of the Guards and reserves have been mobilized in the 12 years since the Persian Gulf War. For the previous 36 years, the figure was 199,877.

The end of fighting in Iraq isn't likely to lessen the pressure on the Guard and reserves. They'll stay on with the regular military in a peacekeeping role. Nobody knows how long, but in Bosnia, Guard members and reservists are on duty seven years after the mission began.

Korizon, who maintains avionics systems on C–130 cargo planes, has been told his Milwaukee-based reserve unit may be called up for humanitarian missions.

Some of the specialists who are in the greatest demand—physicians and experts in biological and chemical agents—command six-figure salaries in civilian life. The average pay for a midlevel officer is $50,000 to $55,000.

''They were prepared to be called up. They were prepared to serve their country,'' Sen. Barbara Mikulski, D-Md., says. ''They were not prepared to be part of a regular force and be away from home 200 to 300 days a year.''

Concerns are growing on Capitol Hill. As the nation's reliance on the Guard and reserves has increased, ''funding for training and benefits simply have not kept up,'' says Republican Sen. Saxby Chambliss of Georgia, a member of the Armed Services Committee.

The General Accounting Office, Congress' auditing arm, is studying pay and benefits for Guard members and reservists. A report is due in September. Meanwhile, members of Congress are pushing several bills to ease the burden:

Closing the pay gap. Some employers make up the difference in salary for reservists on active duty. But many, including the federal government, do not. A bill sponsored by Democratic Sens. Mikulski, Dick Durbin of Illinois and Mary Landrieu of Louisiana would require the federal government to make up lost pay. Landrieu is doing that for one legislative aide who has been called up for active duty.

She has also introduced a bill to give private employers a 50% tax credit if they subsidize reservists' salaries.

Closing the health gap. Once on active duty, reservists, Guard members and their families are covered by Tricare.

But for the 75% of reserve and Guard families living more than 50 miles from military treatment facilities, finding physicians who participate in Tricare can be difficult.

A measure sponsored by Sen. Mike DeWine, a Republican from Ohio, would give reservists and Guard members the option of making Tricare their regular insurer or having the federal government pay premiums for their civilian health insurance while they are on active duty. Several senior Democrats, including Senate Minority Leader Tom Daschle of South Dakota and Sen. Edward Kennedy of Massachusetts, support the idea.

Keeping creditors at bay. The Soldiers and Sailors Relief Act caps interest rates on mortgages, car payments and other debts owed by military personnel at 6% while they are on active duty. But Sen. Lindsey Graham, a South Carolina Republican who is the Senate's only reservist, says the act doesn't apply to debts that are held in the name of a spouse who is not a member of the military. He plans to introduce legislation to cover spouses.

Despite a groundswell of support for troops, none of the bills is assured of passage. There's concern among some administration officials about the cost of some of the proposals. In addition, some at the Pentagon think morale would be hurt if some reservists end up with higher incomes than their counterparts in the regular ranks.

Ms. LANDRIEU. It starts:

Drastic pay cuts. Bankruptcy. Foreclosed homes. They aren't exactly the kind of challenges that members of America's military reserves signed up for when they volunteered to serve their country. But for many, the biggest threat to the home front isn't Saddam Hussein or Osama bin Laden. It's the bill collector.

And that is a shame. I think the two enemies mentioned before the bill collector are people we need to actually be focusing our attention on, bringing them to justice in one case and finding them in the other. I don't think our troops need to be worried about bill collectors back home, but that is the position we have them in because we have not acted, will not act, refuse to act in the face of giving everybody else tax credits, but we can't seem to find room in the budget for these 634,000 of our bravest.

I want to say for the record, in Louisiana, Janet Wright's husband Russell is in the Marine Reserves. He made $60,000 a year. Russell was activated. He will only make $30,000. Mrs. Wright says she started putting water in her children's cereal and hopes her daughter can be quickly potty trained to save on diapers. Mrs. Wright has to count every penny.

This family is from Hammond, LA. I just don't think this is right. I think we can do something about it, and this bill attempts to do that. A 50-percent tax credit to those employers to continue to pay their salaries to fill this pay gap is part of this bill.

One other point of the bill, and then a short conclusion. We put a cap on interest rates. Many of us have loans out for a variety of different purposes—automobiles, perhaps some business loans that have been made for our businesses, obviously mortgages. We put in an interest rate cap so when you are deployed, you don't have to pay more than a 6-percent rate. When rates were 20 percent and 25 percent, that made a lot of sense and it was a great benefit. But as rates are relatively low today, this bill would make a modest change to either have it at 6 percent or prime plus 1. Again, it is not a huge amount of money, but it could potentially save a family a few hundred dollars a year. It is the least we can do as part of trying to help them make ends meet while their primary breadwinner in most cases is the one deployed.

As Congress works to best give our military the tools they need to succeed in the 21st century, we must reinforce and increase the benefits and protections for our Reserves. We have asked so much of them, and they have met every challenge with excellence. As we saw unfolding on our television screens yesterday and today, we couldn't ask them to do more. The least we can do is to look at the package of benefits,

upgrade it where we can, make sacrifices in other areas of our budget, and fund them first. They are the ones who are protecting us at this time. When we can provide greater legal protections to ease the stress on the homefront, we must, when and where we can. Failure to act will just exacerbate retention challenges. It will undermine our efforts to succeed in our war on terror.

I introduce this bill today. I hope we can have a speedy hearing.

I ask my colleagues to join me in sponsoring this bill so we can have a great bipartisan effort. There are many other things we can so the Guard and Reserve really know we appreciate them, because we just do not take pictures with them but we actually put them in our budget.

I yield the floor.

By Ms. MIKULSKI (for herself, Mr. SPECTER, Mrs. MURRAY, Mrs. CLINTON, Ms. LANDRIEU, Mr. SCHUMER, Mr. LIEBERMAN, Mr. DASCHLE, and Mr. DAYTON):

S. 2275. A bill to amend the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.) to provide for homeland security assistance for high-risk nonprofit organizations, and for other purposes; to the Committee on Governmental Affairs.

Ms. MIKULSKI. Mr. President, today I rise on behalf of myself and Senators SPECTER, MURRAY, CLINTON, LANDRIEU, DAYTON, SCHUMER, DASCHLE and LIEBERMAN, to introduce the High-Risk Non-Profit Security and Safety Enhancement Act of 2004. This bill provides homeland security assistance for high-risk non-profits to protect them against foreign terrorist attacks. This legislation is critical to help protect the ''soft targets'' of terrorism all over the United States.

We are all aware of recent terrorist attacks in the United States, Spain, Germany, Iraq, Tunisia, Kenya, Morocco and Turkey. These attacks by Al Qaeda on an international Red Cross building, synagogues, train stations, hotels, airports, restaurants, night clubs, and cultural centers, show its willingness to attack ''soft targets'' of all types in order to conduct its campaign of terror.

I want to make sure that our communities are protected and the buildings where citizens live, learn and work are as secure as possible to safeguard American lives from a potential terrorist attack. Local communities are on the front lines in our war against terrorism. This Congress must do its share to make sure that they do not have to bear the full cost of this war. This bill helps us do that by providing funds for security enhancements in buildings that Americans visit everyday and by providing local law enforcement with added support for the costs they incur in helping to guard these local buildings and community centers.

Specifically, this legislation will provide up to $100 million in assistance to 501(c)(3) organizations demonstrating a high risk of terrorist attack based upon very specific standards. Organizations wishing to receive security enhancements under this Act must demonstrate that they have experienced specific threats by international terrorist organizations, there were prior attacks against similarly situated organizations, there is vulnerability of the specific site, the symbolic value of the site as a highly recognized American Institution, or that they have a specific role in responding to terrorist attacks.

This bill allows the Department of Homeland Security to contract for security enhancements to help these high-risk non-profit organizations. These funds can only be used for security enhancements, such as concrete barriers, and ''hardening'' of windows and doors, as well as technical assistance to assess needs, develop plans, and train personnel. Funding under this Act can never be used for enhancements that would only be reasonably necessary to protect from neighborhood crime.

This bill also helps our vital first responders, those who are on the frontline everyday helping to protect these ''soft targets.'' These men and women have the responsibility for protecting institutions against the possibility of terrorist attack, while they are also responding to the public safety needs of the entire community. By authorizing $50 million in grant funds for local police departments, this bill provides real relief to local law enforcement who bear the growing costs associated with providing heightened security to high-risk non-profits.

As a Nation our priority in fighting the war on terror is to be able to better detect, prevent and respond to acts of terrorism. This bill gets us one step closer to meeting those goals by helping vulnerable targets better detect and prevent terrorist attacks and by making sure that if terror strikes one of these facilities, security and safety measures are in place to protect the lives of those inside and around these buildings.

Nothing the Senate does is more important than providing America security and Americans safety. I urge my colleagues to support this legislation because it does exactly that. It makes sure that there is added security for these ''soft targets'' that Americans visit everyday and it adds funding to support the local police, fire and rescue workers who are the first responders when there is a threat to one of these organizations. In the battle to protect our Nation from terrorist attacks, we must be sure to provide assistance to these high-risk non-profit organizations that provide vital health, social, cultural, and educational services to the American people.

I know others share my concerns about protecting these ''soft targets'' in our war against terrorism and that is why the United Jewish Communities, the American Red Cross, United Way, the American Hospital Association, the American Association of Museums, the National Association of Independent Colleges and Universities (NAICU), American Jewish Congress, the Theatre Communications Group, and the YMCA of the USA are all united in supporting this legislation.

This bill not only supports homeland security, it supports hometown security, making our communities stronger and safer, and I encourage my colleagues to join me in supporting this legislation and ask unanimous consent to print in the RECORD a letter from organizations supporting this effort and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COALITION FOR THE HIGH-RISK NON-PROFIT SECURITY ENHANCEMENT ACT OF 2004, MARCH 29, 2004.

DEAR MEMBER OF CONGRESS: Before the recess—We are requesting that you sign-on as a co-sponsor of the High-Risk Non-Profit Security Enhancement Act of 2004, legislation to provide for homeland security assistance for high-risk non-profits to protect them against foreign terrorist attacks. The legislative language is attached to this e-mail.

As leaders of our nation's non-profit sector, we firmly believe there is a compelling public interest in protecting high-risk non-profit institutions from terrorist attacks that would disrupt the vital health, social, educational and spiritual services they provide to the American people, and threaten the lives and well-being of American citizens who operate, utilize, and live or work in proximity to such institutions.

The risk to such institutions since 9/11 is clear. Al Qaeda's willingness to attack targets of all types has been made readily apparent with attacks in the United States, Spain, Germany, Iraq, Tunisia, Kenya, Morocco, and Turkey, including an international Red Cross building, synagogues, train stations, hotels, airports, restaurants, night clubs, and cultural centers.

This legislation would authorize the Secretary of Homeland Security to make available in FY 2005 up to $100 million in assistance to 501(c)(3) organizations demonstrating a high risk of terrorist attack based upon: specific threats of international terrorist organizations, prior attacks against similarly situated organizations; the vulnerability of the specific site; the symbolic value of the site as a highly recognized American institution; or the role of the institution in responding to terrorist attacks. Federal loan guarantees would also be available to make loans accessible on favorable terms. Funds would be allocated by a new office in the Department of Homeland Security dedicated to working with high-risk non-profits nationwide.

The authorized amount of grants—$100 million—is a fraction of the assessed needs of high-risk non-profits, which is well in excess of $1 billion. However, in view of current budgetary constraints, supporters of this legislation have proposed a modest level of Federal assistance.

Applicant organizations would submit requests to state homeland security authorities that would identify and prioritize high-risk institutions. Qualifying requests would be forwarded to the Secretary of Homeland Security who would allocate resources based on risk—maximizing the number of institutions receiving security enhancements and technical assistance. Payments would be made directly to contractors.

Security enhancements would include items directly related to the international terrorist threat, such as concrete barriers, and ''hardening'' of windows and doors, as well as technical assistance to assess needs, develop plans, and train personnel. Funds could not be used for security equipment that would reasonably be necessary for protection from neighborhood crime.

The bill also authorizes $50 million for local police departments to provide additional security in areas where there is a high concentration of high-risk non-profits.

Sincerely,

American Association of Museums.
American Association of Homes and Services for the aging.
American Hospital Association.
American Jewish Congress.
American Red Cross.
American Society of Association Executives.
American Symphony Orchestra League.
Association of Art Museum Directors.
Jewish United Fund/Jewish Federation of Metropolitan Chicago.
National Assembly of Health and Human Services Organizations.
National Association of Independent Colleges and Universities.
Theatre Communications Group.
UJA Federation of New York.
Union of Orthodox Jewish Congregations.
United Synagogue of Conservative Judaism.
United Way of America.
YMCA of the USA.

S. 2275

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''High Risk Nonprofit Security Enhancement Act of 2004''.

SEC. 2. FINDING.

Congress finds that there is a public interest in protecting high-risk nonprofit organizations from international terrorist attacks that would disrupt the vital services such organizations provide to the people of the United States and threaten the lives and well-being of United States citizens who operate, utilize, and live or work in proximity to such organizations.

SEC. 3. PURPOSES.

The purposes of this Act are to—

(1) establish within the Department of Homeland Security a program to protect United States citizens at or near high-risk nonprofit organizations from international terrorist attacks through loan guarantees and Federal contracts for security enhancements and technical assistance;

(2) establish a program within the Department of Homeland Security to provide grants to local governments to assist with incremental costs associated with law enforcement in areas in which there are a high concentration of high-risk nonprofit organizations vulnerable to international terrorist attacks; and

(3) establish an Office of Community Relations and Civic Affairs within the Department of Homeland Security to focus on security needs of high-risk nonprofit organizations with respect to international terrorist threats.

SEC. 4. AUTHORITY TO ENTER INTO CONTRACTS AND ISSUE FEDERAL LOAN GUARANTEES.

The Homeland Security Act of 2002 (6 U.S.C. 101 et seq.) is amended by adding at the end the following:

''TITLE XVIII—PROTECTION OF CITIZENS AT HIGH-RISK NONPROFIT ORGANIZATIONS

''SEC. 1801. DEFINITIONS.

''In this title:

''(1) CONTRACT.—The term 'contract' means a contract between the Federal Government and a contractor selected from the list of certified contractors to perform security enhancements or provide technical assistance approved by the Secretary under this title.

''(2) FAVORABLE REPAYMENT TERMS.—The term 'favorable repayment terms' means the repayment terms of loans offered to nonprofit organizations under this title that—

''(A) are determined by the Secretary, in consultation with the Secretary of the Treasury, to be favorable under current market conditions;

''(B) have interest rates at least 1 full percentage point below the market rate; and

''(C) provide for repayment over a term not less than 25 years.

''(3) NONPROFIT ORGANIZATION.—The term 'nonprofit organization' means an organization that—

''(A) is described under section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; and

''(B) is designated by the Secretary under section 1803(a).

''(4) SECURITY ENHANCEMENTS.—The term 'security enhancements'—

''(A) means the purchase and installation of security equipment in real property (including buildings and improvements), owned or leased by a nonprofit organization, specifically in response to the risk of attack at a nonprofit organization by an international terrorist organization;

''(B) includes software security measures; and

''(C) does not include enhancements that would otherwise have been reasonably necessary due to nonterrorist threats.

''(5) TECHNICAL ASSISTANCE.—The term 'technical assistance'—

''(A) means guidance, assessment, recommendations, and any other provision of information or expertise which assists nonprofit organizations in—

''(i) identifying security needs;

''(ii) purchasing and installing security enhancements;

''(iii) training employees to use and maintain security enhancements; or

''(iv) training employees to recognize and respond to international terrorist threats; and

''(B) does not include technical assistance that would otherwise have been reasonably necessary due to nonterrorist threats.

''SEC. 1802. AUTHORITY TO ENTER INTO CONTRACTS AND ISSUE FEDERAL LOAN GUARANTEES.

''(a) IN GENERAL.—The Secretary may—

''(1) enter into contracts with certified contractors for security enhancements and technical assistance for nonprofit organizations; and

''(2) issue Federal loan guarantees to financial institutions in connection with loans made by such institutions to nonprofit organizations for security enhancements and technical assistance.

''(b) LOANS.—The Secretary may guarantee loans under this title—

''(1) only to the extent provided for in advance by appropriations Acts; and

''(2) only to the extent such loans have favorable repayment terms.

''SEC. 1803. ELIGIBILITY CRITERIA.

''(a) IN GENERAL.—The Secretary shall designate nonprofit organizations as high-risk nonprofit organizations eligible for contracts or loans under this title based on the vulnerability of the specific site of the nonprofit organization to international terrorist attacks.

''(b) VULNERABILITY DETERMINATION.—In determining vulnerability to international terrorist attacks and eligibility for security enhancements or technical assistance under this title, the Secretary shall consider—

''(1) threats of international terrorist organizations (as designated by the State Department) against any group of United States citizens who operate or are the principal beneficiaries or users of the nonprofit organization;

''(2) prior attacks, within or outside the United States, by international terrorist organizations against the nonprofit organization or entities associated with or similarly situated as the nonprofit organization;

''(3) the symbolic value of the site as a highly recognized United States cultural or historical institution that renders the site a possible target of international terrorism;

''(4) the role of the nonprofit organization in responding to international terrorist attacks; and

''(5) any recommendations of the applicable State Homeland Security Authority established under section 1806 or Federal, State, and local law enforcement authorities.

''(c) DOCUMENTATION.—In order to be eligible for security enhancements, technical assistance or loan guarantees under this title, the nonprofit organization shall provide the Secretary with documentation that—

''(1) the nonprofit organization hosted a gathering of at least 100 or more persons at least once each month at the nonprofit organization site during the preceding 12 months; or

''(2) the nonprofit organization provides services to at least 500 persons each year at the nonprofit organization site.

''(d) TECHNICAL ASSISTANCE ORGANIZATIONS.—If 2 or more nonprofit organizations establish another nonprofit organization to provide technical assistance, that established organization shall be eligible to receive security enhancements and technical assistance under this title based upon the collective risk of the nonprofit organizations it serves.

''SEC. 1804. USE OF LOAN GUARANTEES.

''Funds borrowed from lending institutions, which are guaranteed by the Federal Government under this title, may be used for technical assistance and security enhancements.

''SEC. 1805. NONPROFIT ORGANIZATION APPLICATIONS.

''(a) IN GENERAL.—A nonprofit organization desiring assistance under this title shall submit a separate application for each specific site needing security enhancements or technical assistance.

''(b) CONTENT.—Each application shall include—

''(1) a detailed request for security enhancements and technical assistance, from a list of approved enhancements and assistance issued by the Secretary under this title;

''(2) a description of the intended uses of funds to be borrowed under Federal loan guarantees; and

''(3) such other information as the Secretary shall require.

''(c) JOINT APPLICATION.—Two or more nonprofit organizations located on contiguous sites may submit a joint application.

''SEC. 1806. REVIEW BY STATE HOMELAND SECURITY AUTHORITIES.

''(a) ESTABLISHMENT OF STATE HOMELAND SECURITY AUTHORITIES.—In accordance with regulations prescribed by the Secretary, each State may establish a State Homeland Security Authority to carry out this title.

''(b) APPLICATIONS.—

''(1) SUBMISSION.—Applications shall be submitted to the applicable State Homeland Security Authority.

''(2) EVALUATION.—After consultation with Federal, State, and local law enforcement

authorities, the State Homeland Security Authority shall evaluate all applications using the criteria under section 1803 and transmit all qualifying applications to the Secretary ranked by severity of risk of international terrorist attack.

''(3) APPEAL.—An applicant may appeal the finding that an application is not a qualifying application to the Secretary under procedures that the Secretary shall issue by regulation not later than 90 days after the date of enactment of this title.

''SEC. 1807. SECURITY ENHANCEMENT AND TECHNICAL ASSISTANCE CONTRACTS AND LOAN GUARANTEES.

''(a) IN GENERAL.—Upon receipt of the applications, the Secretary shall select applications for execution of security enhancement and technical assistance contracts, or issuance of loan guarantees, giving preference to the nonprofit organizations determined to be at greatest risk of international terrorist attack based on criteria under section 1803.

''(b) SECURITY ENHANCEMENTS AND TECHNICAL ASSISTANCE; FOLLOWED BY LOAN GUARANTEES.—The Secretary shall execute security enhancement and technical assistance contracts for the highest priority applicants until available funds are expended, after which loan guarantees shall be made available for additional applicants determined to be at high risk, up to the authorized amount of loan guarantees. The Secretary may provide with respect to a single application a combination of such contracts and loan guarantees.

''(c) JOINT APPLICATIONS.—Special preference shall be given to joint applications submitted on behalf of multiple nonprofit organizations located in contiguous settings.

''(d) MAXIMIZING AVAILABLE FUNDS.—Subject to subsection (b), the Secretary shall execute security enhancement and technical assistance contracts in such amounts as to maximize the number of high-risk applicants nationwide receiving assistance under this title.

''(e) APPLICANT NOTIFICATION.—Upon selecting a nonprofit organization for assistance under this title, the Secretary shall notify the nonprofit organization that the Federal Government is prepared to enter into a contract with certified contractors to install specified security enhancements or provide specified technical assistance at the site of the nonprofit organization.

''(f) CERTIFIED CONTRACTORS.—

''(1) IN GENERAL.—Upon receiving a notification under subsection (e), the nonprofit organization shall select a certified contractor to perform the specified security enhancements, from a list of certified contractors issued and maintained by the Secretary under subsection (j).

''(2) LIST.—The list referred to in paragraph (1) shall be comprised of contractors selected on the basis of—

''(A) technical expertise;

''(B) performance record including quality and timeliness of work performed;

''(C) adequacy of employee criminal background checks; and

''(D) price competitiveness.

''(3) OTHER CERTIFIED CONTRACTORS.—The Secretary shall include on the list of certified contractors additional contractors selected by senior officials at State Homeland Security Authorities and the chief executives of county and other local jurisdictions. Such additional certified contractors shall be selected on the basis of the criteria under paragraph (2).

''(g) ENSURING THE AVAILABILITY OF CONTRACTORS.—If the list of certified contractors under this section does not include any contractors who can begin work on the security enhancements or technical assistance within 60 days after applicant notification, the nonprofit organization may submit a contractor not currently on the list to the Secretary for the Secretary's review. If the Secretary does not include the submitted contractor on the list of certified contractors within 60 days after the submission and does not place an alternative contractor on the list within the same time period (who would be available to begin the specified work within that 60-day period), the Secretary shall immediately place the submitted contractor on the list of certified contractors and such contractor shall remain on such list until—

''(1) the specified work is completed; or

''(2) the Secretary can show cause why such contractor may not retain certification, with such determinations subject to review by the Comptroller General of the United States.

