SA 1727. Mr. BLUMENTHAL submitted an amendment intended to be proposed by him to the bill S. 1813, supra; which was ordered to lie on the table.

SA 1728. Mr. BLUMENTHAL submitted an amendment intended to be proposed by him to the bill S. 1813, supra; which was ordered to lie on the table.

SA 1729. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1813, supra; which was ordered to lie on the table.

SA 1730. Mr. REID proposed an amendment to the bill S. 1813, supra.

SA 1731. Mr. MANCHIN (for himself and Mr. BLUMENTHAL) submitted an amendment intended to be proposed by him to the bill S. 1813, supra; which was ordered to lie on the table.

SA 1732. Mr. MANCHIN submitted an amendment intended to be proposed by him to the bill S. 1813, supra; which was ordered to lie on the table.

SA 1733. Mrs. MURRAY (for herself, Ms. MURKOWSKI, Ms. CANTWELL, Mr. BEGICH, Mrs. GILLIBRAND, and Mr. SCHUMER) submitted an amendment intended to be proposed by her to the bill S. 1813, supra; which was ordered to lie on the table.

SA 1734. Mr. NELSON of Florida submitted an amendment intended to be proposed by him to the bill S. 1813, supra; which was ordered to lie on the table.

SA 1735. Mr. NELSON of Florida submitted an amendment intended to be proposed by him to the bill S. 1813, supra; which was ordered to lie on the table.

## TEXT OF AMENDMENTS

**SA 1709.** Mr. BENNET (for himself and Mr. MORAN) submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

In division D, on page 728, between lines 17 and 18, insert the following:

**SEC. _____. EXTENSION OF WIND ENERGY CREDIT.**

Paragraph (1) of section 45(d) of the Internal Revenue Code of 1986 is amended by striking ''January 1, 2013'' and inserting ''January 1, 2014''.

**SEC. _____. COST OFFSET FOR EXTENSION OF WIND ENERGY CREDIT, AND DEFICIT REDUCTION, RESULTING FROM DELAY IN APPLICATION OF WORLD-WIDE ALLOCATION OF INTEREST.**

(a) IN GENERAL.—Paragraphs (5)(D) and (6) of section 864(f) of the Internal Revenue Code of 1986 are each amended by striking ''December 31, 2020'' and inserting ''December 31, 2021''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

**SA 1710.** Mr. MENENDEZ (for himself and Mr. SANDERS) submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the end, insert the following:

**DIVISION ___—CLOSING BIG OIL TAX LOOPHOLES**

**SEC. __0001. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This division may be cited as the ''Close Big Oil Tax Loopholes Act''.

(b) TABLE OF CONTENTS.—The table of contents of this division is as follows:

DIVISION __—CLOSING BIG OIL TAX LOOPHOLES

Sec. __0001. Short title; table of contents.

TITLE I—CLOSE BIG OIL TAX LOOPHOLES

Sec. __0101. Modifications of foreign tax credit rules applicable to major integrated oil companies which are dual capacity taxpayers.

Sec. __0102. Limitation on section 199 deduction attributable to oil, natural gas, or primary products thereof.

Sec. __0103. Limitation on deduction for intangible drilling and development costs.

Sec. __0104. Limitation on percentage depletion allowance for oil and gas wells.

Sec. __0105. Limitation on deduction for tertiary injectants.

TITLE II—OUTER CONTINENTAL SHELF OIL AND NATURAL GAS

Sec. __0201. Repeal of outer Continental Shelf deep water and deep gas royalty relief.

TITLE III—MISCELLANEOUS

Sec. __0301. Deficit reduction.

Sec. __0302. Budgetary effects.

**TITLE I—CLOSE BIG OIL TAX LOOPHOLES**

**SEC. __0101. MODIFICATIONS OF FOREIGN TAX CREDIT RULES APPLICABLE TO MAJOR INTEGRATED OIL COMPANIES WHICH ARE DUAL CAPACITY TAXPAYERS.**

(a) IN GENERAL.—Section 901 of the Internal Revenue Code of 1986 is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

''(n) SPECIAL RULES RELATING TO MAJOR INTEGRATED OIL COMPANIES WHICH ARE DUAL CAPACITY TAXPAYERS.—

''(1) GENERAL RULE.—Notwithstanding any other provision of this chapter, any amount paid or accrued by a dual capacity taxpayer which is a major integrated oil company (as defined in section 167(h)(5)(B)) to a foreign country or possession of the United States for any period shall not be considered a tax—

''(A) if, for such period, the foreign country or possession does not impose a generally applicable income tax, or

''(B) to the extent such amount exceeds the amount (determined in accordance with regulations) which—

''(i) is paid by such dual capacity taxpayer pursuant to the generally applicable income tax imposed by the country or possession, or

''(ii) would be paid if the generally applicable income tax imposed by the country or possession were applicable to such dual capacity taxpayer.