''(h) CONTRACTS.—Upon selecting a certified contractor to provide security enhancements and technical assistance approved by the Secretary under this title, the nonprofit organization shall notify the Secretary of such selection. The Secretary shall deliver a contract to such contractor within 10 business days after such notification.

''(i) CONTRACTS FOR ADDITIONAL WORK OR UPGRADES.—A nonprofit organization, using its own funds, may enter into an additional contract with the certified contractor, for additional or upgraded security enhancements or technical assistance. Such additional contracts shall be separate contracts between the nonprofit organization and the contractor.

''(j) EXPEDITING ASSISTANCE.—In order to expedite assistance to nonprofit organizations, the Secretary shall—

''(1) compile a list of approved technical assistance and security enhancement activities within 45 days after the date of enactment of this title;

''(2) publish in the Federal Register within 60 days after such date of enactment a request for contractors to submit applications to be placed on the list of certified contractors under this section;

''(3) after consultation with the Secretary of the Treasury, publish in the Federal Register within 60 days after such date of enactment, prescribe regulations setting forth the conditions under which loan guarantees shall be issued under this title, including application procedures, expeditious review of applications, underwriting criteria, assignment of loan guarantees, modifications, commercial validity, defaults, and fees; and

''(4) publish in the Federal Register within 120 days after such date of enactment (and every 30 days thereafter) a list of certified contractors, including those selected by State Homeland Security Authorities, county, and local officials, with coverage of all 50 States, the District of Columbia, and the territories.

''SEC. 1808. LOCAL LAW ENFORCEMENT ASSISTANCE GRANTS.

''(a) IN GENERAL.—The Secretary may provide grants to units of local government to offset incremental costs associated with law enforcement in areas where there is a high concentration of nonprofit organizations.

''(b) USE.—Grant funds received under this section may be used only for personnel costs or for equipment needs specifically related to such incremental costs.

''(c) MAXIMIZATION OF IMPACT.—The Secretary shall award grants in such amounts as to maximize the impact of available funds in protecting nonprofit organizations nationwide from international terrorist attacks.

''SEC. 1809. OFFICE OF COMMUNITY RELATIONS AND CIVIC AFFAIRS.

''(a) IN GENERAL.—There is established within the Department, the Office of Community Relations and Civic Affairs to administer grant programs for nonprofit organizations and local law enforcement assistance.

''(b) ADDITIONAL RESPONSIBILITIES.—The Office of Community Relations and Civic Affairs shall—

''(1) coordinate community relations efforts of the Department;

''(2) serve as the official liaison of the Secretary to the nonprofit, human and social services, and faith-based communities; and

''(3) assist in coordinating the needs of those communities with the Citizen Corps program.

''SEC. 1810. AUTHORIZATION OF APPROPRIATIONS AND LOAN GUARANTEES.

''(a) NONPROFIT ORGANIZATIONS PROGRAM.—There are authorized to be appropriated to the Department to carry out the nonprofit organization program under this title, $100,000,000 for fiscal year 2005 and such sums as may be necessary for fiscal years 2006 and 2007.

''(b) LOCAL LAW ENFORCEMENT ASSISTANCE GRANTS.—There are authorized to be appropriated to the Department for local law enforcement assistance grants under section 1808, $50,000,000 for fiscal year 2005 and such sums as may be necessary for fiscal years 2006 and 2007.

''(c) OFFICE OF COMMUNITY RELATIONS AND CIVIC AFFAIRS.—There are authorized to be appropriated to the Department for the Office of Community Relations and Civic Affairs under section 1809, $5,000,000 for fiscal year 2005 and such sums as may be necessary for fiscal years 2006 and 2007.

''(d) LOAN GUARANTEES.—

''(1) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated in each of fiscal years 2005, 2006, and 2007, such amounts as may be required under the Federal Credit Act with respect to Federal loan guarantees authorized by this title, which shall remain available until expended.

''(2) LIMITATION.—The aggregate value of all loans for which loan guarantees are issued under this title by the Secretary may not exceed $250,000,000 in each of fiscal years 2005, 2006, and 2007.''.

SEC. 5. TECHNICAL AND CONFORMING AMENDMENT.

The table of contents under section 1(b) of the Homeland Security Act of 2002 (6 U.S.C. 101(b)) is amended by adding at the end the following:

''TITLE XVIII—PROTECTION OF CITIZENS AT HIGH-RISK NONPROFIT ORGANIZATIONS

''Sec. 1801. Definitions.
''Sec. 1802. Authority to enter into contracts and issue Federal loan guarantees.
''Sec. 1803. Eligibility criteria.
''Sec. 1804. Use of loan guarantees.
''Sec. 1805. Nonprofit organization applications.
''Sec. 1806. Review by State Homeland Security Authorities.
''Sec. 1807. Security enhancement and technical assistance contracts and loan guarantees.
''Sec. 1808. Local law enforcement assistance grants.
''Sec. 1809. Office of Community Relations and Civic Affairs.
''Sec. 1810. Authorization of appropriations and loan guarantees.''.

Mr. SPECTER. Mr. President, I seek recognition today to introduce the High-Risk Non-Profit Security Enhancement Act of 2004 together with my colleague Senator MIKULSKI. Since 9/11, al-Qaida has attacked a series of so-called ''soft targets'' around the globe including hotels, synagogues, social centers and facilities of the Red

Cross. This grim reality is forcing such soft targets here in the United States to confront the need for very expensive security enhancements to their facilities. This legislation will help non-profit organizations—those soft targets least able to afford these security enhancements—to do the work that they need to do such as the building of concrete barriers and the ''hardening'' of windows and doors.

On February 11, 2003, CIA Director George Tenet provided the following testimony to the Senate Select Committee on Intelligence:

> Until al-Qaida finds an opportunity for the big attack, it will try to maintain its operational tempo by striking ''softer'' targets. And what I mean by ''softer,'' Mr. Chairman, are simply targets al-Qaida planners may view as less well protected. . . . Al-Qaida has also sharpened its focus on our Allies in Europe and on operations against Israeli and Jewish targets.

Also on February 11, 2003, FBI Director Robert S. Mueller testified as follows before the Senate Select Committee on Intelligence:

> Multiple small-scale attacks against soft targets—such as banks, shopping malls, supermarkets, apartment buildings, schools and universities, houses of worship and places of recreation and entertainment—would be easier to execute and would minimize the need to communicate with the central leadership, lowering the risks of detection.

The record has sadly confirmed the words of Directors Tenet and Mueller. Al-Qaida has been responsible for a series of attacks against soft targets including numerous synagogues, A Red Cross building, train stations, hotels airports, restaurants and night clubs. These targets have been in countries throughout the world including Spain, Germany, Iraq, Tunisia, Kenya, Morocco and Turkey.

In the face of this very real terrorist threat, these soft targets have an obligation to take the necessary steps to better protect themselves and all who visit their facilities. These additional security measures place an especially heavy burden upon non-profit corporations with limited resources. Effective security measures do not come cheap.

This legislation would authorize the Secretary of Homeland Security to make available in FY 2005 up to $100 million in assistance to non profits which demonstrate a high risk of terrorist attack. In choosing which projects to fund, the secretary will give preference to those non profit organizations he determines to be at the greatest risk of international terrorist attack based upon the following criteria:

(1) Specific threats of international terrorist organizations; (2) Prior attacks against similarly situated organizations; (3) The vulnerability of the specific site; (4) The symbolic value of the site as a highly recognized American institution; or (5) The role of the institution in responding to terrorist attacks.

Applicant organizations would submit request to state homeland security authorities that would identify and prioritize high-risk institutions. Qualifying requests would be forwarded to the Secretary of Homeland Security who would allocate resources based on his assessment of the risk. Payments would be made from the Department of Homeland security directly to the contractors who will do the work.

For those programs that do not get their security projects funded, Federal loan guarantees would also be available so that they can take out loans on favorable terms. The bill also authorizes $50 million for local police departments to provide additional security in areas where there is a high concentration of high-risk non-profits.

Mr. President, the threat of terrorism is placing an enormous burden on non-profit organizations that face a higher risk of terror attack due to their affiliation of function. This bill is an important step towards helping these non-profits meet these new and expensive security needs. It is my hope that my colleagues will join me in addressing this overlooked front in the war on terror.

By Mrs. BOXER:

S. 2276. A bill to allow the Secretary of Homeland Security to make grants to Amtrak, other rail carriers, and providers of mass transportation for improvements to the security of our Nation's rail and mass transportation system; to the Committee on Commerce, Science, and Transportation.

Mrs. BOXER. Mr. President, two and a half years ago, the United States was caught unprepared when it came to aviation security. The results were devastating.

Since then, we have greatly improved our aviation security, and we have begun to improve our port security. We have a long way to go in both of these areas.

But, we have a longer way to go to secure our rail system—both passenger, freight, and local transit.

In October 2001, the Commerce Committee passed a rail security bill to authorize $1.77 billion over two years for Amtrak. We knew that the United States must not be caught off-guard when it comes to our passenger and freight rail systems.

Unfortunately, the bill never became law.

And, now, we have received another warning. In March, terrorists blew up commuter trains in Madrid killing nearly 200 people and injuring 1,400. We must heed this warning and address the vulnerability of America's rail systems. We must act now.

Today, I am introducing legislation that will authorize funding for more police, canine dogs, and surveillance equipment on Amtrak and local transit systems. The bill will authorize $500 million per year for five years. One-third of the funding will be spent on Amtrak based on passenger ridership and the remainder of the funding will be spent on securing rail and transit.

This is important for the entire nation, but it is especially important for California. California has the second highest Amtrak ridership in the country. Almost 9 million passenger trips began or ended in California during fiscal year 2003. Amtrak operates an average of 68 intercity and 300 commuter trains per day in California.

The freight rail system is also important for goods movement. California's ports receive over 40 percent of all of the goods that are shipped into the United States. Many of the imports are shipped by rail through California and to the rest of the nation. If there were a terrorist attack, the impact on our economy would be devastating.

Finally, local communities throughout California have mass transit systems. For example, Muni, in San Francisco, is the 7th largest transit system in the nation. There is light rail in Los Angeles, Sacramento, and San Diego. Livermore Amador Valley Transit Authority has buses that go directly to Lawrence Livermore National Laboratory, which has weapons research.

It is vitally important to ensure that our nation's entire transportation system is secure. It is time we stopped ignoring our rail systems.

By Mr. MCCAIN:

S. 2277. A bill to amend the Act of November 2, 1966 (80 Stat. 1112), to allow binding arbitration clauses to be included in all contracts affecting the land within the Salt River Pima-Maricopa Indian Reservation; to the Committee on Indian Affairs.

Mr. MCCAIN. Mr. President, today I am introducing legislation to provide a technical correction that would once again allow binding arbitration clauses to be included in all contracts affecting the land within the Salt River Pima-Mariposa Indian Community (SRPMIC). A companion bill is being introduced today by Congressman HAYWORTH.

The SRPMIC located in Scottsdale, AZ, one of the most diversified economic development portfolios in Indian country. Blessed with a prime location in metropolitan Phoenix, the Tribe has nearly a dozen business enterprises including a sand and gravel operation, a cement company, two golf courses, and a shopping center. The tribe wants to continue diversifying their economy in the hopes of becoming economically self-sufficient. This legislation is intended to help them achieve this goal.

This bill would make technical corrections to title 215, U.S. Code, Section 416a(c) relating to ''binding arbitration of disputes.'' Recently, in an effort to consolidate and streamline various rules, regulations, and laws, some sections of Title 25, U.S. Code, Section 81 were repealed that affected the Bureau of Indian Affairs. An unintended consequence of this consolidation was that the definition for leases, which included sublease, substitute lease, and master lease, was altered. Simply put, this legislation would reinstate the

prior definition for leases on the reservation to include subleases, substitute leases, and master leases. Without this clarification, the tribe fears that potential tenants may be leery to invest on tribal land.

This legislation may seem minor, but it would go a long way toward helping the SRPMIC achieve the economic self-sufficiency it is working toward. Therefore, I urge my colleagues to support this legislation and work for its speedy passage.

By Mr. HOLLINGS (for himself, Mr. MCCAIN, and Mr. BREAUX):

S. 2279. A bill to amend title 46, United States Code, with respect to maritime transportation security, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. HOLLINGS. Mr. President, less than 1 year ago, we wrapped up work on the port security bill that was signed into law as the Maritime Security Act of 2002, MTSA. That act mandated and outlined changes that are needed to shore up security in our ports, and established for the first time a system to coordinate, plan and implement port security at U.S. seaports. While this was landmark legislation, much still needs to be done with respect to the implementation of the requirements mandated by this law.

I am very dissatisfied with the current Administration's disinterest in paying for port security, and would point out that we are approaching a crisis, as Federal mandates are being rolled out for security without Federal support. I have tried over and over to focus the attention of the Administration on this crucial need and pushed to no avail in the Senate to get the resources necessary to address this problem. But to date, I have gotten little support. In addition to appropriating much needed funds for port security, it has become apparent that keeping up with security needs at our ports is an ever evolving task, and that we may have to refocus our efforts and push harder to ensure that we coordinate our policies and maximize the limited resources that we have in this area.

Today, in order to keep up with these needs, I am introducing the ''Maritime Transportation Security Act of 2004'', along with Senator MCCAIN, and Senator BREAUX. I am pleased to have worked on this with Senator MCCAIN, the Chairman of our Committee, as I often remark, while he has no coastline, he has worked with those of us who do have ports to work on these crucial port security issues. I am also pleased to introduce this legislation with Senator BREAUX, for he has truly been one of the leading advocates of the importance of maritime shipping and the merchant marine in the U.S. Senate. He has done invaluable work for us on the Commerce Committee, and is a true expert in the field. He will be sorely missed for his expertise on all maritime issues, although I am sure, that in the future, he will still be the Captain of some small boat, yacht, or maybe even a ship.

Even though the Coast Guard, Customs and other agencies charged with the implementation of these measures have aggressively taken initial steps necessary to set up our future structure for seaport security there is still much to do, and effective action needs to occur to help coordinate and crystallize security policies and objectives. The Maritime Transportation Security Act of 2004 would attempt to mandate a coordinated Federal approach to several areas of concern in port security. It would also attempt to set performance standards for certain areas in port security and add a few enhancements to last year's legislation. Most importantly the bill would require a user fee to be established to help pay for the port security mandates.

Specifically, this bill would impose in rem liability to secure payment of penalties and fines under the Act and to help ensure compliance with the security requirements imposed by the MTSA. The bill would also include provisions to increase security in waterside cargo areas, and ensure that cargo contents of imported marine cargo containers would be required to be cleared within 5 days of entering a U.S. port, or alternatively removed after 5 days without being cleared, to a regulated warehouse where it would be opened and reviewed to verify its contents. This would in no way change any claim to possession of the goods. Importantly, the bill would require DHS to evaluate the policies and practices of sealing empty containers. According to the Federal Maritime Commission, over 4 million containers were imported into the United States empty. At a recent hearing, a representative from the ILWU longshoremen's union pointed out that treatment of empties and the sealing practices of these containers varied from locale to locale. This bill would require an analysis of current practices at U.S. ports in order to determine what steps need to occur in order to make sure that the transport of empty containers does not present a threat of terrorism, and whether a Federal policy is justified in this area.

The bill would require the Administration to produce a coordinated plan for collecting, analyzing, and disseminating maritime intelligence information collected by Federal agencies on ships, cargo, crew members and passengers. This intelligence is used to determine which ships, cargo, or crew warrant further inspection. This section of the bill requires further development of a maritime intelligence system to collect and analyze information concerning the crew, passengers and cargoes carried on vessels operating in waters under the jurisdiction of the United States. This mandate essentially restates existing law since it appears that the agencies have actually grown further apart since the passage of the Maritime Transportation Security Act. The provision in this bill would require a plan on how the Administration will coordinate collection and analysis of maritime information, and how agency personnel might be co-located to maximize resources and coordinate analysis. This plan must also indicate when long range vessel tracking will be integrated into this intelligence information. Additionally, the plan would require the government to analyze private sector resources to evaluate how they could be used to help monitor and differentiate legitimate moves of trade from those actions and players that are more suppositious. The Federal Government does not have a lot of experience monitoring commercial maritime activity, and I believe they will have to employ private sector expertise to assist in this endeavor.

The report shall also consider the abilities of the Department of Navy to collect and analyze commercial maritime information. The U.S. Navy probably has the most resources dedicated to the evaluation of commercial shipping activities, but are precluded from sharing this information. In light of our need for better information on commercial shipping, this policy has to be reevaluated. A maritime intelligence system needs to be set up to work together so that Federal agencies, State, local and the private sector can coordinate their law enforcement activities. Maritime intelligence on commercial ocean shipping is currently gathered by the Coast Guard, Customs, INS, and other agencies such as the Federal Maritime Commission under separate systems. Only the Coast Guard and the Navy currently work together. We lag far behind in this area, and each agency is operating independent of others. We are not getting the full picture of what is happening out there. It is crucial that we have the best information available so that we can target our relatively limited resources with maximum efficiency. Further, the information has to be disseminated in a fashion to maximize its utility, while still protecting that information which needs to be kept confidential. Collection and analysis of commercial maritime information is a key element of our port security that needs more focus and has to be addressed if we are to adequately protect our Nation.

Importantly, the bill will require the Administration to come up with cargo security plans to evaluate targeting systems to determine whether they are effective in deterring and protecting against potential acts of terrorism from cargo. In the event that targeting is inadequate protection, DHS would be required to increase the amount of cargo being non-intrusively inspected or x-rayed by two over the next year. The bill would also require the consolidation of intermodal cargo security programs that have the same security goals while establishing criteria and

performance goals for these security programs, which are currently operating completely independent of each other, and require certain other cargo security program enhancements. Voluntary cargo security programs are not the answer to the important problem of securing our Nation from terrorist attacks. Firm standards and goals must be in place to ensure that items that we know we don't want in marine containers are not actually in marine containers. The legislation will also require a report on the amount of actual inspections that are being done at foreign seaports.

While the Container Security Initiative was rolled out with great fanfare to work with foreign ports to inspect cargo before they get to U.S. ports, the question remains whether we are actually getting much bang for the buck. The fundamental question that needs to be addressed is whether foreign nations have been willing to use their security screening equipment for our benefit, and to what degree have they been willing to screen cargo for the benefit of our Nation. The legislation will require a report to determine whether this program needs adjustment, or is a cost-effective measure to ensure safe cargo movements into the U.S., and to update us on the progress in the installation of a system of radiation detection at U.S. ports.

Additionally, this legislation will redirect our efforts to help ensure that we can verify that security is in place to prevent an act of terrorism, and not place us in a position of having to rely on documentation and the attestations or documentation of third parties in order to determine whether we need to take actions to protect the public. The Administration has not even started to implement the certification program required to certify ''secure systems of transportation,'' 46 U.S.C. 70116, and they must get going on this vital initiative. Otherwise, it would only take one good liar to breach our system of defense. Although I understand we cannot inspect every piece of cargo, we have a credible system in place to actively increase cargo inspections, and implement a system that would ultimately allow us to reopen U.S. ports to commerce, in the event of an attack.

Additionally, the bill also would require a report from the Coast Guard on the benefits of utilizing joint operational centers at United States seaports to implement area security plans. This report should incorporate lessons learned from the three centers that have already been established, such as ''Operation SeaHawk'' in Charleston, SC, and consider which security programs could be effectively fused into these joint operational centers. The Commandant of the Coast Guard would be required by this bill to report on the effectiveness of these centers for port security and determine if it would be beneficial and cost effective to establish centers in additional areas that pose a significant security risk, and to utilize them to implement area security plans.

The bill will also make sure that port security grants are reviewed and approved, as was mandated under the terms of the MTSA, and all grants are subject to the review of the Coast Guard Captain of the Port, the regional Maritime Administration representative, and other Transportation Security Administration security officials as well as other DHS security experts, before the grants are approved. This grant program is not open-ended, it is intended to help the private sector and State and municipal governments achieve compliance with Federally approved facility plans and area maritime security plans, and the changes to the statute will ensure that the grant program operates the way we intended it to operate.

The bill also requires the Maritime Administration and the State Department to evaluate existing foreign assistance programs to determine whether the existing aid programs can be utilized to help foreign nations achieve compliance with the international standard set for port security. The MTSA requires the Coast Guard to set up a mechanism to review the practices of foreign ports to ensure that they have implemented adequate security measures, and ultimately, they can take steps that would result in the closure of commerce from ports in noncompliance with international security standards. It is in the best interests of everyone potentially impacted by such a policy implication, if we review our foreign aid programs to determine whether aid can be used to implement the necessary security measures.

The bill also requires the Maritime Administration to work with the Federal Law Enforcement Training Center, FLETC, and other DHS port security agencies such as TSA, Coast Guard and Customs to determine how to supplement their training programs to include a greater familiarization with commercial maritime practices. Port security law enforcement is much different in the aftermath of September 11, and officials involved in regulation and policing shipping will now have to approach it from a different perspective, and to be able to identify anomalies and irregularities, in order to best focus our limited police resources over an immense volume of trade. It is my understanding that the Maritime Administration has been utilizing resources at the U.S. Merchant Marine Academy and working with FLETC to formalize port security training. I think that this change will help our Federal agencies bolster their existing training programs, and achieve a greater understanding of potential security issues that could arise, and will be a healthy addition to work already done by the Maritime Administration and FLETC.

The bill rewrites the DHS mandate to conduct research and development, and would require the Science Directorate within DHS to be more accountable to Congress for those actions they are taking to develop the types of technology necessary to address security at our seaports. Importantly, the bill also requires the Coast Guard to evaluate the security risks and policies very carefully of nuclear facilities on or adjacent to navigable waterways to ensure that we have security policies in place to prevent acts of terrorism from occurring from on or under navigable waterways. Most nuclear facilities are on or adjacent to navigable waterways, and I want the Coast Guard to exercise the highest degree of security in their treatment of these facilities and the threat posed as a result of maritime commerce or the proximity to navigable waterways.