Nothing in this paragraph shall be construed to imply the proper treatment of any such amount not in excess of the amount determined under subparagraph (B).

''(2) DUAL CAPACITY TAXPAYER.—For purposes of this subsection, the term 'dual capacity taxpayer' means, with respect to any foreign country or possession of the United States, a person who—

''(A) is subject to a levy of such country or possession, and

''(B) receives (or will receive) directly or indirectly a specific economic benefit (as determined in accordance with regulations) from such country or possession.

''(3) GENERALLY APPLICABLE INCOME TAX.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'generally applicable income tax' means an income tax (or a series of income taxes) which is generally imposed under the laws of a foreign country or possession on income derived from the conduct of a trade or business within such country or possession.

''(B) EXCEPTIONS.—Such term shall not include a tax unless it has substantial application, by its terms and in practice, to—

''(i) persons who are not dual capacity taxpayers, and

''(ii) persons who are citizens or residents of the foreign country or possession.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxes paid or accrued in taxable years beginning after the date of the enactment of this Act.

(2) CONTRARY TREATY OBLIGATIONS UPHELD.—The amendments made by this section shall not apply to the extent contrary to any treaty obligation of the United States.

**SEC. __0102. LIMITATION ON SECTION 199 DEDUCTION ATTRIBUTABLE TO OIL, NATURAL GAS, OR PRIMARY PRODUCTS THEREOF.**

(a) DENIAL OF DEDUCTION.—Paragraph (4) of section 199(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(E) SPECIAL RULE FOR CERTAIN OIL AND GAS INCOME.—In the case of any taxpayer who is a major integrated oil company (as defined in section 167(h)(5)(B)) for the taxable year, the term 'domestic production gross receipts' shall not include gross receipts from the production, transportation, or distribution of oil, natural gas, or any primary product (within the meaning of subsection (d)(9)) thereof.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2012.

**SEC. __0103. LIMITATION ON DEDUCTION FOR INTANGIBLE DRILLING AND DEVELOPMENT COSTS.**

(a) IN GENERAL.—Section 263(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new sentence: ''This subsection shall not apply to amounts paid or incurred by a taxpayer in any taxable year in which such taxpayer is a major integrated oil company (as defined in section 167(h)(5)(B)).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2012.

**SEC. __0104. LIMITATION ON PERCENTAGE DEPLETION ALLOWANCE FOR OIL AND GAS WELLS.**

(a) IN GENERAL.—Section 613A of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(f) APPLICATION WITH RESPECT TO MAJOR INTEGRATED OIL COMPANIES.—In the case of any taxable year in which the taxpayer is a major integrated oil company (as defined in section 167(h)(5)(B)), the allowance for percentage depletion shall be zero.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2012.

**SEC. __0105. LIMITATION ON DEDUCTION FOR TERTIARY INJECTANTS.**

(a) IN GENERAL.—Section 193 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(d) APPLICATION WITH RESPECT TO MAJOR INTEGRATED OIL COMPANIES.—This section shall not apply to amounts paid or incurred by a taxpayer in any taxable year in which such taxpayer is a major integrated oil company (as defined in section 167(h)(5)(B)).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2012.

**TITLE II—OUTER CONTINENTAL SHELF OIL AND NATURAL GAS**

**SEC. __0201. REPEAL OF OUTER CONTINENTAL SHELF DEEP WATER AND DEEP GAS ROYALTY RELIEF.**

(a) IN GENERAL.—Sections 344 and 345 of the Energy Policy Act of 2005 (42 U.S.C. 15904, 15905) are repealed.

(b) ADMINISTRATION.—The Secretary of the Interior shall not be required to provide for royalty relief in the lease sale terms beginning with the first lease sale held on or after the date of enactment of this Act for which a final notice of sale has not been published.

**TITLE III—MISCELLANEOUS**

**SEC. __0301. DEFICIT REDUCTION.**

The net amount of any savings realized as a result of the enactment of this division and the amendments made by this division (after any expenditures authorized by this division and the amendments made by this division) shall be deposited in the Treasury and used for Federal budget deficit reduction or, if there is no Federal budget deficit, for reducing the Federal debt in such manner as the Secretary of the Treasury considers appropriate.

**SEC. __0302. BUDGETARY EFFECTS.**

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

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**SA 1711.** Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

On page __, between lines __ and __, insert the following:

**SEC. ___. NONAPPLICATION OF DAVIS-BACON.**

The wage-rate requirements of subchapter IV of chapter 31 of part A of subtitle II of title 40, United States Code (commonly referred to as the ''Davis-Bacon Act'') shall not apply with respect to any project or program funded with amounts from the Highway Trust Fund.

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**SA 1712.** Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**DIVISION D—FINANCE**

**SEC. 40001. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This division may be cited as the ''Highway Investment, Job Creation, and Economic Growth Act of 2012''.

(b) TABLE OF CONTENTS.—The table of contents for this division is as follows:

DIVISION D—FINANCE

Sec. 40001. Short title; table of contents.
TITLE I—EXTENSION OF HIGHWAY TRUST FUND EXPENDITURE AUTHORITY AND RELATED TAXES
Sec. 40101. Extension of trust fund expenditure authority.
Sec. 40102. Extension of highway-related taxes.
TITLE II—REVENUE PROVISIONS
Sec. 40201. Transfer from Leaking Underground Storage Tank Trust Fund to Highway Trust Fund.
Sec. 40202. Portion of Leaking Underground Storage Tank Trust Fund financing rate transferred to Highway Trust Fund.
Sec. 40203. Internal Revenue Service levies and Thrift Savings Plan Accounts.
Sec. 40204. Rescission of funds for the advanced technology vehicles manufacturing incentive program.
Sec. 40205. Rescission of unspent Federal funds.
Sec. 40206. Deposit in highway trust fund.
DIVISION E—ENERGY DEVELOPMENT
TITLE I—EXPANDING OFFSHORE ENERGY DEVELOPMENT
Sec. 51001. Outer Continental Shelf leasing program.
Sec. 51002. Domestic oil and natural gas production goal.
TITLE II—CONDUCTING PROMPT OFFSHORE LEASE SALES
Sec. 52001. Requirement to conduct proposed oil and gas Lease Sale 216 in the Central Gulf of Mexico.
Sec. 52002. Requirement to conduct proposed oil and gas Lease Sale 220 on the Outer Continental Shelf offshore Virginia.
Sec. 52003. Requirement to conduct proposed oil and gas Lease Sale 222 in the Central Gulf of Mexico.
Sec. 52004. Additional leases.
Sec. 52005. Definitions.
TITLE III—LEASING IN NEW OFFSHORE AREAS
Sec. 53001. Leasing in the Eastern Gulf of Mexico.
Sec. 53002. Leasing offshore of territories of the United States.
TITLE IV—OUTER CONTINENTAL SHELF REVENUE SHARING
Sec. 54001. Disposition of Outer Continental Shelf revenues.
TITLE V—COASTAL PLAIN
Sec. 55001. Definitions.
Sec. 55002. Leasing program for lands within the Coastal Plain.
Sec. 55003. Lease sales.
Sec. 55004. Grant of leases by the Secretary.
Sec. 55005. Lease terms and conditions.
Sec. 55006. Coastal Plain environmental protection.
Sec. 55007. Expedited judicial review.
Sec. 55008. Treatment of revenues.
Sec. 55009. Rights-of-way across the Coastal Plain.
Sec. 55010. Conveyance.
TITLE VI—OIL SHALE AND TAR SANDS LEASING
Sec. 56001. Effectiveness of oil shale regulations, amendments to resource management plans, and record of decision.
Sec. 56002. Oil shale and tar sands leasing.