Most importantly, this bill attempts to address the fundamental issue that will face the nation as we implement the MTSA—will sufficient funding be in place to assure that our ports and agencies will robustly pursue security, or we will have to rely on sham security programs, or efforts severely restricted by funding that result in de minimus or desultory security efforts. When the Senate and House conferenced on the port security bill in the fall of 2002, the Senate conferees insisted on establishing direct funding for port security programs through a user fee, identical to the airline security fee, which would help defray the significant costs for the new port security mandates. The Administration declined to dedicate any resources for port security, and they declined to support the Senate's user fee. Unable to reach agreement with the House conferees and the Administration, I agreed to authorize just the necessary funds, but the President was required by law to report to Congress within 6 months on a funding proposal to assist States and their ports in complying with security mandates for Federal security plans. That report has never been prepared and is 9 months overdue.

When the President's budget for FY 2004 came out, after the U.S. Coast Guard had estimated that it would take $7.4 billion of funding in order to comply with the port security requirements, there was no funding for port authority compliance in that year's budget resolution. I offered an amendment to the FY 2004 Budget Resolution which was unanimously accepted to add $1 billion to help defray the first year costs of port security—ultimately it was dropped from Conference. Two weeks later, the President was presented with a direct opportunity to fund port security programs: Congressional consideration of his emergency supplemental appropriations bill to pay for the war in Iraq and bolster homeland security. Again, the Administration funding request included no funding for port authorities to help them comply with the Federal mandate, so I offered an amendment to add $1 billion to the supplemental specifically to help ports meet the new security mandates. Despite unanimous approval in

the Senate 3 weeks earlier, the amendment was opposed by the Administration and defeated on the Senate floor on a straight party line vote.

Last year, I made another effort to address the port security funding inadequacies during consideration of the FY 2004 Homeland Security Appropriations bill. Again, the Administration proposed no funding for port security grants in their 2004 request, so I offered an amendment to the bill to direct $300 million specifically to port security grants without increasing the overall cost of the bill. The Administration opposed the funding increase, and the amendment was defeated largely along party lines with only three Republicans supporting the amendment.

Until this year's budget the President has not requested one dime specifically for port security. He has opposed efforts to mandate the funds be raised from the users of the system, and this year's budget request is for only $46 million. Despite opposition from the White House, Congress has directed appropriations that have resulted in grants of $450 million to ports to help ensure compliance with the Federal security mandates, and so I know that this issue is an area of major concern. Ultimately, the funding issues must be addressed, and this bill proposes a user fee to pay for the costs of compliance of port security. I had considered the possibility of authorizing the Administration to either generate funds for port security via a user fee, or alternatively mandate that funds be directly transferred from funds collected by Customs duties, but because of jurisdictional issues determined not to do so. The maritime industry supports this approach, and I am not opposed to this approach, but want only to ensure, that one way or another, we have the necessary funding in place to set up the system of port security that this nation deserves. Simply put, there is just too much at stake to hope that security emerges.

This bill seeks to continue the work to correct the security and terrorism prevention needs at our maritime borders. There is much to be done and there is a continued need for government and industry cooperation. This bill works on some of that need, yet the major need is funding for port security, which I hope that we will be able to address in the Senate very soon.

I ask unanimous consent the text of the bill to be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2279

Be it enacted by the Senate and House of Representatives 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 ''Maritime Transportation Security Act of 2004''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents
Sec. 2. In rem liability; enforcement; pier and wharf security costs.
Sec. 3. Maritime information.
Sec. 4. Intermodal cargo security plan.
Sec. 5. Joint operations center for port security.
Sec. 6. Maritime transportation security plan grants.
Sec. 7. Assistance for foreign ports.
Sec. 8. Federal and State commercial maritime transportation training.
Sec. 9. Port security research and development.
Sec. 10. Nuclear facilities in maritime areas.
Sec. 11. Transportation worker background investigation programs.
Sec. 12. Security service fee.
Sec. 13. Port security capital fund.

SEC. 2. IN REM LIABILITY; ENFORCEMENT; PIER AND WHARF SECURITY COSTS.

(a) IN GENERAL.—Chapter 701 of title 46, United States Code, is amended—

(1) by redesignating section 70117 as 70120; and

(2) by inserting after section 70116 the following:

''§ 70117. In rem liability for civil penalties and certain costs

''(a) IN GENERAL.—Any vessel subject to the provisions of this chapter, which is used in violation of this chapter or any regulations issued hereunder shall be liable in rem for any civil penalty assessed pursuant to section 70120 and may be proceeded against in the United States district court for any district in which such vessel may be found.

''(b) REIMBURSABLE COSTS.—

''(1) IN GENERAL.—Any vessel subject to the provisions of this chapter shall be liable in rem for the reimbursable costs incurred by any valid claimant related to implementation and enforcement of this chapter with respect to the vessel, including port authorities, facility or terminal operators, shipping agents, Federal, State, or local government agencies, and other persons to whom the management of the vessel at the port of supply is entrusted, and any fine or penalty relating to reporting requirements of the vessel or its cargo, crew, or passengers, and may be proceeded against in the United States district court for any district in which such vessel may be found.

''(2) REIMBURSABLE COSTS DEFINED.—In this subsection the term 'reimbursable costs' means costs incurred by any service provider, including port authorities, facility or terminal operators, shipping agents, Federal, State, or local government agencies, or other person to whom the management of the vessel at the port of supply is entrusted, for—

''(A) vessel crew on board, or in transit to or from, the vessel under lawful order, including accommodation, detention, transportation, and medical expenses; and

''(B) required handling under lawful order of cargo or other items on board the vessel.

''§ 70118. Enforcement by injunction or withholding of clearance

''(a) INJUNCTION.—The United States district courts shall have jurisdiction to restrain violations of this chapter or of regulations issued hereunder, for cause shown.

''(b) WITHHOLDING OF CLEARANCE.—

''(1) If any owner, agent, master, officer, or person in charge of a vessel is liable for a penalty or fine under section 70120, or if reasonable cause exists to believe that the owner, agent, master, officer, or person in charge may be subject to a penalty under section 70120, the Secretary may, with respect to such vessel, refuse or revoke any clearance required by section 4197 of the Revised Statutes of the United States (46 U.S.C. App. 91).

''(2) Clearance refused or revoked under this subsection may be granted upon filing of a bond or other surety satisfactory to the Secretary.

''§ 70119. Security of piers and wharfs

''(a) IN GENERAL.—Notwithstanding any provision of law, the Secretary shall require any uncleared, imported merchandise remaining on the wharf or pier onto which it was unladen for more than 5 calendar days to be removed from the wharf or pier and deposited in the public stores or a general order warehouse, where it shall be inspected for determination of contents, and thereafter a permit for its delivery may be granted.

''(b) PENALTY.—The Secretary may impose an administrative penalty of $5,000 for each bill of lading for general order merchandise remaining on a wharf or pier in violation of subsection (a).''.

(b) CONFORMING AMENDMENT FOR IN REM LIABILITY PROVISION IN CHAPTER 701.—Section 2 of the Act of June 15, 1917 (50 U.S.C. 192) is amended—

(1) by striking ''Act,'' each place it appears and inserting ''title,''; and

(2) by adding at the end the following:

''(d) IN REM LIABILITY.—Any vessel subject to the provisions of this title, which is used in violation of this title, or any regulations issued hereunder, shall be liable in rem for any civil penalty assessed pursuant to subsection (c) and may be proceeded against in the United States district court for any district in which such vessel may be found.

''(e) INJUNCTION.—The United States district courts shall have jurisdiction to restrain violations of this title or of regulations issued hereunder, for cause shown.

''(f) WITHHOLDING OF CLEARANCE.—

''(1) If any owner, agent, master, officer, or person in charge of a vessel is liable for a penalty or fine under subsection (c), or if reasonable cause exists to believe that the owner, agent, master, officer, or person in charge may be subject to a penalty or fine under subsection (c), the Secretary may, with respect to such vessel, refuse or revoke any clearance required by section 4197 of the Revised Statutes of the United States (46 U.S.C. App. 91).

''(2) Clearance refused or revoked under this subsection may be granted upon filing of a bond or other surety satisfactory to the Secretary of the Department in which the Coast Guard is operating.''.

(c) EMPTY CONTAINERS.—Within 90 days after the date of enactment of this Act, the Secretary of Homeland Security shall review United States ports and transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report on the practices and policies in place to secure shipment of empty containers. The Secretary shall include in the report recommendations with respect to whether additional regulations or legislation is necessary to ensure the safe and secure delivery of cargo and to prevent potential acts of terrorism involving such containers.

(d) CLERICAL AMENDMENT.—The chapter analysis for chapter 701 of title 46, United States Code, is amended by striking the last item and inserting the following:

''70117. In rem liability for civil penalties and certain costs
''70118. Enforcement by injunction or withholding of clearance
''70119. Security of piers and wharfs
''70120. Civil penalty''.

SEC. 3. MARITIME INFORMATION.

Within 90 days after the date of enactment of this Act, the Secretary of Homeland Security shall submit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure that provides a preliminary

plan for the implementation of section 70113 of title 46, United States Code. The plan shall—

(1) provide the identification of Federal agencies with maritime information relating to vessels, crew, passengers, cargo, and cargo shippers;

(2) establish a timeline for coordinating the efforts of those Federal agencies in the collection of maritime information;

(3) establish a timeline for the incorporation of information on vessel movements derived through the implementation of sections 70114 and 70115 of title 46, United States Code;

(4) include recommendations on co-locating agency personnel in order to maximize expertise, minimize cost, and avoid redundancy;

(5) include recommendations on how to leverage information on commercial maritime information collected by the Department of the Navy, and identify any legal impediments that would prevent or reduce the utilization of such information outside the Department of the Navy;

(6) include recommendations on educating Federal officials on commercial maritime operations in order to facilitate the identification of security risks posed through commercial maritime transportation operations;

(7) include recommendations on how private sector resources could be utilized to collect or analyze information, along with a preliminary assessment of the availability and expertise of private sector resources;

(8) include recommendations on how to disseminate information collected and analyzed through Federal maritime security coordinator while considering the need for nondisclosure of sensitive security information and the maximizing of security through the utilization of State, local, and private security personnel; and

(9) include recommendations on how the Department could help support a maritime information sharing and analysis center for the purpose of collecting information from public and private entities, along with recommendations on the appropriate levels of funding to help disseminate maritime security information to the private sector.

SEC. 4. INTERMODAL CARGO SECURITY PLAN.

(a) IN GENERAL.—In addition to the plan submitted under section 3, within 180 days after the date of enactment of this Act, the Secretary of Homeland Security shall submit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure containing the following:

(1) SECURE SYSTEMS OF TRANSPORTATION (46 U.S.C. 70116).—A plan, along with timelines, for the implementation of section 70116 of title 46, United States Code. The plan shall—

(A) provide an update on current efforts by the Department of Homeland Security could be incorporated into the certification process outlined in section 70116 to ensure the physical screening or inspection of imported cargo;

(B) provide a preliminary assessment of resources necessary to evaluate and certify ''Secure Systems of Transportation'', and the resources necessary to validate that ''Secure Systems of Transportation'' are operating in compliance with the certification requirements; and

(C) contain an analysis of the feasibility of establishing a user fee in order to be able to evaluate, certify, and validate ''Secure Systems of Transportation''.

(2) RADIATION DETECTORS.—A report on progress in the installation of a system of radiation detection at all major United States seaports, along with a timeline and expected completion date for the system. In the report, the Secretary shall include a preliminary analysis of any issues related to the installation of the radiation detection equipment, as well as a cost estimate for completing installation of the system.

(3) NON-INTRUSIVE INSPECTION AT FOREIGN PORTS.—A report—

(A) on whether and to what extent foreign seaports have been willing to utilize screening equipment at their ports to screen cargo, including the number of cargo containers that have been screened at foreign seaports, and the ports where they were screened;

(B) indicating which foreign ports may be willing to utilize their screening equipment for cargo exported for import into the United States, and a recommendation as to whether, and to what extent, United States cargo screening equipment will be required to be purchased and stationed at foreign seaports for inspection; and

(C) indicating to what extent additional resources and program changes will be necessary to maximize scrutiny of cargo in foreign seaports.

(4) COMPLIANCE WITH SECURITY STANDARD PROGRAMS.—A plan to establish, validate, and ensure compliance with security standards that would require ports, terminals, vessel operators, and shippers to adhere to security standards established by or consistent with the National Transportation System Security Plan. The plan shall indicate what resources will be utilized, and how they would be utilized, to ensure that companies operate in compliance with security standards.

(b) EVALUATION OF CARGO INSPECTION TARGETING SYSTEM FOR INTERNATIONAL INTERMODAL CARGO CONTAINERS.—

(1) IN GENERAL.—Within 6 months after the date of enactment of this Act, and annually thereafter, the Inspector General of the Department of Homeland Security shall evaluate the system used by the Department to target international intermodal containers for inspection and report the results of the evaluation to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure. In conducting the evaluation, the Inspector General shall assess—

(A) the effectiveness of the current tracking system to determine whether it is adequate to prevent international intermodal containers from being used for purposes of terrorism;

(B) the sources of information used by the system to determine whether targeting information is collected from the best and most credible sources and evaluate data sources to determine information gaps and weaknesses;

(C) the targeting system for reporting and analyzing inspection statistics, as well as testing effectiveness;

(D) the competence and training of employees operating the system to determine whether they are sufficiently capable to detect potential terrorist threats; and

(E) whether the system is an effective system to detect potential acts of terrorism and whether additional steps need to be taken in order to remedy deficiencies in targeting international intermodal containers for inspection.

(2) INCREASE IN INSPECTIONS.—If the Inspector General determines in any of the reports required by paragraph (1) that the targeting system is insufficiently effective as a means of detecting potential acts of terrorism utilizing international intermodal containers, then within 12 months after that report, the Secretary of Homeland Security shall double the number of containers subjected to intrusive or non-intrusive inspection at United States ports or to be shipped to the United States at foreign seaports.

(c) REPORT AND PLAN FORMATS.—The Secretary and the Inspector General may submit any plan or report required by this section in both classified and redacted formats if the Secretary determines that it is appropriate or necessary.

SEC. 5. JOINT OPERATIONS CENTER FOR PORT SECURITY.

The Commandant of the United States Coast Guard shall report to Congress, within 180 days after the date of enactment of this Act, on the potential benefits of establishing joint operational centers for port security at certain United States seaports. The report shall consider the 3 Joint Operational Centers that have been established at Norfolk, Charleston, San Diego, and elsewhere and compare and contrast their composition and operational characteristics. The report shall consider—

(1) whether it would be beneficial to establish linkages to Federal maritime information systems established pursuant to section 70113 of title 46, United States Code;

(2) whether the operational centers could be beneficially utilized to track vessel movements under sections 70114 and 70115 of title 46, United States Code;

(3) whether the operational centers could be beneficial in the facilitation of intermodal cargo security programs such as the ''Secure Systems of Transportation Program'';

(4) the extent to which such operational centers could be beneficial in the operation of maritime area security plans and maritime area contingency response plans and in coordinating the port security activities of Federal, State, and local officials; and

(5) include recommendations for the number of centers and their possible location, as well as preliminary cost estimates for the operation of the centers.

SEC. 6. MARITIME TRANSPORTATION SECURITY PLAN GRANTS.

Section 70107(a) of title 46, United States Code, is amended to read as follows:

''(a) IN GENERAL.—The Under Secretary of Homeland Security for Border and Transportation Security shall establish a grant program for making a fair and equitable allocation of funds to implement Area Maritime Transportation Security Plans and to help fund compliance with Federal security plans among port authorities, facility operators, and State and local agencies required to provide security services. Grants shall be made on the basis of the need to address vulnerabilities in security subject to review and comment by the appropriate Federal Maritime Security Coordinators and the Maritime Administration. The grant program shall take into account national economic and strategic defense concerns and shall be coordinated with the Director of the Office of Domestic Preparedness to ensure that the grant process is consistent with other Department of Homeland Security grant programs.''.

SEC. 7. ASSISTANCE FOR FOREIGN PORTS.

Section 70109 of title 46, United States Code, is amended—

(1) by striking ''The Secretary'' in subsection (b) and inserting ''The Administrator of the Maritime Administration''; and

(2) by adding at the end the following:

''(c) FOREIGN ASSISTANCE PROGRAMS.—The Administrator of the Maritime Administration, in coordination with the Secretary of State, shall identify foreign assistance programs that could facilitate implementation of port security antiterrorism measures in foreign countries. The Administrator and the Secretary shall establish a program to utilize those programs that are capable of implementing port security antiterrorism

measures at ports in foreign countries that the Secretary finds, under section 70108, to lack effective antiterrorism measures.''.

SEC. 8. FEDERAL AND STATE COMMERCIAL MARITIME TRANSPORTATION TRAINING.

Section 109 of the Maritime Transportation Security Act of 2002 (46 U.S.C. 70101 note) is amended—

(1) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively; and

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

''(c) FEDERAL AND STATE COMMERCIAL MARITIME TRANSPORTATION TRAINING.—The Secretary of Transportation shall establish a curriculum, to be incorporated into the curriculum developed under subsection (a)(1), to educate and instruct Federal and State officials on commercial maritime and intermodal transportation. The curriculum shall be designed to familiarize those officials with commercial maritime transportation in order to facilitate performance of their commercial maritime and intermodal transportation security responsibilities. In developing the standards for the curriculum, the Secretary shall consult with each agency in the Department of Homeland Security with maritime security responsibilities to determine areas of educational need. The Secretary shall also coordinate with the Federal Law Enforcement Training Center in the development of the curriculum and the provision of training opportunities for Federal and State law enforcement officials at appropriate law enforcement training facilities.

SEC. 9. RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—Section 70107 of title 46, United States Code, is amended by striking subsection (i) and inserting the following:

''(i) RESEARCH AND DEVELOPMENT.—

''(1) IN GENERAL.—As part of the research and development program within the Science and Technology directorate, the Secretary of Homeland Security shall conduct investigations, fund pilot programs, award grants, and otherwise conduct research and development across the various portfolios focused on making United States ports safer and more secure. Research conducted under this subsection may include—

''(A) methods or programs to increase the ability to target for inspection vessels, cargo, crewmembers, or passengers that will arrive or have arrived at any port or place in the United States;

''(B) equipment to detect accurately explosives, chemical, or biological agents that could be used to commit terrorist acts against the United States;

''(C) equipment to detect accurately nuclear or radiological materials, including scintillation-based detection equipment capable of signalling the presence of nuclear or radiological materials;

''(D) improved tags and seal designed for use on shipping containers to track the transportation of the merchandise in such containers, including 'smart sensors' that are able to track a container throughout its entire supply chain, detect hazardous and radioactive materials within that container, and transmit that information to the appropriate law enforcement authorities;

''(E) tools, including the use of satellite tracking systems, to increase the awareness of maritime areas and to identify potential terrorist threats that could have an impact on facilities, vessels, and infrastructure on or adjacent to navigable waterways, including underwater access;

''(F) tools to mitigate the consequences of a terrorist act on, adjacent to, or under navigable waters of the United States, including sensor equipment, and other tools to help coordinate effective response to a terrorist action; and

''(G) applications to apply existing technologies from other areas or industries to increase overall port security.

''(2) IMPLEMENTATION OF TECHNOLOGY.—

''(A) IN GENERAL.—In conjunction with ongoing efforts to improve security at United States ports, the Director of the Science and Technology Directorate, in consultation with other Department of Homeland Security agencies with responsibility for port security, may conduct pilot projects at United States ports to test the effectiveness and applicability of new port security projects, including—

''(i) testing of new detection and screening technologies;

''(ii) projects to protect United States ports and infrastructure on or adjacent to the navigable waters of the United States, including underwater access; and

''(iii) tools for responding to a terrorist threat or incident at United States ports and infrastructure on or adjacent to the navigable waters of the United States, including underwater access.

''(B) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Homeland Security $35,000,000 for each of fiscal years 2005 through 2009 to carry out pilot projects under subparagraph (A).

''(3) ADMINISTRATIVE PROVISIONS.—

''(A) NO DUPLICATION OF EFFORT.—Before making any grant, the Secretary of Homeland Security shall coordinate with other Federal agencies to ensure the grant will not be used for research and development that is already being conducted with Federal funding.

''(B) ACCOUNTING.—The Secretary of Homeland Security shall by regulation establish accounting, reporting, and review procedures to ensure that funds made available under paragraph (1) are used for the purpose for which they were made available, that all expenditures are properly accounted for, and that amounts not used for such purposes and amounts not expended are recovered.

''(C) RECORDKEEPING.—Recipients of grants shall keep all records related to expenditures and obligations of funds provided under paragraph (1) and make them available upon request to the Inspector General of the Department of Homeland Security and the Secretary of Homeland Security for audit and examination.''.

(b) ANNUAL REPORT.—Within 30 days after the beginning of each fiscal year from fiscal year 2005 through fiscal year 2009, the Director of the Science and Technology Directorate shall submit a report describing its research that can be applied to port security to the Senate Committee on Commerce, Science, and Transportation, the House of Representatives Committee on Science, and the House of Representatives Select Committee on Homeland Security. The report shall—

(1) describe any port security-related research, including grants and pilot projects, that were conducted in the preceding fiscal year;

(2) describe the amount of Department of Homeland Security resources dedicated to research that can be applied to port security;

(3) describe the steps taken to coordinate with other agencies within the Department to ensure that research efforts are coordinated with port security efforts;

(4) describe how the results of the Department's research, as well as port security related research of the Department of Defense, will be implemented in the field, including predicted timetables;

(5) lay out the plans for research in the current fiscal year; and

(6) include a description of the funding levels for the research in the preceding, current, and next fiscal years.

SEC. 10. NUCLEAR FACILITIES IN MARITIME AREAS.

(a) WATERWAYS.—Section 70103(b) is amended by adding at the end thereof the following:

''(5) WATERWAYS LOCATED NEAR NUCLEAR FACILITIES.—

''(A) IDENTIFICATION AND SECURITY EVALUATION.—The Secretary shall—

''(i) identify all nuclear facilities on, adjacent to, or in close proximity to navigable waterways that might be damaged by a transportation security incident;

''(ii) in coordination with the Secretary of Energy, evaluate the security plans of each such nuclear facility for its adequacy to protect the facility from damage or disruption from a transportation security incident originating in the navigable waterway, including threats posed by navigation, underwater access, and the introduction of harmful substances into water coolant systems.

''(B) RECTIFICATION OF DEFICIENCIES.—The Secretary, in coordination with the Secretary of Energy, shall take such steps as may be necessary or appropriate to correct any deficiencies in security identified in the evaluations conducted under subparagraph (A).

''(C) REPORT.—As soon as practicable after completion of the evaluation under subparagraph (A), the Secretary shall transmit a report, in both classified and redacted format, to the Senate Committee on Commerce, Science, and Transportation, the House of Representatives Committee on Transportation and Infrastructure, and the House of Representatives Select Committee on Homeland Security—

''(i) describing the results of the identification and evaluation required by subparagraph (A);

''(ii) describing the actions taken under subparagraph (B); and

''(iii) evaluating the technology utilized in the protection of nuclear facilities (including any such technology under development).''.

(b) VESSELS.—Section 70103(c)(3) of title 46, United States Code, is amended—

(1) by striking ''and'' after the semicolon in subparagraph (F);

(2) by striking ''facility.'' in subparagraph (G) and inserting ''facility; and''; and

(3) by adding at the end the following:

''(H) establish a requirement, coordinated with the Department of Energy, for criminal background checks of all United States and foreign seamen employed on vessels transporting nuclear materials in the navigable waters of the United States.''.

SEC. 11. TRANSPORTATION WORKER BACKGROUND INVESTIGATION PROGRAMS.

Within 120 days after the date of enactment of this Act, the Secretary of Homeland Security, after consultation with the Secretary of Transportation, shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure—

(1) making recommendations (including legislative recommendations, if appropriate or necessary) for harmonizing, combining, or coordinating requirements, procedures, and programs for conducting background checks under section 70105 of title 46, United States Code, section 5103a(c) of title 49, United States Code, section 44936 of title 49, United States Code, and other provisions of Federal law or regulations requiring background checks for individuals engaged in transportation or transportation-related activities; and

(2) setting forth a detailed timeline for implementation of such harmonization, combination, or coordination.

SEC. 12. SECURITY SERVICE FEE.

(a) IN GENERAL.—Chapter 701 of title 46, United States Code, as amended by section 2, is further amended by adding at the end the following:

"§ 70121. Security service fee

''(a) IN GENERAL.—

''(1) SECURITY FEE.—Within 90 days after the date of enactment of the Maritime Transportation Security Act of 2004, the Secretary of Homeland Security shall assess and collect an international port security service fee on commercial maritime transportation entities that benefit from a secure system of international maritime transportation to pay for the costs of providing port security services. The amount of the fees assessed and collected under this paragraph and paragraph (2) shall, in the aggregate, be sufficient to provide the services and levels of funding described in section 70122(c).

''(2) INTERNATIONAL TRANSSHIPMENT SECURITY FEE.—The Secretary shall also assess and collect an international maritime transshipment security user fee for providing security services for shipments of cargo and transportation of passengers entering the United States as part of an international transportation movement by water through Canadian or Mexican ports at the same rates as the fee imposed under paragraph (1). The fee authorized by this paragraph shall not be assessed or collected on transshipments from—

(A) Canada after the date on which the Secretary determines that an agreement between the United States and Canada, or

(B) Mexico after the date on which the Secretary determines that an agreement between the United States and Mexico,

has entered into force that will provide equivalent security regimes and international maritime security user fees of the United States and that country for transshipments between the countries.

''(b) SCHEDULE OF FEES.—In imposing fees under subsection (a), the Secretary shall ensure that the fees are reasonably related to the costs of providing services rendered and the value of the benefit derived from the continuation of secure international maritime transportation.

''(c) IMPOSITION OF FEE.—

''(1) IN GENERAL.—Notwithstanding section 9701 of title 31 and the procedural requirements of section 553 of title 5, the Secretary shall impose the fees under subsection (a) through the publication of notice in the Federal Register and begin collection of the fee within 60 days of the date of enactment of the Maritime Transportation Security Act of 2004, or as soon as possible thereafter. No fee shall be assessed more than once, and no fee shall be assessed for international ferry voyages.

''(2) MEANS OF COLLECTION.—The Secretary shall prescribe procedures to collect fees under this section. The Secretary may use a department, agency, or instrumentality of the United States Government or of a State or local government to collect the fee and may reimburse the department, agency, or instrumentality a reasonable amount for its services.

''(3) SUBSEQUENT MODIFICATION OF FEE.—After imposing a fee under subsection (a), the Secretary may modify, from time to time through publication of notice in the Federal Register, the imposition or collection of such fee, or both. The Secretary shall evaluate the fee annually to determine whether it is necessary and appropriate to pay the cost of activities and services, and shall adjust the amount of the fee accordingly.

''(4) LIMITATION ON COLLECTION.—No fee may be collected under this section except to the extent that the expenditure of the fee to pay the costs of activities and services for which the fee is imposed is provided for in advance in an appropriations Act.

''(d) ADMINISTRATION OF FEES.—

''(1) FEES PAYABLE TO SECRETARY.—All fees imposed and amounts collected under this section are payable to the Secretary.

''(2) INFORMATION.—The Secretary may require the provision of such information as the Secretary decides is necessary to verify that fees have been collected and remitted at the proper times and in the proper amounts.

''(e) RECEIPTS CREDITED AS OFFSETTING COLLECTIONS.—Notwithstanding section 3302 of title 31, any fee collected under this section—

''(1) shall be credited as offsetting collections to the account that finances the activities and services for which the fee is imposed;

''(2) shall be available for expenditure only to pay the costs of activities and services for which the fee is imposed; and

''(3) shall remain available until expended.

''(f) REFUNDS.—The Secretary may refund any fee paid by mistake or any amount paid in excess of that required.

''(g) SUNSET.—The fees authorized by subsection (a) may not be assessed after September 31, 2009.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 701 of title 46, United States Code, as amended by section 2, is amended by adding at the end the following:

''70121. Security service fee''.

SEC. 13. PORT SECURITY CAPITAL FUND.

(a) IN GENERAL.—Chapter 701 of title 46, United States Code, as amended by section 11, is further amended by adding at the end the following:

"§ 70122. Port security capital fund.

''(a) IN GENERAL.—There is established within the Department of Homeland Security a fund to be known as the Port Security Capital Fund. There are appropriated to the Fund such sums as may be derived from the fees authorized by section 70121(a).

''(b) PURPOSE.—Amounts in the Fund shall be available to the Secretary of Homeland Security—

''(1) to provide financial assistance to port authorities, facility operators, and State and local agencies required to provide security services to defray capital investment in transportation security at port facilities in accordance with the provisions of this chapter;

''(2) to provide financial assistance to those entities required to provide security services to help ensure compliance with Federal area maritime security plans; and

''(3) to help defray the costs of Federal port security programs.

''(c) ALLOCATION OF FUNDS.—

''(1) FUNDS DERIVED FROM SECURITY FEES.—From amounts in the Fund attributable to fees collected under section 70121(a)(1) and (2)—

''(A) no less than $400,000,000 (or such amount as may be appropriate to reflect any modification of the fees under section 70121(c)(3)) shall be made available each fiscal year for grants under section 70107 to help ensure compliance with facility security plans or to help implement Area Maritime Transportation Security Plans;

''(B) funds shall be made available to the Coast Guard for the costs of implementing sections 70114 and 70115 fully by the end of fiscal year 2006;

''(C) funds shall be made available to the Coast Guard for the costs of establishing command and control centers at United States ports to help coordinate port security law enforcement activities and implementing Area Maritime Security Plans, and may be transferred, as appropriate, to port authorities, facility operators, and State and local government agencies to help them defray costs associated with port security services;

''(D) funds shall be made available to the Under Secretary of Homeland Security for Border and Transportation Security for the costs of implementing cargo security programs, including the costs of certifying secure systems of transportation under section 70116;

''(E) funds shall be made available to the Under Secretary of Homeland Security for Border and Transportation Security for the costs of acquiring and operating nonintrusive screening equipment at United States ports; and

''(F) funds shall be made available to the Transportation Security Administration for the costs of implementing of section 70113 and the collection of commercial maritime intelligence (including the collection of commercial maritime transportation information from the private sector), of which a portion shall be made available to the Coast Guard and the Customs Service only for the purpose of coordinating the system of collecting and analyzing information on vessels, crew, passengers, cargo, and intermodal shipments.

''(2) TRANSSHIPMENT FEES.—Amounts in the Fund attributable to fees collected under section 70121(a)(3), shall be made available to the Secretary to defray the costs of providing international maritime transshipment security at the United States borders with Canada and Mexico.

''(d) UTILIZATION REPORTS.—The Commandant of the Coast Guard and the Secretary of Homeland Security shall report annually to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on utilization of amounts received from the Fund.

''(e) LETTERS OF INTENT.—The Secretary of Homeland Security, or his delegate, may execute letters of intent to commit funding to port sponsors from the Fund.''.

(f) CONFORMING AMENDMENT.—The chapter analysis for chapter 701 of title 46, United States Code, as amended by section 11, is amended by adding at the end the following:

''70122. Port security capital fund''.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 327—PROVIDING FOR A PROTOCOL FOR NONPARTISAN CONFIRMATION OF JUDICIAL NOMINEES

Mr. SPECTER submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 327

Whereas, judicial nominations have long been the subject of controversy and delay in the United States Senate;

Whereas, in the past the controversy over judicial nominees has occurred when different political parties control the White House and the Senate;

Whereas, in the current Congress, even though the White House and the Senate are controlled by the same party, the controversy over judicial nominees continues and has reached a crisis point;

Whereas, during the current Administration there have for the first time been Senate filibusters of nominees to the U.S. Circuit Courts of Appeal;

Whereas, the White House has made recess appointments of two of these filibustered nominees;

Whereas, the minority party has taken the position that further Senate confirmations of the President's judicial nominees would be blocked unless the White House gives assurances that it will no longer make such recess appointments.

Resolved,

SECTION 1. PROTOCOL FOR NONPARTISAN CONFIRMATION OF JUDICIAL NOMINEES.

(a) TIMETABLES.—

(1) COMMITTEE TIMETABLES.—The Chairman of the Committee on the Judiciary, in collaboration with the Ranking Member, shall—

(A) establish a timetable for hearings for nominees to the United States district courts, courts of appeal, and Supreme Court, to occur within 30 days after the names of such nominees have been submitted to the Senate by the President; and

(B) establish a timetable for action by the full Committee to occur within 30 days after the hearings, and for reporting out nominees to the full Senate.

(2) SENATE TIMETABLES.—The Majority Leader shall establish a timetable for action by the full Senate to occur within 30 days after the Committee on the Judiciary has reported out the nominations.

(b) EXTENSION OF TIMETABLES.—

(1) COMMITTEE EXTENSIONS.—The Chairman of the Committee on the Judiciary, with notice to the Ranking Member, may extend by a period not to exceed 30 days, the time for action by the Committee for cause, such as the need for more investigation or additional hearings.

(2) SENATE EXTENSIONS.—

(A) IN GENERAL.—The Majority Leader, with notice to the Minority Leader, may extend by a period not to exceed 30 days, the time for floor action for cause, such as the need for more investigation or additional hearings.

(B) RECESS PERIOD.—Any day of a recess period of the Senate shall not be included in the extension period described under subparagraph (A).

Mr. SPECTER. Mr. President, I have sought recognition to submit a resolution providing for a protocol for the nonpartisan confirmation of judicial nominees. We have come to a crisis situation in the Senate on the confirmation of Federal judges. This has been a highly controversial subject since the beginning of the Republic. There have been controversies from time to time, pitched debates in the Senate Chamber, nominees confirmed and some nominees rejected.

The current controversies focused significantly in the last 2 years of President Reagan's Presidency when the Democrats won control of the Senate in the 1986 elections. For the last 2 years of President Reagan's tenure, the Presidential appointments were slowed down. The same thing happened during the 4 years of President George Herbert Walker Bush. When President Clinton was elected, and we had a Democrat in the White House, when we Republicans gained control of the Senate in the 1994 elections, President Clinton's nominations were slowed down. Pretty much a tit-for-tat situation.

Now that we have had both the Presidency and the Senate under Republican stewardship, the controversy has reached a new level where for the first time in the history of the Republic, court of appeals nominees have been filibustered. The responsibility of the President has been to use his constitutional authority for interim appointments. Those two interim appointments have been roundly criticized by the Democrats.

And the position has been stated on the other side of the aisle that there will be no more confirmations of Federal judges until there is a commitment, an indication, or some statement, or some understanding that the interim appointments will no longer be made.

My State of Pennsylvania is very severely impacted by this controversy. We have a nomination pending before the Senate of a distinguished Federal judge, Judge Van Antwerpen, who is ready for confirmation. The Court of Appeals for the Third Circuit is badly understaffed. We have some five nominees for the United States District Court for the Eastern District of Pennsylvania awaiting confirmation. There again, the courts are in need of the services of these prospective Federal judges.

The resolution, which I am submitting today, is a protocol which would call for a hearing in the Judiciary Committee 30 days after a President submits a nomination; 30 days later, a vote by the committee; 30 days after that, floor action in the Senate; 30 days after that, a decision on the outcome.

It is true there would not be the opportunity for filibuster, but the Republic has survived for more than 200 years before the filibuster was used. There was one illustration where there was a filibuster for a Supreme Court nominee, but that is really irrelevant to the kinds of controversies we have now, or the situation we are in at the present time.

Beyond my State of Pennsylvania, there are other States, other circuits, having judicial crises, and we ought to take the Federal judicial nominating confirmation process out of the politicization course, and we ought to try to work this through.

It may be that, in August, when there is some uncertainty as to who will occupy the White House and which party will control the Senate, that some accommodation can be reached. But right now litigants are being denied the prompt disposition of their cases. It is a well-known maxim that justice delayed is justice denied. It is my hope that we could find an accommodation somewhere here to do the people's business.

It is well known that partisanship is at a very high level in the Congress today—in the House of Representatives, where there is a narrow margin for the Republicans; and the partisanship here in the Senate, where there is a 51–49 majority for the Republicans.

But we ought to establish a protocol. We ought to establish a procedure. The protocol I am proposing is not in concrete. I am prepared to discuss it to find ways of working it out.

I had thought of putting in a provision that if it was a party line vote in the Judiciary Committee, even though there was not a majority in favor of sending a nominee to the floor, but a party line vote, that it come to the floor. I have decided to omit that.

I had thought about putting a provision in that if the Supreme Court nominee did not have a majority, the nominee would come to the floor in any event. And I have omitted that.

Twice in the past 14 years, nominees have come to the floor of the Senate for the Supreme Court of the United States without having a majority vote in the Judiciary Committee. But both times—one a 5-to-8 vote, the nominee came to the floor; another time, on a 7–7 tie, there was a 13–1 vote to send the nominee to the floor. And I have decided, in the interest of avoiding a controversy, to omit that.

But I ask my colleagues to review this resolution for a protocol and to see if we cannot find some way to confirm Federal judges without figuring out whose ox is being gored.

SENATE RESOLUTION 328—EXPRESSING THE SENSE OF THE SENATE REGARDING THE CONTINUED HUMAN RIGHTS VIOLATIONS COMMITTED BY FIDEL CASTRO AND THE GOVERNMENT OF CUBA

Mr. NELSON of Florida (for himself and Mr. ALLEN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 328

Whereas, one year ago, in March 2003, Fidel Castro and the Government of Cuba led a nationwide campaign to arrest and jail dozens of prominent democracy activists and critics of the repressive regime in Cuba;

Whereas credible nongovernmental observers report that the imprisoned democracy activists include—

(1) Osvaldo Alfonso Valdes, sentenced for 18 years;

(2) Librado Linares Garcia, sentenced for 20 years;

(3) Raul Rivero Castaneda, sentenced for 20 years;

(4) Martha Beatriz Roque Cabello, sentenced for 20 years;

(5) Victor Rolando Arroyo Carmona, sentenced for 26 years;

(6) Mijail Barzaga Lugo, sentenced for 15 years;

(7) Oscar Elias Biscet, sentenced for 25 years;

(8) Margarito Broche Espinosa, sentenced for 25 years;

(9) Dr. Marcelo Cana Rodriguez, sentenced for 18 years;

(10) Roberto de Miranda Hernandez, sentenced for 20 years;

(11) Carmelo Diaz Fernandez, sentenced for 18 years;

(12) Eduardo Diaz Fleitas, sentenced for 21 years;

(13) Antonio Diaz Sanchez, sentenced for 20 years;

(14) Alfredo Dominguez Batista, sentenced for 14 years;

(15) Oscar Espinosa Chepe, sentenced for 20 years;
(16) Alfredo Felipe Fuentes, sentenced for 26 years;
(17) Efren Fernandez Fernandez, sentenced for 12 years;
(18) Adolfo Fernandez Sainz, sentenced for 15 years;
(19) Jose Daniel Ferrer Garcia, sentenced for 25 years;
(20) Luis Enrique Ferrer Garcia, sentenced for 28 years;
(21) Orlando Fundora Alvarez, sentenced for 20 years;
(22) Prospero Gainza Aguero, sentenced for 25 years;
(23) Miguel Galban Gutierrez, sentenced for 26 years;
(24) Julio Cesar Galvez Rodriguez, sentenced for 15 years;
(25) Jose Luis Garcia Paneque, sentenced for 24 years;
(26) Edel Jose Garcia Diaz, sentenced for 16 years;
(27) Ricardo Gonzalez Alfonso, sentenced for 20 years;
(28) Diosdado Gonzalez Marrero, sentenced for 20 years;
(29) Lester Gonzalez Penton, sentenced for 20 years;
(30) Alejandro Gonzalez Raga, sentenced for 14 years;
(31) Jorge Luis Gonzalez Tanquero, sentenced for 20 years;
(32) Leonel Grave de Peralta Almenares, sentenced for 20 years;
(33) Ivan Hernandez Carrillo, sentenced for 25 years;
(34) Normando Hernandez Gonzalez, sentenced for 25 years;
(35) Juan Carlos Herrera Acosta, sentenced for 20 years;
(36) Regis Iglesias Ramirez, sentenced for 18 years;
(37) Jose Ubaldo Izquierdo Hernandez, sentenced for 16 years;
(38) Reinaldo Labrada Pena, sentenced for 6 years;
(39) Nelson Alberto Aguiar Ramirez, sentenced for 13 years;
(40) Marcelo Lopez Banobre, sentenced for 15 years;
(41) Jose Miguel Martinez Hernandez, sentenced for 13 years;
(42) Hector Maseda Gutierrez, sentenced for 20 years;
(43) Mario Enrique Mayo Hernandez, sentenced for 20 years;
(44) Dr. Luis Milan Fernandez, sentenced for 13 years;
(45) Nelson Moline Espino, sentenced for 20 years;
(46) Angel Juan Moya Acosta, sentenced for 20 years;
(47) Jesus Mustafa Felipe, sentenced for 25 years;
(48) Felix Navarro Rodriguez, sentenced for 25 years;
(49) Jorge Olivera Castillo, sentenced for 18 years;
(50) Pablo Pacheco Avila, sentenced for 20 years;
(51) Hector Palacios Ruiz, sentenced for 25 years;
(52) Arturo Perez de Alejo Rodriguez, sentenced for 20 years;
(53) Omar Pernet Hernandez, sentenced for 25 years;
(54) Horacio Julio Pina Borrego, sentenced for 20 years;
(55) Fabio Prieto Llorente, sentenced for 20 years;
(56) Alfredo Pulido Lopez, sentenced for 14 years;
(57) Jose Gabriel Ramon Castillo, sentenced for 20 years;
(58) Arnaldo Ramos Lauzerique, sentenced for 18 years;
(59) Blas Giraldo Reyes Rodriguez, sentenced for 25 years;
(60) Pedro Pablo Alvarez Ramos, sentenced for 25 years;
(61) Alexis Rodriguez Fernandez, sentenced for 15 years;
(62) Omar Rodriguez Saludes, sentenced for 27 years;
(63) Pedro Arguelles Moran, sentenced for 20 years;
(64) Omar Ruiz Hernandez, sentenced for 18 years;
(65) Claro Sanchez Albtarriba, sentenced for 15 years;
(66) Ariel Sigler Amaya, sentenced for 20 years;
(67) Guido Sigler Amaya, sentenced for 20 years;
(68) Ricardo Enrique Silva Gual, sentenced for 10 years;
(69) Fidel Suarez Cruz, sentenced for 20 years;
(70) Manuel Ubals Gonzalez, sentenced for 20 years;
(71) Julio Antonio Valdes Guevara, sentenced for 20 years;
(72) Miguel Valdes Tamayo, sentenced for 15 years;
(73) Hector Raul Valle Hernandez, sentenced for 12 years;
(74) Manuel Vazquez Portal, sentenced for 18 years; and
(75) Antonio Augusto Villarreal Acosta, sentenced for 15 years;

Whereas the imprisoned political opponents of Castro include librarians, journalists, poets, and others who have supported the Varela Project, which seeks to bring free speech, open elections, and democracy to Cuba;

Whereas Fidel Castro seized the opportunity to expand his brutal oppression of the people of Cuba while the attention of the United States and other nations around the world was focused on the war in Iraq;

Whereas the failure to condemn the Government of Cuba's continued political repression of democracy activists will further undermine the opportunity for freedom on the island; and

Whereas the international community missed an opportunity to speak against such brutal repression in a meaningful manner during the 59th Session of the United Nations Commission on Human Rights held in Geneva, Switzerland, from March 17, 2003, through April 23, 2003: Now, therefore, be it

Resolved, That the Senate—

(1) reaffirms—

(A) Senate Resolution 272, 107th Congress, unanimously agreed to June 10, 2002, calling for, among other things, amnesty for all political prisoners in Cuba;

(B) Senate Resolution 97, 108th Congress, unanimously agreed to April 7, 2003, condemning the crackdown on democracy activists in Cuba; and

(C) Senate Resolution 62, 108th Congress, unanimously agreed to June 27, 2003, calling upon the Organization of American States Inter-American Commission on Human Rights, the United Nations High Commissioner for Human Rights, the European Union, and human rights activists throughout the world to take certain actions in regard to the human rights situation in Cuba;

(2) calls on the Government of Cuba to immediately release individuals imprisoned for political purposes;

(3) praises the bravery of those Cubans who, because they practiced free speech and signed the Varela Project petition, have been targeted in this most recent government crackdown;

(4) calls on foreign governments to—

(A) increase the pressure on the Government of Cuba to improve its record on human rights in Cuba; and

(B) invite civil society leaders and democracy activists in Cuba to official events;

(5) calls upon the 60th Session of the United Nations Commission on Human Rights in Geneva from March 15, 2004, to April 23, 2004, to—

(A) condemn Cuba for its human rights abuses; and

(B) demand that inspectors from the International Commission of the Red Cross be allowed to visit and inspect the conditions of prisons to assess for the international community the extent of human rights abuses and the current situation in Cuba; and

(6) urges the President to direct United States Representatives at the 60th Session of the Commission on Human Rights to make the strong condemnation of the human rights situation in Cuba a top priority.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3007. Mr. TALENT submitted an amendment intended to be proposed to amendment SA 2961 submitted by Mr. TALENT and intended to be proposed to the bill H.R. 4, to reauthorize and improve the program of block grants to States for temporary assistance for needy families, improve access to quality child care, and for other purposes; which was ordered to lie on the table.