**TITLE I—EXTENSION OF HIGHWAY TRUST FUND EXPENDITURE AUTHORITY AND RELATED TAXES**

**SEC. 40101. EXTENSION OF TRUST FUND EXPENDITURE AUTHORITY.**

(a) HIGHWAY TRUST FUND.—Section 9503 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''April 1, 2012'' in subsections (b)(6)(B), (c)(1), and (e)(3) and inserting ''October 1, 2013''; and

(2) by striking ''Surface Transportation Extension Act of 2011, Part II'' in subsections (c)(1) and (e)(3) and inserting ''Moving Ahead for Progress in the 21st Century Act''.

(b) SPORT FISH RESTORATION AND BOATING TRUST FUND.—Section 9504 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''Surface Transportation Extension Act of 2011, Part II'' each place it appears in subsection (b)(2) and inserting ''Moving Ahead for Progress in the 21st Century Act''; and

(2) by striking ''April 1, 2012'' in subsection (d)(2) and inserting ''October 1, 2013''.

(c) LEAKING UNDERGROUND STORAGE TANK TRUST FUND.—Paragraph (2) of section 9508(e) of the Internal Revenue Code of 1986 is amended by striking ''April 1, 2012'' and inserting ''October 1, 2013''.

(d) ESTABLISHMENT OF SOLVENCY ACCOUNT.—Section 9503 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(g) ESTABLISHMENT OF SOLVENCY ACCOUNT.—

''(1) CREATION OF ACCOUNT.—There is established in the Highway Trust Fund a separate account to be known as the 'Solvency Account' consisting of such amounts as may be transferred or credited to the Solvency Account as provided in this section or section 9602(b).

''(2) TRANSFERS TO SOLVENCY ACCOUNT.—The Secretary of the Treasury shall transfer to the Solvency Account the excess of—

''(A) any amount appropriated to the Highway Trust Fund before October 1, 2013, by reason of the provisions of, and amendments made by, the Highway Investment, Job Creation, and Economic Growth Act of 2012, over

''(B) the amount necessary to meet the required expenditures from the Highway Trust Fund under subsection (c) for the period ending before October 1, 2013.

''(3) EXPENDITURES FROM ACCOUNT.—Amounts in the Solvency Account shall be available for transfers to the Highway Account (as defined in subsection (e)(5)(B)) and the Mass Transit Account in such amounts as determined necessary by the Secretary to ensure that each account has a surplus balance of $2,800,000,000 on September 30, 2013.

''(4) TERMINATION OF ACCOUNT.—The Solvency Account shall terminate on September 30, 2013, and the Secretary shall transfer any remaining balance in the Account on such date to the Highway Trust Fund.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 2012.

**SEC. 40102. EXTENSION OF HIGHWAY-RELATED TAXES.**

(a) IN GENERAL.—

(1) Each of the following provisions of the Internal Revenue Code of 1986 is amended by striking ''March 31, 2012'' and inserting ''September 30, 2015'':

(A) Section 4041(a)(1)(C)(iii)(I).

(B) Section 4041(m)(1)(B).

(C) Section 4081(d)(1).

(2) Each of the following provisions of such Code is amended by striking ''April 1, 2012'' and inserting ''October 1, 2015'':

(A) Section 4041(m)(1)(A).

(B) Section 4051(c).

(C) Section 4071(d).

(D) Section 4081(d)(3).

(b) EXTENSION OF TAX, ETC., ON USE OF CERTAIN HEAVY VEHICLES.—Each of the following provisions of the Internal Revenue Code of 1986 is amended by striking ''2012'' and inserting ''2015'':

(1) Section 4481(f).

(2) Subsections (c)(4) and (d) of section 4482.

(c) FLOOR STOCKS REFUNDS.—Section 6412(a)(1) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''April 1, 2012'' each place it appears and inserting ''October 1, 2015'';

(2) by striking ''September 30, 2012'' each place it appears and inserting ''March 31, 2016''; and

(3) by striking ''July 1, 2012'' and inserting ''January 1, 2016''.

(d) EXTENSION OF CERTAIN EXEMPTIONS.—Sections 4221(a) and 4483(i) of the Internal

Revenue Code of 1986 are each amended by striking ''April 1, 2012'' and inserting ''October 1, 2015''.