SA 3008. Mr. TALENT submitted an amendment intended to be proposed to amendment SA 2960 submitted by Mr. TALENT and intended to be proposed to the bill H.R. 4, supra; which was ordered to lie on the table.

SA 3009. Mr. ROCKEFELLER (for himself and Mr. NELSON, of Nebraska) submitted an amendment intended to be proposed to amendment SA 2947 submitted by Ms. MURKOWSKI and intended to be proposed to the bill H.R. 4, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 3007. Mr. TALENT submitted an amendment intended to be proposed to amendment SA 2961 submitted by Mr. TALENT and intended to be proposed to the bill H.R. 4, to reauthorize and improve the program of block grants to States for temporary assistance for needy families, improve access to quality child care, and for other purposes; which was ordered to lie on the table; as follows:

On page 2 of the amendment, strike lines 4 through 7, and insert the following:

''(i) 15 percent for fiscal year 2004;
''(ii) 25 percent for fiscal year 2005;
''(iii) 35 percent for fiscal year 2006;
''(iv) 45 percent for fiscal year 2007;''.

SA 3008. Mr. TALENT submitted an amendment intended to be proposed to amendment SA 2960 submitted by Mr. TALENT and intended to be proposed to the bill H.R. 4, to reauthorize and improve the program of block grants to States for temporary assistance for needy families, improve access to quality child care, and for other purposes; which was ordered to lie on the table; as follows:

On page 2 of the amendment, strike lines 17 through 24, and insert the following: ''least 20, but less than 24, hours per week in a month, as 0.675 of a family.

''(ii) In the case of a family in which the total number of hours in which any adult recipient or minor child head of household in

the family is participating in such work activities for an average of at least 24, but less than 33, hours per week in a month, as 0.75 of a family.''.

SA 3009. Mr. ROCKEFELLER (for himself and Mr. NELSON of Nebraska) submitted an amendment intended to be proposed to amendment SA 2947 submitted by Ms. MURKOWSKI and intended to be proposed to the bill H.R. 4, to reauthorize and improve the program of block grants to States for temporary assistance for needy families, improve access to quality child care, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

TITLE ____—TEMPORARY STATE FISCAL RELIEF

Subtitle A—Extension of Temporary Increase of the Medicaid FMAP

SEC. ____01. EXTENSION OF TEMPORARY INCREASE OF THE MEDICAID FMAP.

(a) IN GENERAL.—Section 401(a) of the Jobs and Growth Tax Relief Reconciliation Act of 2003 (42 U.S.C. 1396d note) is amended—

(1) in the subsection heading, by striking ''$10,000,000,000 FOR A'';

(2) in paragraph (2)—

(A) in the paragraph heading, by striking ''FIRST 3 QUARTERS OF''; and

(B) by striking ''the first, second, and third calendar quarters'' and inserting ''each calendar quarter'';

(3) by redesignating paragraphs (3) through (9) as paragraphs (4) through (10), respectively;

(4) by inserting after paragraph (2), the following:

''(3) PERMITTING MAINTENANCE OF FISCAL YEAR 2004 FMAP FOR FIRST 3 QUARTERS OF FISCAL YEAR 2005.—Subject to paragraph (6), if the FMAP determined without regard to this subsection for a State for fiscal year 2005 is less than the FMAP as so determined for fiscal year 2004, the FMAP for the State for fiscal year 2004 shall be substituted for the State's FMAP for the first, second, and third calendar quarters of fiscal year 2005, before the application of this subsection.'';

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

(A) in the paragraph heading, by striking ''AND FIRST 3 CALENDAR QUARTERS OF FISCAL YEAR 2004'' and inserting '', EACH CALENDAR QUARTER OF FISCAL YEAR 2004, AND FIRST 3 CALENDAR QUARTERS OF FISCAL YEAR 2005''; and

(B) by striking ''and for the first, second, and third calendar quarters of fiscal year 2004, the FMAP (taking into account the application of paragraphs (1) and (2))'' and inserting '', each calendar quarter of fiscal year 2004, and the first, second, and third calendar quarters of fiscal year 2005, the FMAP (taking into account the application of paragraphs (1), (2), and (3))'';

(6) in paragraph (5) (as so redesignated), by striking '' and the first, second, and third calendar quarters of fiscal year 2004'' and inserting ''each calendar quarter of fiscal year 2004, and the first, second, and third calendar quarters of fiscal year 2005'';

(7) in paragraph (7) (as so redesignated), by adding at the end the following:

''(D) SPECIAL RULE.—During the period that begins on July 1, 2004, and ends on June 30, 2005, subparagraphs (A) and (B) shall be applied by substituting 'January 1, 2004' for 'September 2, 2003' each place it appears.'';

(8) in paragraph (8) (as so redesignated), by striking '' and the first, second and third calendar quarters of fiscal year 2004'' and inserting ''each calendar quarter of fiscal year 2004, and the first, second, and third calendar quarters of fiscal year 2005''; and

(9) in paragraph (10) (as so redesignated), by striking ''2004'' and inserting ''2005''.

(b) CONFORMING AMENDMENTS.—Section 401(a) of such Act (42 U.S.C. 1396d note) is amended—

(1) in paragraph (1), by striking ''paragraph (5)'' and inserting ''paragraph (6)'';

(2) in paragraph (2), by striking ''paragraph (5)'' and inserting ''paragraph (6)'';

(3) in paragraph (4) (as so redesignated), by striking ''paragraphs (5), (6), and (7)'' and inserting ''paragraphs (6), (7), and (8)'';

(4) in paragraph (5) (as so redesignated), by striking ''paragraphs (6) and (7)'' and inserting ''paragraphs (7) and (8)''; and

(5) in paragraph (7) (as so redesignated)—

(A) by striking ''paragraph (4)'' each place it appears and inserting ''paragraph (5)''; and

(B) by striking ''paragraph (3)'' each place it appears and inserting ''paragraph (4)''.

(c) RETROACTIVE EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect as if included in the enactment of section 401 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 (42 U.S.C. 1396d note).

Subtitle B—Clarification of Economic Substance Doctrine and Related Penalty Provisions

SEC. ____10. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. ____11. CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE.

(a) IN GENERAL.—Section 7701 is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

''(n) CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE; ETC.—

''(1) GENERAL RULES.—

''(A) IN GENERAL.—In any case in which a court determines that the economic substance doctrine is relevant for purposes of this title to a transaction (or series of transactions), such transaction (or series of transactions) shall have economic substance only if the requirements of this paragraph are met.

''(B) DEFINITION OF ECONOMIC SUBSTANCE.—For purposes of subparagraph (A)—

''(i) IN GENERAL.—A transaction has economic substance only if—

''(I) the transaction changes in a meaningful way (apart from Federal tax effects) the taxpayer's economic position, and

''(II) the taxpayer has a substantial nontax purpose for entering into such transaction and the transaction is a reasonable means of accomplishing such purpose.

In applying subclause (II), a purpose of achieving a financial accounting benefit shall not be taken into account in determining whether a transaction has a substantial nontax purpose if the origin of such financial accounting benefit is a reduction of income tax.

''(ii) SPECIAL RULE WHERE TAXPAYER RELIES ON PROFIT POTENTIAL.—A transaction shall not be treated as having economic substance by reason of having a potential for profit unless—

''(I) the present value of the reasonably expected pre-tax profit from the transaction is substantial in relation to the present value of the expected net tax benefits that would be allowed if the transaction were respected, and

''(II) the reasonably expected pre-tax profit from the transaction exceeds a risk-free rate of return.

''(C) TREATMENT OF FEES AND FOREIGN TAXES.—Fees and other transaction expenses and foreign taxes shall be taken into account as expenses in determining pre-tax profit under subparagraph (B)(ii).

''(2) SPECIAL RULES FOR TRANSACTIONS WITH TAX-INDIFFERENT PARTIES.—

''(A) SPECIAL RULES FOR FINANCING TRANSACTIONS.—The form of a transaction which is in substance the borrowing of money or the acquisition of financial capital directly or indirectly from a tax-indifferent party shall not be respected if the present value of the deductions to be claimed with respect to the transaction is substantially in excess of the present value of the anticipated economic returns of the person lending the money or providing the financial capital. A public offering shall be treated as a borrowing, or an acquisition of financial capital, from a tax-indifferent party if it is reasonably expected that at least 50 percent of the offering will be placed with tax-indifferent parties.

''(B) ARTIFICIAL INCOME SHIFTING AND BASIS ADJUSTMENTS.—The form of a transaction with a tax-indifferent party shall not be respected if—

''(i) it results in an allocation of income or gain to the tax-indifferent party in excess of such party's economic income or gain, or

''(ii) it results in a basis adjustment or shifting of basis on account of overstating the income or gain of the tax-indifferent party.

''(3) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

''(A) ECONOMIC SUBSTANCE DOCTRINE.—The term 'economic substance doctrine' means the common law doctrine under which tax benefits under subtitle A with respect to a transaction are not allowable if the transaction does not have economic substance or lacks a business purpose.

''(B) TAX-INDIFFERENT PARTY.—The term 'tax-indifferent party' means any person or entity not subject to tax imposed by subtitle A. A person shall be treated as a tax-indifferent party with respect to a transaction if the items taken into account with respect to the transaction have no substantial impact on such person's liability under subtitle A.

''(C) EXCEPTION FOR PERSONAL TRANSACTIONS OF INDIVIDUALS.—In the case of an individual, this subsection shall apply only to transactions entered into in connection with a trade or business or an activity engaged in for the production of income.

''(D) TREATMENT OF LESSORS.—In applying paragraph (1)(B)(ii) to the lessor of tangible property subject to a lease—

''(i) the expected net tax benefits with respect to the leased property shall not include the benefits of—

''(I) depreciation,

''(II) any tax credit, or

''(III) any other deduction as provided in guidance by the Secretary, and

''(ii) subclause (II) of paragraph (1)(B)(ii) shall be disregarded in determining whether any of such benefits are allowable.

''(4) OTHER COMMON LAW DOCTRINES NOT AFFECTED.—Except as specifically provided in this subsection, the provisions of this subsection shall not be construed as altering or supplanting any other rule of law, and the requirements of this subsection shall be construed as being in addition to any such other rule of law.

''(5) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection. Such regulations may include exemptions from the application of this subsection.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

SEC. ___12. PENALTY FOR FAILING TO DISCLOSE REPORTABLE TRANSACTION.

(a) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6707 the following new section:

"SEC. 6707A. PENALTY FOR FAILURE TO INCLUDE REPORTABLE TRANSACTION INFORMATION WITH RETURN OR STATEMENT.

''(a) IMPOSITION OF PENALTY.—Any person who fails to include on any return or statement any information with respect to a reportable transaction which is required under section 6011 to be included with such return or statement shall pay a penalty in the amount determined under subsection (b).

''(b) AMOUNT OF PENALTY.—

''(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amount of the penalty under subsection (a) shall be $50,000.

''(2) LISTED TRANSACTION.—The amount of the penalty under subsection (a) with respect to a listed transaction shall be $100,000.

''(3) INCREASE IN PENALTY FOR LARGE ENTITIES AND HIGH NET WORTH INDIVIDUALS.—

''(A) IN GENERAL.—In the case of a failure under subsection (a) by—

''(i) a large entity, or

''(ii) a high net worth individual,

the penalty under paragraph (1) or (2) shall be twice the amount determined without regard to this paragraph.

''(B) LARGE ENTITY.—For purposes of subparagraph (A), the term 'large entity' means, with respect to any taxable year, a person (other than a natural person) with gross receipts in excess of $10,000,000 for the taxable year in which the reportable transaction occurs or the preceding taxable year. Rules similar to the rules of paragraph (2) and subparagraphs (B), (C), and (D) of paragraph (3) of section 448(c) shall apply for purposes of this subparagraph.

''(C) HIGH NET WORTH INDIVIDUAL.—For purposes of subparagraph (A), the term 'high net worth individual' means, with respect to a reportable transaction, a natural person whose net worth exceeds $2,000,000 immediately before the transaction.

''(c) DEFINITIONS.—For purposes of this section—

''(1) REPORTABLE TRANSACTION.—The term 'reportable transaction' means any transaction with respect to which information is required to be included with a return or statement because, as determined under regulations prescribed under section 6011, such transaction is of a type which the Secretary determines as having a potential for tax avoidance or evasion.

''(2) LISTED TRANSACTION.—Except as provided in regulations, the term 'listed transaction' means a reportable transaction which is the same as, or substantially similar to, a transaction specifically identified by the Secretary as a tax avoidance transaction for purposes of section 6011.

''(d) AUTHORITY TO RESCIND PENALTY.—

''(1) IN GENERAL.—The Commissioner of Internal Revenue may rescind all or any portion of any penalty imposed by this section with respect to any violation if—

''(A) the violation is with respect to a reportable transaction other than a listed transaction,

''(B) the person on whom the penalty is imposed has a history of complying with the requirements of this title,

''(C) it is shown that the violation is due to an unintentional mistake of fact;

''(D) imposing the penalty would be against equity and good conscience, and

''(E) rescinding the penalty would promote compliance with the requirements of this title and effective tax administration.

''(2) DISCRETION.—The exercise of authority under paragraph (1) shall be at the sole discretion of the Commissioner and may be delegated only to the head of the Office of Tax Shelter Analysis. The Commissioner, in the Commissioner's sole discretion, may establish a procedure to determine if a penalty should be referred to the Commissioner or the head of such Office for a determination under paragraph (1).

''(3) NO APPEAL.—Notwithstanding any other provision of law, any determination under this subsection may not be reviewed in any administrative or judicial proceeding.

''(4) RECORDS.—If a penalty is rescinded under paragraph (1), the Commissioner shall place in the file in the Office of the Commissioner the opinion of the Commissioner or the head of the Office of Tax Shelter Analysis with respect to the determination, including—

''(A) the facts and circumstances of the transaction,

''(B) the reasons for the rescission, and

''(C) the amount of the penalty rescinded.

''(5) REPORT.—The Commissioner shall each year report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate—

''(A) a summary of the total number and aggregate amount of penalties imposed, and rescinded, under this section, and

''(B) a description of each penalty rescinded under this subsection and the reasons therefor.

''(e) PENALTY REPORTED TO SEC.—In the case of a person—

''(1) which is required to file periodic reports under section 13 or 15(d) of the Securities Exchange Act of 1934 or is required to be consolidated with another person for purposes of such reports, and

''(2) which—

''(A) is required to pay a penalty under this section with respect to a listed transaction,

''(B) is required to pay a penalty under section 6662A with respect to any reportable transaction at a rate prescribed under section 6662A(c), or

''(C) is required to pay a penalty under section 6662B with respect to any noneconomic substance transaction,

the requirement to pay such penalty shall be disclosed in such reports filed by such person for such periods as the Secretary shall specify. Failure to make a disclosure in accordance with the preceding sentence shall be treated as a failure to which the penalty under subsection (b)(2) applies.

''(f) COORDINATION WITH OTHER PENALTIES.—The penalty imposed by this section is in addition to any penalty imposed under this title.''.

(b) DISCLOSURE BY SECRETARY.—

(1) IN GENERAL.—Section 6103 is amended by redesignating subsection (q) as subsection (r) and by inserting after subsection (p) the following new subsection:

''(q) DISCLOSURE RELATING TO PAYMENTS OF CERTAIN PENALTIES.—Notwithstanding any other provision of this section, the Secretary shall make public the name of any person required to pay a penalty described in section 6707A(e)(2) and the amount of the penalty.''.

(2) RECORDS.—Section 6103(p)(3)(A) is amended by striking ''or (n)'' and inserting ''(n), or (q)''.

(c) CONFORMING AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6707 the following:

''Sec. 6707A. Penalty for failure to include reportable transaction information with return or statement.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to returns and statements the due date for which is after the date of the enactment of this Act.

SEC. ___13. ACCURACY-RELATED PENALTY FOR LISTED TRANSACTIONS AND OTHER REPORTABLE TRANSACTIONS HAVING A SIGNIFICANT TAX AVOIDANCE PURPOSE.

(a) IN GENERAL.—Subchapter A of chapter 68 is amended by inserting after section 6662 the following new section:

"SEC. 6662A. IMPOSITION OF ACCURACY-RELATED PENALTY ON UNDERSTATEMENTS WITH RESPECT TO REPORTABLE TRANSACTIONS.

''(a) IMPOSITION OF PENALTY.—If a taxpayer has a reportable transaction understatement for any taxable year, there shall be added to the tax an amount equal to 20 percent of the amount of such understatement.

''(b) REPORTABLE TRANSACTION UNDERSTATEMENT.—For purposes of this section—

''(1) IN GENERAL.—The term 'reportable transaction understatement' means the sum of—

''(A) the product of—

''(i) the amount of the increase (if any) in taxable income which results from a difference between the proper tax treatment of an item to which this section applies and the taxpayer's treatment of such item (as shown on the taxpayer's return of tax), and

''(ii) the highest rate of tax imposed by section 1 (section 11 in the case of a taxpayer which is a corporation), and

''(B) the amount of the decrease (if any) in the aggregate amount of credits determined under subtitle A which results from a difference between the taxpayer's treatment of an item to which this section applies (as shown on the taxpayer's return of tax) and the proper tax treatment of such item.

For purposes of subparagraph (A), any reduction of the excess of deductions allowed for the taxable year over gross income for such year, and any reduction in the amount of capital losses which would (without regard to section 1211) be allowed for such year, shall be treated as an increase in taxable income.

''(2) ITEMS TO WHICH SECTION APPLIES.—This section shall apply to any item which is attributable to—

''(A) any listed transaction, and

''(B) any reportable transaction (other than a listed transaction) if a significant purpose of such transaction is the avoidance or evasion of Federal income tax.

''(c) HIGHER PENALTY FOR NONDISCLOSED LISTED AND OTHER AVOIDANCE TRANSACTIONS.—

''(1) IN GENERAL.—Subsection (a) shall be applied by substituting '30 percent' for '20 percent' with respect to the portion of any reportable transaction understatement with respect to which the requirement of section 6664(d)(2)(A) is not met.

''(2) RULES APPLICABLE TO ASSERTION AND COMPROMISE OF PENALTY.—

''(A) IN GENERAL.—Only upon the approval by the Chief Counsel for the Internal Revenue Service or the Chief Counsel's delegate at the national office of the Internal Revenue Service may a penalty to which paragraph (1) applies be included in a 1st letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals. If such a letter is provided to the taxpayer, only the Commissioner of Internal Revenue may compromise all or any portion of such penalty.

''(B) APPLICABLE RULES.—The rules of paragraphs (2), (3), (4), and (5) of section 6707A(d) shall apply for purposes of subparagraph (A).

''(d) DEFINITIONS OF REPORTABLE AND LISTED TRANSACTIONS.—For purposes of this section, the terms 'reportable transaction' and 'listed transaction' have the respective meanings given to such terms by section 6707A(c).

''(e) SPECIAL RULES.—

''(1) COORDINATION WITH PENALTIES, ETC., ON OTHER UNDERSTATEMENTS.—In the case of an understatement (as defined in section 6662(d)(2))—

''(A) the amount of such understatement (determined without regard to this paragraph) shall be increased by the aggregate amount of reportable transaction understatements and noneconomic substance transaction understatements for purposes of determining whether such understatement is a substantial understatement under section 6662(d)(1), and

''(B) the addition to tax under section 6662(a) shall apply only to the excess of the amount of the substantial understatement (if any) after the application of subparagraph (A) over the aggregate amount of reportable transaction understatements and noneconomic substance transaction understatements.

''(2) COORDINATION WITH OTHER PENALTIES.—

''(A) APPLICATION OF FRAUD PENALTY.—References to an underpayment in section 6663 shall be treated as including references to a reportable transaction understatement and a noneconomic substance transaction understatement.

''(B) NO DOUBLE PENALTY.—This section shall not apply to any portion of an understatement on which a penalty is imposed under section 6662B or 6663.

''(3) SPECIAL RULE FOR AMENDED RETURNS.—Except as provided in regulations, in no event shall any tax treatment included with an amendment or supplement to a return of tax be taken into account in determining the amount of any reportable transaction understatement or noneconomic substance transaction understatement if the amendment or supplement is filed after the earlier of the date the taxpayer is first contacted by the Secretary regarding the examination of the return or such other date as is specified by the Secretary.

''(4) NONECONOMIC SUBSTANCE TRANSACTION UNDERSTATEMENT.—For purposes of this subsection, the term 'noneconomic substance transaction understatement' has the meaning given such term by section 6662B(c).

''(5) CROSS REFERENCE.—

''For reporting of section 6662A(c) penalty to the Securities and Exchange Commission, see section 6707A(e).''.

(b) DETERMINATION OF OTHER UNDERSTATEMENTS.—Subparagraph (A) of section 6662(d)(2) is amended by adding at the end the following flush sentence:

''The excess under the preceding sentence shall be determined without regard to items to which section 6662A applies and without regard to items with respect to which a penalty is imposed by section 6662B.''.

(c) REASONABLE CAUSE EXCEPTION.—

(1) IN GENERAL.—Section 6664 is amended by adding at the end the following new subsection:

''(d) REASONABLE CAUSE EXCEPTION FOR REPORTABLE TRANSACTION UNDERSTATEMENTS.—

''(1) IN GENERAL.—No penalty shall be imposed under section 6662A with respect to any portion of a reportable transaction understatement if it is shown that there was a reasonable cause for such portion and that the taxpayer acted in good faith with respect to such portion.

''(2) SPECIAL RULES.—Paragraph (1) shall not apply to any reportable transaction understatement unless—

''(A) the relevant facts affecting the tax treatment of the item are adequately disclosed in accordance with the regulations prescribed under section 6011,

''(B) there is or was substantial authority for such treatment, and

''(C) the taxpayer reasonably believed that such treatment was more likely than not the proper treatment.

A taxpayer failing to adequately disclose in accordance with section 6011 shall be treated as meeting the requirements of subparagraph (A) if the penalty for such failure was rescinded under section 6707A(d).

''(3) RULES RELATING TO REASONABLE BELIEF.—For purposes of paragraph (2)(C)—

''(A) IN GENERAL.—A taxpayer shall be treated as having a reasonable belief with respect to the tax treatment of an item only if such belief—

''(i) is based on the facts and law that exist at the time the return of tax which includes such tax treatment is filed, and

''(ii) relates solely to the taxpayer's chances of success on the merits of such treatment and does not take into account the possibility that a return will not be audited, such treatment will not be raised on audit, or such treatment will be resolved through settlement if it is raised.

''(B) CERTAIN OPINIONS MAY NOT BE RELIED UPON.—

''(i) IN GENERAL.—An opinion of a tax advisor may not be relied upon to establish the reasonable belief of a taxpayer if—

''(I) the tax advisor is described in clause (ii), or

''(II) the opinion is described in clause (iii).

''(ii) DISQUALIFIED TAX ADVISORS.—A tax advisor is described in this clause if the tax advisor—

''(I) is a material advisor (within the meaning of section 6111(b)(1)) who participates in the organization, management, promotion, or sale of the transaction or who is related (within the meaning of section 267(b) or 707(b)(1)) to any person who so participates,

''(II) is compensated directly or indirectly by a material advisor with respect to the transaction,

''(III) has a fee arrangement with respect to the transaction which is contingent on all or part of the intended tax benefits from the transaction being sustained,

''(IV) has an arrangement with respect to the transaction which provides that contractual disputes between the taxpayer and the advisor are to be settled by arbitration or which limits damages by reference to fees paid to the advisor for such transaction, or

''(V) as determined under regulations prescribed by the Secretary, has a disqualifying financial interest with respect to the transaction.

''(iii) DISQUALIFIED OPINIONS.—For purposes of clause (i), an opinion is disqualified if the opinion—

''(I) is based on unreasonable factual or legal assumptions (including assumptions as to future events),

''(II) unreasonably relies on representations, statements, findings, or agreements of the taxpayer or any other person,

''(III) does not identify and consider all relevant facts,

''(IV) is not signed by all individuals who are principal authors of the opinion, or

''(V) fails to meet any other requirement as the Secretary may prescribe.''.

(2) CONFORMING AMENDMENT.—The heading for subsection (c) of section 6664 is amended by inserting ''FOR UNDERPAYMENTS'' after ''EXCEPTION''.

(d) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 461(i)(3) is amended by striking ''section 6662(d)(2)(C)(iii)'' and inserting ''section 1274(b)(3)(C)''.

(2) Paragraph (3) of section 1274(b) is amended—

(A) by striking ''(as defined in section 6662(d)(2)(C)(iii))'' in subparagraph (B)(i), and

(B) by adding at the end the following new subparagraph:

''(C) TAX SHELTER.—For purposes of subparagraph (B), the term 'tax shelter' means—

''(i) a partnership or other entity,

''(ii) any investment plan or arrangement, or

''(iii) any other plan or arrangement,

if a significant purpose of such partnership, entity, plan, or arrangement is the avoidance or evasion of Federal income tax.''.

(3) Section 6662(d)(2) is amended by striking subparagraphs (C) and (D).

(4) Section 6664(c)(1) is amended by striking ''this part'' and inserting ''section 6662 or 6663''.

(5) Subsection (b) of section 7525 is amended by striking ''section 6662(d)(2)(C)(iii)'' and inserting ''section 1274(b)(3)(C)''.

(6)(A) The heading for section 6662 is amended to read as follows:

''SEC. 6662. IMPOSITION OF ACCURACY-RELATED PENALTY ON UNDERPAYMENTS.''.

(B) The table of sections for part II of subchapter A of chapter 68 is amended by striking the item relating to section 6662 and inserting the following new items:

''Sec. 6662. Imposition of accuracy-related penalty on underpayments.

''Sec. 6662A. Imposition of accuracy-related penalty on understatements with respect to reportable transactions.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. ___14. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE, ETC.

(a) IN GENERAL.—Subchapter A of chapter 68 is amended by inserting after section 6662A the following new section:

''SEC. 6662B. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE, ETC.

''(a) IMPOSITION OF PENALTY.—If a taxpayer has an noneconomic substance transaction understatement for any taxable year, there shall be added to the tax an amount equal to 40 percent of the amount of such understatement.

''(b) REDUCTION OF PENALTY FOR DISCLOSED TRANSACTIONS.—Subsection (a) shall be applied by substituting '20 percent' for '40 percent' with respect to the portion of any noneconomic substance transaction understatement with respect to which the relevant facts affecting the tax treatment of the item are adequately disclosed in the return or a statement attached to the return.

''(c) NONECONOMIC SUBSTANCE TRANSACTION UNDERSTATEMENT.—For purposes of this section—

''(1) IN GENERAL.—The term 'noneconomic substance transaction understatement' means any amount which would be an understatement under section 6662A(b)(1) if section 6662A were applied by taking into account items attributable to noneconomic substance transactions rather than items to which section 6662A would apply without regard to this paragraph.

''(2) NONECONOMIC SUBSTANCE TRANSACTION.—The term 'noneconomic substance transaction' means any transaction if—

''(A) there is a lack of economic substance (within the meaning of section 7701(n)(1)) for the transaction giving rise to the claimed benefit or the transaction was not respected under section 7701(n)(2), or

''(B) the transaction fails to meet the requirements of any similar rule of law.

''(d) RULES APPLICABLE TO COMPROMISE OF PENALTY.—

''(1) IN GENERAL.—If the 1st letter of proposed deficiency which allows the taxpayer

an opportunity for administrative review in the Internal Revenue Service Office of Appeals has been sent with respect to a penalty to which this section applies, only the Commissioner of Internal Revenue may compromise all or any portion of such penalty.

''(2) APPLICABLE RULES.—The rules of paragraphs (2), (3), (4), and (5) of section 6707A(d) shall apply for purposes of paragraph (1).

''(e) COORDINATION WITH OTHER PENALTIES.—Except as otherwise provided in this part, the penalty imposed by this section shall be in addition to any other penalty imposed by this title.

''(f) CROSS REFERENCES.—

''(1) For coordination of penalty with understatements under section 6662 and other special rules, see section 6662A(e).

''(2) For reporting of penalty imposed under this section to the Securities and Exchange Commission, see section 6707A(e).''.

(b) CLERICAL AMENDMENT.—The table of sections for part II of subchapter A of chapter 68 is amended by inserting after the item relating to section 6662A the following new item:

''Sec. 6662B. Penalty for understatements attributable to transactions lacking economic substance, etc.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

NOTICES OF HEARINGS/MEETINGS

SUBCOMMITTEE ON PUBLIC LANDS AND FORESTS

Mr. CRAIG. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Subcommittee on Public Lands and Forests of the Committee on Energy and Natural Resources.

The hearing will be held on Wednesday, April 21st, at 2:30 p.m. in room SD–366 of the Dirksen Senate Office Building.

The purpose of the hearing is to receive testimony on implementation of the Recreation Fee Demonstration Program by the Forest Service and Bureau of Land Management, and on policies related to the program.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510–6150.

For further information, please contact Frank Gladics at 202–224–2878.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on April 1, 2004, at 9:30 a.m., in open and closed session to receive testimony for Unified and Regional Commanders on their military strategy and operational requirements, in review of the Defense Authorization Request for fiscal year 2005.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, April 1, 2004, at 2 p.m. to mark up an original bill entitled ''The Federal Housing Enterprise Regulatory Reform Act of 2004.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, April 1, 2004, off the Senate floor on pending Committee business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, April 1, 2004, at 9:30 a.m. to hold a hearing on Economic Treaties.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, April 1, 2004, at 9:30 a.m. in Dirksen Senate Building room 226.

Agenda:

I. Nominations: Henry W. Saad to be U.S. Circuit Judge for the Sixth Circuit; Peter W. Hall to be U.S. Circuit Judge for the Second Circuit; William Gerry Myers III to be U.S. Circuit Judge for the Ninth Circuit; Roger T. Benitez to be U.S. District Judge for the Southern District of California; Jane J. Boyle to be U.S. District Judge for the Northern District of Texas; Marcia G. Cooke to be U.S. District Judge for the Southern District of Florida; Paul S. Diamond to be U.S. District Judge for the Eastern District of Pennsylvania; Walter D. Kelley, Jr. to be U.S. District Judge for the Eastern District of Virginia; and Matthew G. Whitaker to be U.S. Attorney for the Southern District of Iowa.

II. Bills: S. 1735—Gang Prevention and Effective Deterrence Act of 2003 [Hatch, Chambliss, Cornyn, Feinstein, Graham, Grassley, Schumer].

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on Thursday, April 1, 2004, for a hearing to consider the nominations of Robert N. Davis, to be Judge, U.S. Court of Appeals for Veterans' Claims, and Pamela M. Iovino, to be Assistant Secretary of Veterans Affairs for Congressional Affairs.

The hearing will take place in room 418 of the Russell Senate Office Building at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CLEAN AIR, CLIMATE CHANGE AND NUCLEAR SAFETY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Clean Air, Climate Change, and Nuclear Safety be authorized to meet on Thursday, April 1 at 9:30 a.m. to conduct an oversight hearing on the implementation of the National Ambient Air Quality Standards for Particulate Matter and Ozone.

The meeting will be held in SD 406.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON IMMIGRATION AND BORDER SECURITY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Immigration and Border Security be authorized to meet to conduct a hearing On ''Securing Our Borders Under a Temporary Guest Worker Proposal'' on Thursday, April 1, 2004, at 2:30 p.m. in SD226.

Panel 1: The Honorable Robert Bonner, Commissioner, U.S. Customs and Border Protection, Department of Homeland Security, Washington, DC; The Honorable Stewart Verdery, Assistant Secretary for Policy, Border and Transportation Security Directorate, Department of Homeland Security, Washington, DC; and Director Donna Bucella, Terrorist Screening Center, Federal Bureau of Investigations, Department of Justice, Washington, DC.

Panel II: Daniel Griswald, Associate Director for Trade Policy Studies, Cato Institute, Washington, DC and Margaret D. Stock, Associate Professor, U.S. Military Academy, West Point, NY.

THE PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Readiness and Management support of the Committee on Armed Services be authorized to meet during the session of the Senate on April 1, 2004, at 2:30 p.m., in open session to receive testimony on military installation programs in review of the Defense authorization request for fiscal year 2005.

THE PRESIDING OFFICER. Without objection, it so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY AND SPACE

MR. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology and Space be authorized to meet on Thursday, April 1, 2004, at 2:30 p.m., on NASA FY05 Budget, in SR–253.

THE PRESIDING OFFICER. Without objection, it so ordered.

PRIVILEGES OF THE FLOOR

Mr. REED. Mr. President, I ask unanimous consent that Leigh Ann Simmons-Wescott, a legislative fellow in Senator KENNEDY's office, be granted floor privileges during the remainder of the day and cloture vote on the TANF reauthorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALEXANDER. Mr. President, I ask unanimous consent that privilege of the floor be granted to Sharon Segner of my staff for the next hour during consideration of the Get Outdoors Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

60TH ANNIVERSARY OF THE ALLIED LANDING AT NORMANDY

Mr. FRIST. I ask unanimous consent the Judiciary Committee be discharged from further consideration of S.J. Res. 28 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolution by title.

A joint resolution (S.J. Res. 28) recognizing the 60th anniversary of the Allied landing at Normandy during World War II.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. I ask unanimous consent the joint resolution be read a third time and passed, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (S.J. Res. 28) was read the third time and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

S.J. RES. 28

Whereas June 6, 2004, marks the 60th anniversary of D-Day, the first day of the Allied landing at Normandy during World War II by American, British, and Canadian troops;

Whereas the D-Day landing, known as Operation Overlord, was the most extensive amphibious operation ever to occur, involving on the first day of the operation 5,000 naval vessels, more than 11,000 sorties by Allied aircraft, and 153,000 members of the Allied Expeditionary Force;

Whereas the bravery and sacrifices of the Allied troops at 5 separate Normandy beaches and numerous paratrooper and glider landing zones began what Allied Supreme Commander Dwight D. Eisenhower called a ''Crusade in Europe'' to end Nazi tyranny and restore freedom and human dignity to millions of people;

Whereas that great assault by sea and air marked the beginning of the end of Hitler's ambition for world domination;

Whereas American troops suffered over 6,500 casualties on D-Day; and

Whereas the people of the United States should honor the valor and sacrifices of their fellow countrymen, both living and dead, who fought that day for liberty and the cause of freedom in Europe: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress—

(1) recognizes the 60th anniversary of the Allied landing at Normandy during World War II; and

(2) requests the President to issue a proclamation calling on the people of the United States to observe the anniversary with appropriate ceremonies and programs to honor the sacrifices of their fellow countrymen to liberate Europe.

TEMPORARY EXTENSION OF PROGRAMS UNDER SMALL BUSINESS ACT AND SMALL BUSINESS EXTENSION ACT OF 1958

Mr. FRIST. I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 4062, which is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title.

A bill (H.R. 4062) to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958 through June 4, 2004, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. SNOWE. Mr. President, I rise to support passage of H.R. 4062, a bill that provides needed improvements to the Small Business Administration's largest business loan program, the ''Section 7(a)'' program, at no additional cost to the Government.

The SBA's 7(a) loan program has proven that a small amount of government backing can greatly enhance private-sector financing for small businesses, and that the economic benefits reverberate throughout the economy at large. Small businesses create almost 75 percent of the net new jobs in the economy. The 7(a) program harnesses this power and has helped small businesses to create or retain nearly 2 million more jobs in the last five years.

The program is so popular among small businesses that demand for program funds in the first few months of fiscal year 2004 suggests that requests for the entire year would far out-pace its available budget. As a result, in January 2004, the SBA shut the program down, and then re-opened it with a loan cap of $750,000—only 37.5 percent of the $2 million maximum previously available. Faced with these restrictions, small businesses have urged Congress and the administration to improve funding opportunities for the rest of 2004.

Together with my fellow Senators, colleagues in the House, and a large coalition of small businesses and lenders, we have worked for several months to construct a way to improve the program by allowing lenders to help alleviate the funding shortfall. This plan would benefit small businesses and lenders by allowing loans larger than $750,000, and by allowing ''piggyback'' loans, or by allowing financing packages with several portions. And again, we could do this without increasing Government expenditures.

The bill would achieve these goals in three ways. First, lenders would return to the SBA a 0.25 percent, or one-quarter of one percent, fee on new loans under $150,000. Lenders are currently permitted to retain this amount from a borrower fee, of 1 percent, that lenders already collect and pass on to the SBA. For loans larger than $150,000, lenders already must pass the entire borrower fee on to the SBA; this change would make the treatment the same for all loan sizes. This proposal was first made by the SBA, as part of a larger plan the SBA submitted to Congress this year.

Second, a lender fee on new loans would be increased from 0.25 percent, one-quarter of one percent, to 0.36 percent. This fee cannot be passed on to small businesses.

Third, lenders would be permitted to provide small businesses with ''piggyback'' financing packages that include a 7(a) loan portion and a non-7(a), strictly commercial portion, if the lenders paid the normal fees on the 7(a) loan portion and a 0.70 percent fee on the non-7(a) portion. Prior to January 2004, the SBA permitted this type of financing, but without receiving any fee income for the non-7(a) portion, and without an upper limit on the total financing. H.R. 4062 prohibits the non-7(a) portion of the financing from being larger than the 7(a) loan.

The bill also extends to June 4, 2004, the authorization for several SBA programs that would otherwise expire on April 2, 2004, including the Preferred Surety Bond Program, the Small Disadvantaged Business Program, and the SBA's co-sponsorship authority. Finally, the bill extends to September 30, 2004, the authorization for the SBA's Certified Development Company program, also known as the 504 Loan Program.

H.R. 4062 is very similar to legislation which I introduced in the Senate on March 10, S. 2193, the ''Small Business Loan Revitalization Act of 2004,'' which I was joined in sponsoring by 18 fellow Senators. That legislation was the result of months of hard work and negotiations with fellow Senators, colleagues in the House, small businesses, lenders, and the administration. I regret that S. 2193's provisions, such as its lower fees for lenders, and the increased debenture sizes for the 504 Loan Program which I recently added by amendment, are not being enacted today, but I am pleased that, according to the Small Business Administration's projections, H.R. 4062 at least achieves the goal of allowing the 7(a) program to operate without restriction through the remainder of this fiscal year.

ORDERS FOR FRIDAY, APRIL 2, 2004

Mr. FRIST. I ask unanimous consent when the Senate completes its business

today, it adjourn until 9 a.m. on Friday, April 2nd. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Tomorrow the Senate will be in session for the transaction of routine morning business. There will be no rollcall votes during Friday's session. The next rollcall vote will occur on Wednesday of next week. I will have more to say on that in the morning.

Next week, there are a number of issues that may be addressed. There is an important medical liability bill being introduced by Senator GREGG and others, Pregnancy and Trauma Care Access Protection Act of 2004. That bill deserves to be debated and voted on. We will try to schedule that bill for next week. I will continue to hold out hope that we will be able to finish the JOBS bill, which is the FSC/ETI bill.

Senators have come to the floor over the course of the last several weeks discussing the importance of this bill. Yet we have been unable to vote on the legislation as the WTO sanctions continue each day. In fact, today, since this is 1 month after the sanctions began, the sanctions were increased by $40 million. We must move expeditiously on that bill. It is a priority for the Senate. We will have an opportunity next week to speak on this bill.

The pension reform conference report is another piece of legislation that should be moved expeditiously. The House may act on that conference report later this evening or on Friday. I will be talking to my colleagues about scheduling that conference report for Senate action.

Finally, the conferees on the budget resolution continue to meet and it is important to address the budget conference report as soon as that does become available. Having said that, we have a lot of work to do and not a lot of time to do it. We will be working each day next week with an effort to schedule the above-mentioned items throughout.

In addition, next week we have accommodated Members' schedules for the observance of Passover. I will have more to say on the specific schedule for rollcall votes on Wednesday, April 7. However, we will have no vote prior to 2:15 on that day on Wednesday.

ORDER FOR ADJOURNMENT

MR. FRIST. If there is no further business to come before the Senate, I ask unanimous consent the Senate stand in adjournment under the previous order, following the completion of the remarks of Senator DAYTON and following the remarks of Senator SARBANES, each for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTING TO HELP THE AMERICAN PEOPLE

Mr. DAYTON. Mr. President, I am troubled by some of the comments made earlier as we debated whether to continue with this bill before us. In particular, one of the leaders on the other side of the aisle is quoted in today's paper as saying—this a direct quote—''Why put our Members through the whole litany of Democratic political votes for no discernible gain?''

I am amazed at the implication these amendments we in the Democratic caucus are trying in vain to have voted upon by the Senate are political votes. I am even more astonished it could be said they are for no discernible gain.

For whose gain are we talking? Not, perhaps, for Republican Members of the Senate. But that is not the purpose of our amendments. These are amendments to benefit the American people.

We are talking about extending unemployment benefits for the over 1.1 million Americans who have exhausted those benefits since December of last year. The Children's Defense Fund, originators of the No Child Left Behind concept, are committed to seeing it carried out and have estimated 622,000 American children live in families whose parents have exhausted their unemployment benefits. They estimate each of those families loses an average of $1,100 a month in income when their unemployment benefits run out. It drives over a third of them below the poverty level. Over two-thirds of those families lose their health care coverage.

No discernible gain from a vote on extending unemployment benefits? Perhaps not to the Republican caucus. But it would surely make a huge difference to 1.1 million American adults and their 622,000 children.

No discernible gain to a vote on protecting overtime pay for some 8 million Americans who stand to lose those benefits through the unilateral action of the Secretary of Labor? These are not idle political gestures. These are real decisions affecting the lives of millions of Americans.

It may be inconvenient for some Members to vote on them, but that is our responsibility in this body.

EDUCATION FUNDING

As another illustration of how these votes and these decisions really do affect people's lives, about a month ago we were holding rollcall votes regarding the budget resolution for the next fiscal year, and just about that same time the Secretary of Education was in my State of Minnesota, where he met with educators and with State officials, and with, evidently, some of the Members of the Minnesota congressional delegation on the other side of the aisle—I was not invited to either of those meetings, which seemed a shame since they were being billed as nonpolitical meetings, but, nevertheless, they did occur—and at that meeting—again, I was not invited, so I was not there—according to the reports of those who attended, the Secretary assured these Minnesota educators that No Child Left Behind is adequately funded.

Well, there had been rumors that there were going to be cutbacks affecting Minnesota in the title I program, which is the major source of funds under the so-called No Child Left Behind. So the Minnesota educators were temporarily relieved by that, until just a few weeks later—scarcely a month later, in fact—when the actual title I allocations for the next fiscal year, 2005, became known.

Lo and behold, Minnesota will experience a reduction of over $2.5 million. Only two States in the Nation are going to experience cuts in title I funding from the year 2004 to the next year, 2005: Massachusetts and Minnesota.

Now, I am not running for President or anything else, for that matter, this year, so I am shocked that Minnesota would be paired with Massachusetts as being the only two States to be cut back in title I dollars at the same time we are experiencing an increase in the children who are eligible for title I funding. As that reduction gets spread across our school districts, some of the consequences are very severe. Quite a number of districts will be taken off of title I funding whatsoever. They will not be able to serve any of the children in those school districts who are eligible, individually, for title I.

One of the school districts, Anoka-Hennepin, is going to experience a 40-percent reduction in funding for title I programs at the same time the number of children eligible for title I is going up.

Now, how can we say that there is no child going to be left behind under this program, and that it is adequately funded, when a school district such as that is going to experience a 40-percent reduction in funding? How is it that two States in the Nation—Massachusetts and Minnesota—are going to see a reduction in funding while the overall program nationwide is going to receive a $1 billion increase?