(e) EXTENSION OF TRANSFERS OF CERTAIN TAXES.—

(1) IN GENERAL.—Section 9503 of the Internal Revenue Code of 1986 is amended—

(A) in subsection (b)—

(i) by striking ''April 1, 2012'' each place it appears in paragraphs (1) and (2) and inserting ''October 1, 2015'';

(ii) by striking ''APRIL 1, 2012'' in the heading of paragraph (2) and inserting ''OCTOBER 1, 2015'';

(iii) by striking ''March 31, 2012'' in paragraph (2) and inserting ''September 30, 2015''; and

(iv) by striking ''January 1, 2013'' in paragraph (2) and inserting ''July 1, 2016''; and

(B) in subsection (c)(2), by striking ''January 1, 2013'' and inserting ''July 1, 2016''.

(2) MOTORBOAT AND SMALL-ENGINE FUEL TAX TRANSFERS.—

(A) IN GENERAL.—Paragraphs (3)(A)(i) and (4)(A) of section 9503(c) of such Code are each amended by striking ''April 1, 2012'' and inserting ''October 1, 2015''.

(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. 4601 11(b)) is amended—

(i) by striking ''April 1, 2013'' each place it appears and inserting ''October 1, 2016''; and

(ii) by striking ''April 1, 2012'' and inserting ''October 1, 2015''.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on April 1, 2012.

(2) SUBSECTION (b)(2).—The amendment made by subsection (b)(2) shall apply to periods beginning after September 30, 2012.

## TITLE II—REVENUE PROVISIONS

### SEC. 40201. TRANSFER FROM LEAKING UNDERGROUND STORAGE TANK TRUST FUND TO HIGHWAY TRUST FUND.

(a) IN GENERAL.—Subsection (c) of section 9508 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''Amounts'' and inserting:

''(1) IN GENERAL.—Except as provided in paragraph (2), amounts'', and

(2) by adding at the end the following new paragraph:

''(2) TRANSFER TO HIGHWAY TRUST FUND.—Out of amounts in the Leaking Underground Storage Tank Trust Fund there is hereby appropriated $3,000,000,000 to be transferred under section 9503(f)(3) to the Highway Trust Fund.''.

(b) TRANSFER TO HIGHWAY TRUST FUND.—

(1) IN GENERAL.—Subsection (f) of section 9503 of the Internal Revenue Code of 1986 is amended by inserting after paragraph (2) the following new paragraph:

''(3) INCREASE IN FUND BALANCE.—There is hereby transferred to the Highway Trust Fund amounts appropriated from the Leaking Underground Storage Tank Trust Fund under section 9508(c)(2).''.

(2) CONFORMING AMENDMENTS.—Paragraph (4) of section 9503(f) of such Code is amended—

(A) by inserting ''or transferred'' after ''appropriated'', and

(B) by striking ''APPROPRIATED'' in the heading thereof.

### SEC. 40202. PORTION OF LEAKING UNDERGROUND STORAGE TANK TRUST FUND FINANCING RATE TRANSFERRED TO HIGHWAY TRUST FUND.

(a) IN GENERAL.—Subsection (b) of section 9503 of the Internal Revenue Code of 1986 is amended by inserting after paragraph (2) the following new paragraph:

''(3) PORTION OF LEAKING UNDERGROUND STORAGE TANK TRUST FUND FINANCING RATE.—There are hereby appropriated to the Highway Trust Fund amounts equivalent to one-third of the taxes received in the Treasury under—

''(A) section 4041(d) (relating to additional taxes on motor fuels),

''(B) section 4081 (relating to tax on gasoline, diesel fuel, and kerosene) to the extent attributable to the Leaking Underground Storage Tank Trust Fund financing rate under such section, and

''(C) section 4042 (relating to tax on fuel used in commercial transportation on inland waterways) to the extent attributable to the Leaking Underground Storage Tank Trust Fund financing rate under such section.

For purposes of this paragraph, there shall not be taken into account the taxes imposed by sections 4041 and 4081 on diesel fuel sold for use or used as fuel in a diesel-powered boat.''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraphs (1), (2), and (3) of section 9508(b) of the Internal Revenue Code of 1986 are each amended by inserting ''two-thirds of the'' before ''taxes''.

(2) Paragraph (4) of section 9503(b) of such Code is amended by striking subparagraphs (A) and (B) and by redesignating subparagraphs (C) and (D) as subparagraphs (A) and (B), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxes received after the date of the enactment of this Act.