Why are we being punished? Why are we being penalized? Why are we being singled out for those reductions? Why does the Secretary of Education come to our State one month earlier and assure our educators that there is plenty of money, that these reductions are not going to take place, when either he did not know—in which case he was unbelievably ill-informed—or he knew and did not speak honestly to our educators? And either one of those I find enormously reprehensible.

Mr. President, $2,727,000 is a huge loss in money for the disadvantaged children of the State of Minnesota, meaning that less than half—less than half—of all the children in my State who are eligible for title I funding are actually going to get services provided to them. And that is no child left behind? That is a fraud. That is adequate funding for No Child Left Behind? That is a lie. That is a lie.

In this room I have heard it said several times: There is plenty of money for title I. There is plenty of money for No Child Left Behind. Not for Minnesota. We were underfunded before, and it is being cut back now. We are one of two States being cut. I ask the Secretary of Education: I want to know why. Come back to Minnesota, Mr. Secretary, now that you have the facts, evidently. Come back to Minnesota and meet with those educators and tell them why, why our money is being cut back.

The chairman of the Health, Education, Labor, and Pensions Committee has stood on this floor—and I have had this debate with him; he is not here presently, but I look forward to that opportunity again in the future—saying there is additional money available to the States under No Child Left Behind. In fact, there is so much additional money that some States don't know what to do with it all.

Well, I can see why that distinguished Senator made that statement, because in his home State, over the last 5 years, they have experienced a 44-percent increase in funding under title I. In this next year, they are going to receive an increase of almost the same $2.5 million which Minnesota is going to lose. They will receive an 8.1-percent increase in title I funding, whereas we will experience a reduction of over $2,727,000.

So I guess for some States this is a good deal because they are getting more money. I am glad they are, if they have that additional need. But the State of Minnesota has the additional need, also. More children are coming in from all over the world; children who need English second-language skills; children who are without any education from countries that have been war ravaged for years; children coming from other States with educational achievement levels grades behind the students in Minnesota.

We cannot offer the services they are entitled to under Federal law that existed before No Child Left Behind? We cannot offer the services that were promised to them and to us as a condition for voting in favor of No Child Left Behind? I voted against that, I will confess, as did my colleague at the time in the Senate. Maybe that is why Minnesota is being singled out and punished. I do not know. I do not understand why, except that I know the two Senators from Massachusetts—one is the ranking member of the Health, Education, Labor, and Pensions Committee, and he certainly made a commitment to this program at the time because he was assured there was going to be full funding; the other Senator, of course, is now the Democratic candidate for President of the United States. I find it really not coincidental that is one of the two States that is singled out to be cut back in funds.

But I do not understand why Minnesota—why Minnesota—is suffering accordingly. It is wrong. It is wrong to be cutting back funds when you are saying to the American people that no child is going to be left behind and then you turn around and make that a lie. It is wrong. It is unfair to the State of Minnesota.

Mr. Secretary of Education, you owe it to our State to come back and explain to our educators why it is that they are going to have to do more with less next year. Why is it that we are one of two States being cut back?

I am deeply offended. On behalf of the people of Minnesota, I am enraged that we are being treated in this unfair way—and on behalf, most of all, of the children in the State of Minnesota who are not going to be receiving the special services to which they are entitled. We are going to force cutbacks in educational services affecting all of our schoolchildren. They are being left behind, Mr. Secretary. Mr. President, they are being left behind. What are you going to do about it?

Mr. President, I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Maryland is recognized for up to 10 minutes.

CONGRATULATING SENATOR ROBERT C. BYRD

Mr. SARBANES. Mr. President, earlier in the day, a number of my colleagues took the floor to pay tribute and respect to my dear friend and colleague, Senator BYRD. I was unable to be here because I was involved in a markup of legislation. I want to take a few moments now, as we bring the day's business to a close, to pay tribute to my very good friend on the occasion of his 17,000th vote in the Senate, an all-time record.

The distinguished Senator from West Virginia has given this Nation and his beloved State of West Virginia the very best in public service. The civility, the intelligence, the commitment, and dedication that Senator BYRD brings to this body commands the respect and admiration of every Member of the Senate. That has been expressed from time to time by many of us in this Chamber.

The vote today is but one of many milestones for Senator BYRD, but it does offer all of us the opportunity to reflect upon his very special place in the Senate.

Senator BYRD often refers to the Senate as a ''pillar of the Constitution.'' I think it is fair to refer to Senator BYRD as a ''pillar of the Senate.'' The Senator's dedication to this body and its history—he has written, after all, the definitive history of the U.S. Senate—its customs and its procedures are unequaled by any other Member I have known. And his dedication to the Senate ranks with his dedication to the country, to the State of West Virginia, and to the Constitution.

As this body's indisputable expert on parliamentary procedure, it is only fitting that Senator BYRD's first vote, the first of the 17,000 votes that we celebrate today, was cast on January 8, 1959, and was procedural in nature. That vote began, of course, a legacy of extraordinary leadership and service in this body.

The able Senator from West Virginia has not only employed his mastery of how the Senate functions effectively in floor debates, but he has used it to pass on and protect and perfect the spirit of this body which he has called ''the cornerstone of our constitutional system.''

Given this incredible record of service and experience, Senator BYRD now, I think fairly, stands as both the intellect and the conscience of this Chamber. He constantly reminds us of the fundamentals of our democracy and the role the Framers of our Constitution envisioned for the legislative branch.

No Member of the U.S. Congress has a deeper understanding of the Constitution and of the Legislature's vital function as a guardian of our fundamental national document.

It is because of this institutional knowledge, his devotion to the Senate's distinguishing characteristics, and his devotion to the civility that has customarily underpinned the interaction of the Members of this body that in times of severe national crisis, and on occasion constitutional crisis when the Senate is faced with the most difficult of choices, Members from both sides of the aisle have sought the leadership of Senator ROBERT C. BYRD of West Virginia.

I consider it a singular honor to serve with him in the Senate. I congratulate him on casting his 17,000th vote, and I look forward to seeing him cast many more.

I yield the floor.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 9 a.m., Friday, April 2, 2004.

Thereupon, the Senate, at 6:12 p.m., adjourned until Friday, April 2, 2004, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate April 1, 2004:

DEPARTMENT OF DEFENSE

OTIS WEBB BRAWLEY, JR., OF GEORGIA, TO BE A MEMBER OF THE BOARD OF REGENTS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES FOR A TERM EXPIRING JUNE 20, 2009. (REAPPOINTMENT)

VINICIO E. MADRIGAL, OF LOUISIANA, TO BE A MEMBER OF THE BOARD OF REGENTS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES FOR A TERM EXPIRING JUNE 20, 2009. (REAPPOINTMENT)

DEPARTMENT OF STATE

MICHAEL W. MARINE, OF VERMONT, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE SOCIALIST REPUBLIC OF VIETNAM.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

LEO L. BENNETT, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY CHAPLAINS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be lieutenant colonel

JAMES D. JONES, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be major

JORGE L. ROMEU, 0000

Daily Digest

HIGHLIGHTS

See Resume of Congressional Activity.

Senate

Chamber Action

Routine Proceedings, pages S3519–S3598

Measures Introduced: Twelve bills and two resolutions were introduced, as follows: S. 2268–2279, and Res. 327–328. **Pages S3566–67**

Measures Passed:

Normandy Landing Anniversary: Committee on the Judiciary was discharged from further consideration of S.J. Res. 28, recognizing the 60th anniversary of the Allied landing at Normandy during World War II, and the resolution was then passed. **Page S3595**

Small Business Temporary Extension: Senate passed H.R. 4062, to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958 through June 4, 2004, clearing the measure for the President. **Page S3595**

Welfare Reform Reauthorization: Senate continued consideration of H.R. 4, to reauthorize and improve the program of block grants to States for temporary assistance for needy families, improve access to quality child care, taking action on the following amendment proposed thereto: **Pages S3529–38, S3544–57**

Pending:

Boxer/Kennedy Amendment No. 2945, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage. **Page S3529**

During consideration of this measure today, Senate also took the following action:

By 51 yeas to 47 nays (Vote No. 65), three-fifths of those Senators duly chosen and sworn, not having voted in the affirmative, Senate rejected the motion to close further debate on the committee amendment in the nature of a substitute. **Page S3538**

Nominations Received: Senate received the following nominations:

Otis Webb Brawley, Jr., of Georgia, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring June 20, 2009. (Reappointment)

Vinicio E. Madrigal, of Louisiana, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring June 20, 2009. (Reappointment)

Michael W. Marine, of Vermont, to be Ambassador to the Socialist Republic of Vietnam.

Routine lists in the Army. **Pages S3597–98**

Messages From the House: **Page S3565**

Measures Referred: **Page S3566**

Enrolled Bills Presented: **Page S3565**

Executive Communications: **Page S3566**

Executive Reports of Committees: **Page S3566**

Additional Cosponsors: **Pages S3567–68**

Statements on Introduced Bills/Resolutions: **Pages S3568–90**

Additional Statements: **Pages S3564–65**

Amendments Submitted: **Pages S3590–94**

Notices of Hearings/Meetings: **Page S3594**

Authority for Committees to Meet: **Pages S3594–95**

Privilege of the Floor: **Page S3595**

Record Votes: One record vote was taken today. (Total—65) **Page S3538**

Adjournment: Senate convened at 9:30 a.m., and adjourned at 6:12 p.m., until 9 a.m., on Friday, April 2, 2004. (For Senate's program, see the remarks of the Majority Leader in today's Record on page S3596.)

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS: NATIONAL INSTITUTES OF HEALTH

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Related Agencies, and Education concluded a hearing to examine proposed budget estimates for fiscal year 2005 for the National Institutes of Health, after receiving testimony from Elias Zerhouni, Director, National Institutes of Health, Department of Health and Human Services, who was accompanied by several of his associates.

APPROPRIATIONS: INDIAN HEALTH SERVICE

Committee on Appropriations: Subcommittee on Interior and Related Agencies concluded a hearing to examine proposed budget estimates for fiscal year 2005 for the Indian Health Service, Department of Health and Human Services, after receiving testimony from Charles W. Grim, Assistant Surgeon General, and Director, Indian Health Service, and Gary J. Hartz, Assistant Surgeon General, Acting Director, Office of Public Health, both of the Department of Health and Human Services.

APPROPRIATIONS: DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Committee on Appropriations: Subcommittee on VA, HUD, and Independent Agencies concluded a hearing to examine proposed budget estimates for fiscal year 2005 for the Department of Housing and Urban Development, after receiving testimony from John Weicher, Commissioner, Federal Housing Administration, Michael Liu, Assistant Secretary for Public and Indian Housing, Roy A. Benardi, Assistant Secretary for Community Planning and Development, all of the Department of Housing and Urban Development.

U.S. POSTAL SERVICE

Committee on Appropriations: Subcommittee on Transportation, Treasury, and General Government held a hearing to examine future challenges facing the United States Postal Service, focusing on the Transformation Plan of both the near-term and long-term efforts that will result in a continued ability to fulfill the mission of the Postal Service—to deliver business and personal mail affordably to everyone, everywhere, receiving testimony from John E. Potter, Postmaster General and Chief Executive Officer, U.S. Postal Service.

APPROPRIATIONS: AGRICULTURE

Committee on Appropriations: Subcommittee on Agriculture, Rural Development, and Related Agencies concluded a hearing to examine proposed budget estimates for fiscal year 2005 for certain programs under its jurisdiction, after receiving testimony from Eric M. Bost, Under Secretary for Food Nutrition and Consumer Services, Elsa A. Murano, Under Secretary for Food Safety, and William T. Hawks, Under Secretary for Marketing and Regulatory Programs, all of the Department of Agriculture; and Lester M. Crawford, Acting Commissioner, Food and Drug Administration, Department of Health and Human Services.

DEFENSE AUTHORIZATION

Committee on Armed Services: Committee concluded a hearing to examine the proposed Defense Authorization Request for fiscal year 2005, focusing on the military strategy and operational requirements of the unified and regional commands, after receiving testimony from Admiral Thomas B. Fargo, USN, Commander, U.S. Pacific Command, U.S. Navy; General Leon J. LaPorte, USA, Commander, United Nations Command and Republic of Korea/United States Combined Forces Command, and Commander, U.S. Forces Korea, U.S. Army; and General James T. Hill, USA, Commander, U.S. Southern Command, U.S. Army.

DEFENSE AUTHORIZATION

Committee on Armed Services: Subcommittee on Readiness and Management Support concluded a hearing to examine the proposed Defense Authorization Request for fiscal year 2005, focusing on military installation programs, after receiving testimony from Raymond F. DuBois, Deputy Under Secretary of Defense for Installations and Environment; Major General Larry J. Lust, USA, Assistant Chief of Staff for Installation Management, U.S. Army; Rear Admiral Christopher Weaver, USN, Commander, Navy Installations Command; Brigadier General Willie J. Williams, USMC, Assistant Deputy Commandant, Installations and Logistics (Facilities), U.S. Marine Corps; and Major General L. Dean Fox, USAF, Air Force Civil Engineer.

BUSINESS MEETING

Committee on Banking, Housing, and Urban Affairs: Committee ordered favorably reported S. 1508, to address regulation of secondary mortgage market enterprises, with an amendment in the nature of a substitute.

NASA'S BUDGET

Committee on Commerce, Science, and Transportation: Committee concluded a hearing to examine the

President's proposed fiscal year 2005 budget request for the National Aeronautics and Space Administration (NASA), focusing on goals set forth in the new U.S. space exploration policy, major implementation elements and associated budget details, implications for NASA's organization, and what the Nation's future in exploration and discovery will look like in the coming years, after receiving testimony from Sean O'Keefe, Administrator, National Aeronautics and Space Administration.

AIR QUALITY STANDARDS

Committee on Environment and Public Works: Subcommittee on Clean Air, Climate Change and Nuclear Safety concluded an oversight hearing to examine the implementation of the National Ambient Air Quality Standards for particulate matter and ozone, focusing on Federal and State governments meeting standards to improve air quality, after receiving testimony from Michael O. Leavitt, Administrator, Environmental Protection Agency; Robert A. Eckels, County Judge, Harris County, Texas; Michael Fisher, Greater Cincinnati Chamber of Commerce, Cincinnati, Ohio; and George D. Thurston, New York University School of Medicine, New York.

ECONOMIC TREATIES

Committee on Foreign Relations: Committee concluded a hearing to examine the Convention on International Interests in Mobile Equipment and Protocol to Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, concluded at Cape Town, South Africa, on November 16, 2001 (Treaty Doc. 108–10), Additional Protocol Between the Government of the United States of America and the Government of Romania Concerning the Reciprocal Encouragement and Protection of Investment of May 28, 1992, signed at Brussels on September 22, 2003 (Treaty Doc. 108–13), Additional Protocol Between the United States of America and the Republic of Bulgaria Amending the Treaty Between the United States of America and the Republic of Bulgaria Concerning the Encouragement and Reciprocal Protection of Investment of September 23, 1992, signed at Brussels on September 22, 2003 (Treaty Doc. 108–15), Protocol Between the Government of the United States of America and the Government of the Republic of Estonia to the Treaty for the Encouragement and Reciprocal Protection of Investment of April 19, 1994, signed at Brussels on October 24, 2003 (Treaty Doc. 108–17), Additional Protocol Between the United States of America and the Czech Republic to the Treaty Between the United States of America and the Czech and Slovak Federal Republic Concerning the Reciprocal Encouragement and Protection of Investment of October 22, 1991, signed at Brussels on December 10, 2003 (Treaty Doc. 108–18), Additional Protocol Between the United States of America and the Slovak Republic to the Treaty Between the United States of America and the Czech and Slovak Federal Republic Concerning the Reciprocal Encouragement and Protection of Investment of October 22, 1991, signed at Brussels on September 22, 2003 (Treaty Doc. 108–19), Additional Protocol Between the Government of the United States of America and the Government of the Republic of Latvia to the Treaty for the Encouragement and Reciprocal Protection of Investment of January 13, 1995, signed at Brussels on September 22, 2003 (Treaty Doc. 108–20), Additional Protocol Between the Government of the United States of America and the Government of the Republic of Lithuania to the Treaty for the Encouragement and Reciprocal Protection of Investment of January 14, 1998, signed at Brussels on September 22, 2003 (Treaty Doc. 108–21), and the Additional Protocol Between the United States of America and the Republic of Poland to the Treaty Between the United States of America and the Republic of Poland Concerning Business and Economic Relations of March 21, 1990, signed at Brussels on January 12, 2004 (Treaty Doc. 108–22), after receiving testimony from Shaun E. Donnelly, Acting Assistant Secretary of State for Economic and Business Affairs; and Jeffrey Rosen, General Counsel, Department of Transportation.

NOMINATIONS

Committee on the Judiciary: Committee ordered favorably reported the nominations of Peter W. Hall, of Vermont, to be United States Circuit Judge for the Second Circuit, William Gerry Myers III, of Idaho, to be United States Circuit Judge for the Ninth Circuit, Roger T. Benitez, to be United States District Judge for the Southern District of California, Jane J. Boyle, to be United States District Judge for the Northern District of Texas, Marcia G. Cooke, to be United States District Judge for the Southern District of Florida, Paul S. Diamond, to be United States District Judge for the Eastern District of Pennsylvania, Walter D. Kelley, Jr., to be United States District Judge for the Eastern District of Virginia, and Matthew G. Whitaker, to be United States Attorney for the Southern District of Iowa, Department of Justice.

TEMPORARY GUEST WORKER PROPOSAL

Committee on the Judiciary: Subcommittee on Immigration and Border Security concluded a hearing to examine the security of this nation's borders under the proposed temporary guest worker program, after receiving testimony from Robert Bonner, Commissioner, U.S. Customs and Border Protection, and C.

Stewart Verdery, Jr., Assistant Secretary for Policy, Border and Transportation Security Directorate, both of the Department of Homeland Security; Donna Bucella, Director, Terrorist Screening Center, Federal Bureau of Investigation, Department of Justice; Daniel Griswald, Cato Institute, Washington, D.C.; and Margaret D. Stock, U.S. Military Academy, West Point, New York.

NOMINATIONS

Committee on Veterans Affairs: Committee concluded a hearing to examine the nominations of Robert N. Davis, to be a Judge of the United States Court of Appeals for Veterans Claims, who was introduced by Senators Cochran and Lott; and Pamela M. Iovino, of the District of Columbia, to be an Assistant Secretary of Veterans Affairs for Congressional Affairs, who was introduced by Representative Murphy, after the nominees testified and answered questions in their own behalf.

House of Representatives

Chamber Action

Measures Introduced: 26 public bills, H.R. 4101–4126 and 2 resolutions, H. Con. Res. 403, and H. Res. 594, were introduced. **Pages H2018–19**

Additional Cosponsors: **Page H2019**

Reports Filed: Reports were filed today as follows:

Conference report on H.R. 3108, to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to temporarily replace the 30-year Treasury rate with a rate based on long-term corporate bonds for certain pension plan funding requirements and other provisions (H. Rept. 108–457). **(See next issue.)**

Chaplain: The prayer was offered today by Monsignor James C. Kidder, Pastor, Holy Trinity Catholic Church in El Dorado, California. **Page H1793**

Transportation Equity Act—A Legacy for Users: The House began consideration of H.R. 3550, to authorize funds for Federal-aid highways, highway safety programs, and transit programs. Further proceedings will resume in Friday, April 2. **Pages H1796–H1997**

The amendment in the nature of a substitute recommended by the Committee on Transportation and Infrastructure now printed in the bill, modified by the amendments printed in part A of H. Rept. 108–456 was considered as adopted and that the bill as amended shall be considered as the original bill for the purpose of further amendment. **(See next issue.)**

Consideration began today on the Bradley amendment No. 20 printed in H. Rept. 108–456 that increases the allowable weight of vehicles permitted to travel on interstate highways 93 and 89, in New Hampshire, from 80,000 to 99,000 pounds and instructs the New Hampshire Department of Transportation to conduct a study to discern the economic, safety and infrastructure impact to the exemption. Further proceedings on the amendment will continue on Friday, April 2. **(See next issue.)**

Agreed to:

Young of Alaska manager's amendment No. 1 printed in part B of H. Rept. 108–456, as modified, that makes various substantive and technical changes; **Page H1983**

Eddie Bernice Johnson amendment No. 2 printed in Part B of H. Rept. 108–456 that requires the Transportation Department to make its report on how federal surface transportation funds are allocated available to the public via the Internet in a user-friendly format; **Pages H1983–84**

Schiff amendment No. 6 printed in part B of H. Rept. 108–456 that strikes the toll requirement placed on hybrid gasoline-electric car users regarding the use of high-occupancy vehicle lanes; **Pages H1990–91**

Baird amendment No. 10 printed in part B of H. Rept. 108–456 that expresses the Sense of Congress to clarify that the Buy America Act applies to overall projects, and not their component parts; **Pages H1995–96**

LoBiondo amendment No. 13 printed in H. Rept. 108–456 that provides states eligibility to receive Section 410, Alcohol-Impaired Countermeasures grant funding to cover the costs of DWI vehicle impoundment programs; **(See next issue.)**

Wu amendment No. 14 printed in part B of H. Rept. 108–456, as modified, that exempts projects, for which the Secretary of Transportation has received an application for final design, from the small start provisions of the bill and allows recommended new start projects, which have applied for final design, to move forward on their original timeline and avoid unnecessary delay; **(See next issue.)**

LaTourette amendment No. 15 printed in H. Rept 108–456, as modified, that requires that in the case of construction projects steel or iron used must be of U.S. origin; more than 60% of the cost components and subcomponents of all manufactured products shall be of U.S. origin; and in the case of manufactured components final assembly must occur in the U.S.; **(See next issue.)**

Bereuter amendment No. 18 printed in H. Rept. 108–456, as modified, that continues the farm supply and agricultural commodity exemption to the hours of service for drivers rules and clarifies the definition of ''agricultural commodities'' and ''farm supplies for agricultural purposes'' and **(See next issue.)**

Bachus amendment No. 17 printed in H. Rept. 108–456 that exempts motion picture and television production truck drivers from the new hours of service regulations that went into effect at the beginning of this year (agreed to by a recorded vote of 365 ayes to 62 noes, Roll No. 109). **(See next issue.)**

Rejected:

Graves amendment No. 8 printed in part B of H. Rept. 108–456 that sought to eliminate liability under state law for an owner of a motor vehicle who is engaged in the business of renting and leasing motor vehicles provided there is no negligence or criminal wrongdoing on the part of the motor vehicle owner; **Pages H1992–93**

Holt amendment No. 11 printed in part B of H. Rept. 108–456, as modified, that sought to preserve the authority and right of the State of New Jersey to restrict trucks to only using interstate highways, the New Jersey Turnpike, and the Atlantic City Expressway in New Jersey unless they are traveling to a terminal or making pickups or deliveries on other roads in New Jersey; **Pages H1996–97**

Waters amendment No. 12 printed in part B of H. Rept. 108–456 that sought to prohibit the use of funds for surface transportation projects that are planned or required to implement any proposal to build a remote passenger check-in facility at Los Angeles International Airport; **(See next issue.)**

Crowley amendment No. 16 printed in H. Rept. 108–456 that sought to create a pilot program that facilitates the use of natural gas buses at the nation's top 25 busiest airports; **(See next issue.)**

Flake amendment No. 3 printed in H. Rept. 108–456 that sought to subtract the amount that states receive in High Priority Program earmarks from their formula totals for the Surface Transportation Program; also prevents the Minimum Guaranty Program from backfilling for what comes out of states' Surface Transportation Program funding; and apportions to states, via formula, any funding remaining in the High Priority Program (rejected by a recorded vote of 60 ayes to 367 noes, Roll No. 106); **Pages H1984–86, (continued next issue.)**

Jackson-Lee amendment No. 4 printed in H. Rept. 108–456 that sought to allow states to receive toll credits for any local, state, or private funds contributed to a toll project that exceed the minimum nonfederal 20% threshold required for federal match (rejected by a recorded vote of 50 ayes to 376 noes, Roll No. 107); and

Pages H1986–88, (continued next issue.)