### SEC. 40203. INTERNAL REVENUE SERVICE LEVIES AND THRIFT SAVINGS PLAN ACCOUNTS.

Section 8437(e)(3) of title 5, United States Code, is amended by inserting '', the enforcement of a Federal tax levy as provided in section 6331 of the Internal Revenue Code of 1986,'' after ''(42 U.S.C. 659)''.

### SEC. 40204. RESCISSION OF FUNDS FOR THE ADVANCED TECHNOLOGY VEHICLES MANUFACTURING INCENTIVE PROGRAM.

Effective on the date of enactment of this Act, there are rescinded all unobligated balances of the amounts made available for the advanced technology vehicles manufacturing incentive program established under section 136 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17013).

### SEC. 40205. RESCISSION OF UNSPENT FEDERAL FUNDS.

(a) IN GENERAL.—Notwithstanding any other provision of law, of all available unobligated funds on the date of enactment of this Act, there are rescinded such amounts as are equal to the difference between—

(1) the amounts necessary to carry out this Act; and

(2) the total amount of offsets provided by this title (other than this section) and division E.

(b) IMPLEMENTATION.—

(1) IN GENERAL.—The Director of the Office of Management and Budget shall determine and identify—

(A) from which appropriation accounts the rescission under subsection (a) shall be made; and

(B) the amount of such rescission that shall be made to each account identified under subparagraph (A).

(2) REPORT.—Not later than 60 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit a report to the Secretary of the Treasury and Congress of the accounts and amounts determined and identified for rescission under paragraph (1).

(c) EXCEPTION.—This section shall not apply to the unobligated funds of the Department of Defense, the Department of Homeland Security, or the Department of Veterans Affairs.

### SEC. 40206. DEPOSIT IN HIGHWAY TRUST FUND.

There shall be deposited in the Highway Trust Fund

(1) any amounts rescinded under this title; and

(2) any amounts collected by the United States under this title or division E (including an amendment made by this title or division E).

## DIVISION E—ENERGY DEVELOPMENT

## TITLE I—EXPANDING OFFSHORE ENERGY DEVELOPMENT

### SEC. 51001. OUTER CONTINENTAL SHELF LEASING PROGRAM.

Section 18(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1344(a)) is amended by adding at the end the following:

''(5)(A) In each oil and gas leasing program under this section, the Secretary shall make available for leasing and conduct lease sales including—

''(i) at least 50 percent of the available unleased acreage within each outer Continental Shelf planning area considered to have the largest undiscovered, technically recoverable oil and gas resources (on a total btu basis) based upon the most recent national geologic assessment of the outer Continental Shelf, with an emphasis on offering the most geologically prospective parts of the planning area; and

''(ii) any State subdivision of an outer Continental Shelf planning area that the Governor of the State that represents that subdivision requests be made available for leasing.

''(B) In this paragraph the term 'available unleased acreage' means that portion of the outer Continental Shelf that is not under lease at the time of a proposed lease sale, and that has not otherwise been made unavailable for leasing by law.

''(6)(A) In the 2012 2017 5-year oil and gas leasing program, the Secretary shall make available for leasing any outer Continental Shelf planning areas that—

''(i) are estimated to contain more than 2,500,000,000 barrels of oil; or

''(ii) are estimated to contain more than 7,500,000,000,000 cubic feet of natural gas.

''(B) To determine the planning areas described in subparagraph (A), the Secretary shall use the document entitled 'Minerals Management Service Assessment of Undiscovered Technically Recoverable Oil and Gas Resources of the Nation's Outer Continental Shelf, 2006'.''.

### SEC. 51002. DOMESTIC OIL AND NATURAL GAS PRODUCTION GOAL.

Section 18(b) of the Outer Continental Shelf Lands Act (43 U.S.C. 1344(b)) is amended to read as follows:

''(b) DOMESTIC OIL AND NATURAL GAS PRODUCTION GOAL.—

''(1) IN GENERAL.—In developing a 5-year oil and gas leasing program, and subject to paragraph (2), the Secretary shall determine a domestic strategic production goal for the development of oil and natural gas as a result of that program. Such goal shall be—

''(A) the best estimate of the possible increase in domestic production of oil and natural gas from the outer Continental Shelf;

''(B) focused on meeting domestic demand for oil and natural gas and reducing the dependence of the United States on foreign energy; and

''(C) focused on the production increases achieved by the leasing program at the end of the 15-year period beginning on the effective date of the program.