Chocola amendment No. 9 printed in H. Rept. 108–456 that sought to provide for a 400-pound weight limit exclusion for any motor vehicle equipped with an idling reduction technology verified by the Environmental Protection Agency (rejected by a recorded vote of 198 ayes to 228 noes, Roll No. 108). **Pages H1993–95, (continued next issue.)**

Withdrawn:

Shadegg amendment No. 5 printed in part B of H. Rept. 108–456 that was offered and subsequently withdrawn that would have ensured that Congestion Mitigation and Air Quality Improvement Program funds will be made available for areas which are not in attainment of air quality standards for either coarse particulate matter or fine particular matter;

Pages H1988–90

Vitter amendment No. 7 printed in part B of H. Rept. 108–456 that was offered and subsequently withdrawn that would have ensured the Interstate Route 49 Corridor is given priority consideration under the new National Corridor Infrastructure Improvement Program; and **Pages H1991–92**

Kirk amendment No. 21 printed in H. Rept. 108–456 that was offered and subsequently withdrawn that would have authorized states the authority to administer requirements governing the sounding of a locomotive horn when a train approaches and enters upon public highway-rail grade crossings.

(See next issue.)

General debate on the bill proceeded according to a unanimous consent agreement reached on Tuesday, March 30. **(See next issue.)**

Further consideration of the bill proceeded according to H. Res. 593, which was agreed to by a voice vote, after agreeing to order the previous question by a yea-and-nay vote of 229 yeas to 194 nays, Roll No. 105. **Page H1845**

Meeting Hour: Agreed that when the House adjourn today, it adjourn to meet at 9 a.m. on Friday, April 2. **(See next issue.)**

Late Report: Agreed that the Committee on Science have until 5 p.m. on Wednesday, April 14 to file reports on H.R. 3970 and H.R. 4030.

(See next issue.)

Law Revision Counsel—Resignation: Read a letter from John R. Miller wherein he retired as Law Revision Counsel, effective May 3, 2004. **(See next issue.)**

Law Revision Counsel—Appointment: The Chair announced the Speaker's appointment of Mr. Peter LeFevre as Law Revision Counsel for the House of Representatives, effective May 4, 2004. **(See next issue.)**

Pension Funding Equity Act of 2003—Order of Business: Agreed that it be in order at any time to consider a conference report to accompany H.R. 1308, to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to temporarily replace the 30-year Treasury rate with a rate based on long-term corporate bonds for certain pension plan funding requirements and other provisions; that the conference report be considered as read; and that all points of order against the conference report and its consideration be waived. **Pages H1997–H2014**

Senate Message: Message received from the Senate today appears on page H1793.

Senate Referral: S. 275 was referred to the Committees on Education and the Workforce and Energy and Commerce. **Page H2014**

Quorum Calls—Votes: One yea-and-nay vote and four recorded votes developed during the proceedings today and appear on pages H1845, continued in next issue. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 10:15 p.m.

Committee Meetings

COMMERCE, JUSTICE, STATE, JUDICIARY AND RELATED AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Commerce, Justice, State, Judiciary and Related Agencies held a hearing on Broadcasting Board of Governors. Testimony was heard from the following officials of the Broadcasting Board of Governors: Kenneth Tomlinson, Chairman; and Norman Pattiz, member of the Board.

The Subcommittee held a hearing on Department of State International Organizations. Testimony was heard from the following officials of the Department of State: Ambassador John D. Negroponte, U. S. Permanent Representative to the United Nations; and Kim Holmes, Assistant Secretary.

The Subcommittee also held a hearing on the Legal Services Corporation. Testimony was heard from the following officials of the Legal Services Corporation: Helanine Barnett; President; and Frank B. Strickland, Chairman.

DISTRICT OF COLUMBIA APPROPRIATIONS

Committee on Appropriations: Subcommittee on District of Columbia held a hearing on Public Defender Services, Court Services, and Offender Supervision. Testimony was heard from the following officials of the District of Columbia: Ronald S. Sullivan, Director, Public Defender Services; and Paul A. Quander, Jr., Director, Court Services and Offender Supervision.

FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS APPROPRIATIONS

Committee on Appropriations: Subcommittee on Foreign Operations, Export Financing and Related Programs held a hearing on U.S. Agency for International Development. Testimony was heard from Andrew S. Natsios, Administrator, U.S. Agency for International Development, Department of State.

HOMELAND SECURITY APPROPRIATIONS

Committee on Appropriations: Subcommittee on Homeland Security held a hearing on Information Analysis and Infrastructure Protection. Testimony was heard from LTG Frank Libutti, Under Secretary, Information Analysis and Infrastructure Protection, Department of Homeland Security.

INTERIOR APPROPRIATIONS

Committee on Appropriations: Subcommittee on Interior held a hearing on the National Endowment for the Arts and on the National Endowment for the Humanities. Testimony was heard from the following officials of the National Foundation on the Arts and the Humanities: Dana Gioia, Chairman, National Endowment for the Arts; and Bruce Cole, Chairman, National Endowment for the Humanities.

LABOR, HHS, EDUCATION AND RELATED AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, Education and Related Agencies held a hearing on Workforce Preparation and Training. Testimony was heard from the following officials of the Department of Education: Susan K. Sclafani, Assistant Secretary, Office of Vocational and Adult Education; and Sally Stroup, Assistant Secretary, Office of Postsecondary Education.

TRANSPORTATION, TREASURY, INDEPENDENT AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Transportation, Treasury, Independent Agencies held a hearing on the Executive Office of the President.

Testimony was heard from Tim Campen, Assistant to the President and Director of Office of Administration.

VA, HUD AND INDEPENDENT AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on VA, HUD and Independent Agencies held a hearing on the NSF. Testimony was heard from the following officials of the NSF: Arden L. Bement, Acting Director; and Warren M. Washington, Chairman.

NATIONAL DEFENSE AUTHORIZATION BUDGET REQUEST—FUTURE COMBAT SYSTEM AND FORCE PROTECTION INITIATIVES

Committee on Armed Services: Subcommittee on Tactical Air and Land Forces held a hearing on the Fiscal Year 2005 National Defense Authorization budget request—Future Combat System and Force Protection Initiatives. Testimony was heard from Paul L. Francis, Director, Acquisition and Sourcing Management, GAO; the following officials of the Department of Defense: LTG Joseph L. Yakovac, Jr., USA, Military Deputy and Director, Army Acquisition Corps, Office of the Assistant Secretary (Acquisition, Logistics and Technology), and LTG Benjamin S. Griffin, USA, Deputy Chief of Staff, G8 (programming, materiel integration, and management), both with the Department of the Army; and LTG Edward Hanlon, Jr., USMC, Deputy Commandant, Combat Development, U.S. Marine Corps.

NATIONAL DEFENSE AUTHORIZATION BUDGET REQUEST—CHEMICAL WEAPONS STOCKPILE DESTRUCTION PROGRAM

Committee on Armed Services: Subcommittee on Terrorism, Unconventional Threats and Capabilities, hearing on the Fiscal Year 2005 National Defense Authorization budget request—Destructions of the U.S. Chemical Weapons Stockpile—Program and Status. Testimony was heard from Raymond J. Decker, Director, Defense Capabilities and Management, GAO; the following officials of the Department of Defense: Dale E. Klein, Assistant to the Secretary, Nuclear, Chemical and Biological Defense Programs; Claude Bolton, Assistant Secretary of the Army (Acquisition, Technology and Logistics); Pat Wakefield, Deputy Assistant Secretary (Chemical Demilitarization and Counterproliferation); and Mike Parker, Director, U.S. Army Chemical Material Agency; Craig Conklin, Chief, Nuclear and Chemical Hazards Branch Preparedness Division, Emergency Preparedness and Response Directorate, Department of Homeland Security; Patrick J. Meehan, M.D., Deputy Director, Program National Center for Environmental Health, Centers for Disease Control and Prevention and Agency for Toxic Substances and Disease Registry, Department of Health and Human Services.

DEPARTMENT OF ENERGY BUDGET PRIORITIES

Committee on Energy and Commerce: Held a hearing entitled ''FY 2005 Budget Priorities for the Department of Energy.'' Testimony was heard from Spencer Abraham, Secretary of Energy.

INTER-GOVERNMENTAL TRANSFERS

Committee on Energy and Commerce: Subcommittee on Health continued hearings entitled ''Inter-governmental Transfers: Violations of the Federal-State Medicaid Partnership or Legitimate State Budget Tool?'' Testimony was heard from Dennis G. Smith, Director, Center for Medicaid and State Operations, Centers for Medicare and Medicaid Services, Department of Health and Human Services; and Barbara Edwards, Deputy Director, Office of Medicaid, Department of Job and Family Services, State of Ohio.

SATELLITE HOME VIEWER IMPROVEMENT REAUTHORIZATION ACT

Committee on Energy and Commerce: Subcommittee on Telecommunications and the Internet held a hearing on the Satellite Home Viewer Improvement Reauthorization Act of 2004. Testimony was heard from Eloise Gore, Assistant Division Chief, Media Bureau's Policy Division, FCC; and public witnesses.

OVERSIGHT—OFFICE OF THE COMPTROLLER OF THE CURRENCY

Committee on Financial Services: Held a hearing entitled ''Oversight of the Office of the Comptroller of the Currency.'' Testimony was heard from John D. Hawke, Jr., Comptroller of the Currency.

MISCELLANEOUS MEASURES

Committee on Government Reform: Ordered reported the following measures: H.R. 3737, amended, Administrative Law Judges Pay Reform Act of 2004; H.R. 3751, amended, to require the Office of Personnel and Management study and present options under which dental and vision benefits could be made available to Federal employees and other appropriate classes of individuals; H.R. 4012, to amend the District of Columbia College Access Act of 1999 to permanently authorize the public school and private school tuition assistance programs established under the Act; H.R. 1822, to designate the facility of the United States Postal Service located at 3751 West 6th Street in Los Angeles, California, as the ''Dosan Ahn Chang Ho Post Office''; H.R. 3939, to redesignate the facility of the United States Postal Service located at 14–24 Abbot Road in Fair Lawn, New

Jersey, as the " Mary Ann Collura Post Office Buidling"; H.R. 3942, to designate the facility of the United States Postal Service located at 7 Commercial Boulevard in Middletown, Rhode Island, as the "Rhode Island Veterans Post Office Building"; H.R. 4037, to designate the facility of the United States Postal Service located at 475 Kell Farm Drive in Cape Girardeau, Missouri, as the " Richard G. Wilson Processing and Distribution Facility"; H. Res. 399, Honoring the life and legacy of Melvin Jones and recognizing the contributions of Lions Clubs International; H. Res. 578, Supporting the goals and ideals of Financial Literacy Month; and S. Con. Res. 97, Recognizing the 91st annual meeting of the Garden Club of America.

"AFGHANISTAN: ARE THE BRITISH COUNTERNARCOTICS EFFORTS GOING WOBBLY?"

Committee on Government Reform: Subcommittee on Criminal Justice, Drug Policy and Human Resources, hearing entitled "Afghanistan: Are the British Counternarcotics Efforts Going Wobbly?" Testimony was heard from Robert Charles, Assistant Secretary, International Narcotics and Law Enforcement Affairs, Department of State.

MARIJUANA AND MEDICINE

Committee on Government Reform: Subcommittee on Criminal Justice, Drug Policy and Human Resources held a hearing entitled "Marijuana and Medicine: The Need for a Science-Based Approach." Testimony was heard from the following officials of the Department of Health and Human Services: Nora D. Volkow, Director, National Institute on Drug Abuse, NIH; and Robert J. Meyer, M.D., Director, Office of Drug Evaluation II, Center for Evaluation and Research, FDA; Patricia Good, Chief, Liaison and Policy Section, Office of Diversion Control, DEA, Department of Justice; and public witnesses.

AFRICA—FIGHTING TERRORISM

Committee on International Relations: Subcommittee on Africa held a hearing on Fighting Terrorism in Africa. Testimony was heard from Karl Wycoff, Associate Coordinator, Press, Policy and Plans, Office of the Coordinator for Counterterrorism, Department of State, and public witnesses.

AL-QAEDA—THREAT TO U.S. AND ALLIES

Committee on International Relations: Subcommittee on International Terrorism, Nonproliferation and Human Rights held a hearing on Al-Qaeda: The Threat to the United States and Its Allies. Testimony was heard from Ambassador-at-Large J. Cofer Black, Coordinator for Counterterrorism, Department of State.

IMMIGRATION AND NATIONALITY ACT—PRESCRIBE OATH OF RENUNCIATION AND ALLEGIANCE

Committee on the Judiciary: Subcommittee on Immigration, Border Security and Claims held a hearing on H.R. 3191, to prescribe the oath of renunciation and allegiance for purposes of the Immigration and Nationality Act. Testimony was heard from Representative Ryun of Kansas; Alfonso Aguilar, Chief, Office of Citizenship, U.S. Citizenship and Immigration Services, Department of Homeland Security; and public witnesses.

LUMBEE RECOGNITION ACT

Committee on Resources: Held a hearing on H.R. 898, Lumbee Recognition Act. Testimony was heard from Representatives McIntyre and Burr; Michael Olsen, Counselor to the Assistant Secretary, Indian Affairs, Department of the Interior; and public witnesses.

GREEN CHEMISTRY RESEARCH AND DEVELOPMENT ACT OF 2004

Committee on Science: Ordered reported, as amended, H.R. 3970, Green Chemistry Research and Development Act of 2004.

LUNAR SCIENCE AND RESOURCES: FUTURE OPTIONS

Committee on Science: Subcommittee on Space held a hearing on Lunar Science and Resources: Future Options. Testimony was heard from public witnesses.

OVERSIGHT—AIRPORT DEREGULATION

Committee on Transportation and Infrastructure: Subcommittee on Aviation held an oversight hearing on Airport Deregulation. Testimony was heard from Jeffrey N. Shane, Under Secretary, Policy, Department of Transportation; James E. Bennett, President and CEO, Metropolitan Washington Airports Authority; Bonnie Allin, President and CEO, Tucson Airport Authority, Tucson, Arizona; and public witnesses.

OVERSIGHT—REPORT VA'S VOCATIONAL REHABILITATION AND EMPLOYMENT SERVICE TASK FORCE

Committee on Veterans Affairs: Subcommittee on Benefits held an oversight hearing to receive the report of the VA Vocational Rehabilitation and Employment Service Task Force. Testimony was heard from Dorcas R. Hardy, Chairman, Vocational Rehabilitation and Employment Service Task Force, Department of Veterans Affairs.

BOARD OF TRUSTEES 2004 ANNUAL REPORTS

Committee on Ways and Means: Continued hearings on the Board of Trustees 2004 Annual Reports. Testimony was heard from the following officials of the Centers for Medicare and Medicaid Services, Department of Health and Human Services: Leslie V. Norwalk, Acting Deputy Administrator; and Jeff Flick, San Francisco Regional Administrator.

MEDICARE DISCOUNT DRUG CARD

Committee on Ways and Means: Subcommittee on Health held a hearing on The Medicare Discount Drug Card. Testimony was heard from Representative Foley; Michael McMullan, Deputy Director, Center for Beneficiary Choices, Centers for Medicare and Medicaid Services, Department of Health and Human Services; and public witnesses.

COUNTERNARCOTICS BUDGET

Permanent Select Committee on Intelligence: Met in executive session to hold a hearing on the Counternarcotics Budget. Testimony was heard from departmental witnesses.

INTELLIGENCE COMMUNITY LANGUAGE CAPABILITIES

Permanent Select Committee on Intelligence: Subcommittee on Intelligence Policy and National Security met in executive session to hold a hearing on Intelligence Community Language Capabilities. Testimony was heard from departmental witnesses.

Joint Meetings

PENSION FUNDING EQUITY ACT

Conferees agreed to file a conference report on the differences between the Senate and House passed versions of H.R. 3108, to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to temporarily replace the 30-year Treasury rate with a rate based on long-term corporate bonds for certain pension plan funding requirements and other provisions.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST, *p. D264)*

S. 2231, to reauthorize the Temporary Assistance for Needy Families block grant program through June 30, 2004. Signed on March 31, 2004. (Public Law 108–210)

S. 2241, to reauthorize certain school lunch and child nutrition programs through June 30, 2004. Signed on March 31, 2004. (Public Law 108–211)

COMMITTEE MEETINGS FOR FRIDAY, APRIL 2, 2004

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Armed Services: Subcommittee on Emerging Threats and Capabilities, to hold hearings to examine the proposed Defense Authorization Request for fiscal year 2005, focusing on the Department of Defense Counternarcotics Program; to be followed by a closed session in SR–232A, 9:30 a.m., SR–222.

House

Committee on Energy and Commerce, Subcommittee on Environment and Hazardous Materials, hearing and markup of H.R. 2771, to amend the Safe Drinking Water Act to reauthorize the New York City Watershed Protection Program, 9:30 a.m., 2123 Rayburn.

Permanent Select Committee on Intelligence, executive, hearing on Special Programs Budget, 9 a.m., H–405 Capitol.

Joint Meetings

Joint Economic Committee: to hold hearings to examine the employment situation for March, 9:30 a.m., 1334 LHOB.

Résumé of Congressional Activity

SECOND SESSION OF THE ONE HUNDRED EIGHTH CONGRESS

The first table gives a comprehensive résumé of all legislative business transacted by the Senate and House. The second table accounts for all nominations submitted to the Senate by the President for Senate confirmation.

DATA ON LEGISLATIVE ACTIVITY

January 20 through March 31, 2004

	Senate	*House*	*Total*
Days in session	39	33	..
Time in session	299 hrs.	197 hrs., 47	..
Congressional Record:			
Pages of proceedings	3517	1791	..
Extensions of Remarks	..	500	..
Public bills enacted into law	6	7	13
Private bills enacted into law	..	..	..
Bills in conference	1	9	..
Measures passed, total	68	126	194
Senate bills	14	9	..
House bills	12	44	..
Senate joint resolutions	..	..	..
House joint resolutions	..	2	..
Senate concurrent resolutions	7	4	..
House concurrent resolutions	9	16	..
Simple resolutions	26	51	..
Measures reported, total	34	48	82
Senate bills	27	1	..
House bills	6	26	..
Senate joint resolutions	..	..	..
House joint resolutions	..	..	..
Senate concurrent resolutions	1	..	..
House concurrent resolutions	..	2	..
Simple resolutions	..	19	..
Special reports	..	1	..
Conference reports	..	..	..
Measures pending on calendar	181	85	..
Measures introduced, total	322	570	892
Bills	263	400	..
Joint resolutions	4	8	..
Concurrent resolutions	12	54	..
Simple resolutions	43	108	..
Quorum calls	..	1	..
Yea-and-nay votes	64	77	..
Recorded votes	..	26	..
Bills vetoed	..	..	..
Vetoes overridden	..	..	..

* These figures include all measures reported, even if there was no accompanying report. A total of 6 reports have been filed in the Senate, a total of 14 reports have been filed in the House.

DISPOSITION OF EXECUTIVE NOMINATIONS

January 20 through March 31, 2004

Civilian nominations, totaling 292 (including 195 nominations carried over from the First Session), disposed of as follows:	
Confirmed	42
Unconfirmed	242
Withdrawn	7
Returned to White House	1
Other Civilian nominations, totaling 1,027 (including 5 nominations carried over from the First Session), disposed of as follows:	
Confirmed	225
Unconfirmed	801
Withdrawn	1
Air Force nominations, totaling 7,794, (including 3,572 nominations carried over from the First Session), disposed of as follows:	
Confirmed	4,664
Unconfirmed	3,130
Army nominations, totaling 1,671, (including 594 nominations carried over from the First Session), disposed of as follows:	
Confirmed	1,439
Unconfirmed	232
Navy nominations, totaling 2,552, (including 2,444 nominations carried over from the First Session), disposed of as follows:	
Confirmed	2,498
Unconfirmed	54
Marine Corps nominations, totaling 1,160, (including 2 nominations carried over from the First Session), disposed of as follows:	
Confirmed	60
Unconfirmed	1,100

Summary

Total nominations carried over from the First Session	6,812
Total nominations received this Session	7,684
Total confirmed	8,928
Total unconfirmed	5,559
Total withdrawn	8
Total returned to the White House	1

Next Meeting of the SENATE

9 a.m., Friday, April 2

Senate Chamber

Program for Friday: Senate will be in a period of morning business.

Next Meeting of the HOUSE OF REPRESENTATIVES

9 a.m., Friday, April 2

House Chamber

Program for Friday: Complete consideration of H.R. 3550, Transportation Equity Act: A Legacy for Users.

(House proceedings for today will be continued in the next issue of the Record.)

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