''(2) 2012 2017 PROGRAM GOAL.—For purposes of the 2012 2017 5-year oil and gas leasing program, the production goal referred to in paragraph (1) shall be an increase by 2027 of—

''(A) no less than 3,000,000 barrels in the amount of oil produced per day; and

''(B) no less than 10,000,000,000 cubic feet in the amount of natural gas produced per day.

''(3) REPORTING.—The Secretary shall report annually, beginning at the end of the 5-year period for which the program applies, to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate on the progress of the program in meeting the production goal. The Secretary shall identify in the report projections for production and any problems with leasing, permitting, or production that will prevent meeting the goal.''.

## TITLE II—CONDUCTING PROMPT OFFSHORE LEASE SALES

**SEC. 52001. REQUIREMENT TO CONDUCT PROPOSED OIL AND GAS LEASE SALE 216 IN THE CENTRAL GULF OF MEXICO.**

(a) IN GENERAL.—The Secretary of the Interior shall conduct offshore oil and gas Lease Sale 216 under section 8 of the Outer Continental Shelf Lands Act (33 U.S.C. 1337) as soon as practicable, but not later than 4 months after the date of enactment of this Act.

(b) ENVIRONMENTAL REVIEW.—For the purposes of that lease sale, the Environmental Impact Statement for the 2007 2012 5 Year OUTER CONTINENTAL SHELF Plan and the Multi-Sale Environmental Impact Statement are deemed to satisfy the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

**SEC. 52002. REQUIREMENT TO CONDUCT PROPOSED OIL AND GAS LEASE SALE 220 ON THE OUTER CONTINENTAL SHELF OFFSHORE VIRGINIA.**

(a) IN GENERAL.—Notwithstanding the inclusion of Lease Sale 220 in the fiscal years 2012 through fiscal year 2017 5 Year Outer Continental Shelf Oil and Gas Leasing Program, the Secretary shall conduct offshore oil and gas Lease Sale 220 under section 8 of the Outer Continental Shelf Lands Act (33 U.S.C. 1337) as soon as practicable, but not later than one year after the date of enactment of this Act.

(b) PROHIBITION ON CONFLICTS WITH MILITARY OPERATIONS.—No person may engage in any exploration, development, or production of oil or natural gas off the coast of Virginia that would conflict with any military operation, as determined in accordance with the Memorandum of Agreement between the Department of Defense and the Department of the Interior on Mutual Concerns on the Outer Continental Shelf signed July 20, 1983, and any revision or replacement for that agreement that is agreed to by the Secretary of Defense and the Secretary of the Interior after that date but before the date of issuance of the lease under which such exploration, development, or production is conducted.

**SEC. 52003. REQUIREMENT TO CONDUCT PROPOSED OIL AND GAS LEASE SALE 222 IN THE CENTRAL GULF OF MEXICO.**

(a) IN GENERAL.—The Secretary shall conduct offshore oil and gas Lease Sale 222 under section 8 of the Outer Continental Shelf Lands Act (33 U.S.C. 1337) as soon as practicable, but not later than September 1, 2012.

(b) ENVIRONMENTAL REVIEW.—For the purposes of that lease sale, the Environmental Impact Statement for the 2007 2012 5 Year OUTER CONTINENTAL SHELF Plan and the Multi-Sale Environmental Impact Statement are deemed to satisfy the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

**SEC. 52004. ADDITIONAL LEASES.**

Section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344) is amended by adding at the end the following:

''(i) ADDITIONAL LEASE SALES.—In addition to lease sales in accordance with a leasing program in effect under this section, the Secretary may hold lease sales for areas identified by the Secretary to have the greatest potential for new oil and gas development as a result of local support, new seismic findings, or nomination by interested persons.''.

**SEC. 52005. DEFINITIONS.**

In this title:

(1) The term ''Environmental Impact Statement for the 2007 2012 5 Year OUTER CONTINENTAL SHELF Plan'' means the Final Environmental Impact Statement for Outer Continental Shelf Oil and Gas Leasing Program: 2007 2012 (April 2007) prepared by the Secretary.

(2) The term ''Multi-Sale Environmental Impact Statement'' means the Environmental Impact Statement for Proposed Western Gulf of Mexico OUTER CONTINENTAL SHELF Oil and Gas Lease Sales 204, 207, 210, 215, and 218, and Proposed Central Gulf of Mexico OUTER CONTINENTAL SHELF Oil and Gas Lease Sales 205, 206, 208, 213, 216, and 222 (September 2008) prepared by the Secretary.

(3) The term ''Secretary'' means the Secretary of the Interior.

## TITLE III—LEASING IN NEW OFFSHORE AREAS

**SEC. 53001. LEASING IN THE EASTERN GULF OF MEXICO.**

Section 104 of division C of the Tax Relief and Health Care Act of 2006 (Public Law 109 432; 120 Stat. 3003) is repealed.

**SEC. 53002. LEASING OFFSHORE OF TERRITORIES OF THE UNITED STATES.**

Section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331) is amended, by inserting after ''control'' the following: ''or lying within the United States' exclusive economic zone and the Continental Shelf adjacent to the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, American Samoa, Guam, or the other territories of the United States''.

## TITLE IV—OUTER CONTINENTAL SHELF REVENUE SHARING

**SEC. 54001. DISPOSITION OF OUTER CONTINENTAL SHELF REVENUES.**

Section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) is amended—

(1) in the existing text—

(A) in the first sentence, by striking ''All rentals,'' and inserting the following:

''(c) DISPOSITION OF REVENUE UNDER OLD LEASES.—All rentals,''; and

(B) in subsection (c) (as designated by the amendment made by subparagraph (A) of this paragraph), by striking ''for the period from June 5, 1950, to date, and thereafter'' and inserting ''in the period beginning June 5, 1950, and ending on the date of enactment of the Moving Ahead for Progress in the 21st Century Act'';

(2) by adding after subsection (c) (as so designated) the following:

''(d) NEW LEASING REVENUES DEFINED.—In this section the term 'new leasing revenues' means amounts received by the United States as bonuses, rents, and royalties under leases for oil and gas, wind, tidal, or other energy exploration, development, and production that are awarded under this Act after the date of enactment of the Moving Ahead for Progress in the 21st Century Act.''; and

(3) by inserting before subsection (c) (as so designated) the following:

''(a) PAYMENT OF NEW LEASING REVENUES TO COASTAL STATES, GENERALLY.—

''(1) IN GENERAL.—Of the amount of new leasing revenues received by the United States each fiscal year that is described in paragraph (2), 37.5 percent shall be allocated and paid in accordance with subsection (b) to coastal States that are affected States with respect to the leases under which those revenues are received by the United States.

''(2) PHASE-IN.—The amount of new leasing revenues referred to in paragraph (1) is the sum determined by adding—

''(A) 35 percent of new leasing revenues received by the United States in the fiscal year under—

''(i) leases awarded under the first leasing program under section 18(a) that takes effect after the date of enactment of the Moving Ahead for Progress in the 21st Century Act; and

''(ii) other leases issued as a result of the enactment of that Act;

''(B) 70 percent of new leasing revenues received by the United States in the fiscal year under leases awarded under the second such leasing program; and

''(C) 100 percent of new leasing revenues received by the United States under leases awarded under the third such leasing program or any such leasing program taking effect thereafter.

''(b) ALLOCATION OF PAYMENTS TO COASTAL STATES.—

''(1) IN GENERAL.—The amount of new leasing revenues received by the United States with respect to a leased tract that are required to be paid to coastal States in accordance with this subsection each fiscal year shall be allocated among and paid to such States that are within 200 miles of the leased tract, in amounts that are inversely proportional to the respective distances between the point on the coastline of each such State that is closest to the geographic center of the lease tract, as determined by the Secretary.

''(2) MINIMUM AND MAXIMUM ALLOCATION.—The amount allocated to a coastal State under paragraph (1) each fiscal year with respect to a leased tract shall be—

''(A) in the case of a coastal State that is the nearest State to the geographic center of the leased tract, not less than 25 percent of the total amounts allocated with respect to the leased tract; and

''(B) in the case of any other coastal State, not less than 10 percent, and not more than 15 percent, of the total amounts allocated with respect to the leased tract.

''(3) ADMINISTRATION.—Amounts allocated to a coastal State under this subsection—

''(A) shall be available to the State without further appropriation;

''(B) shall remain available until expended; and

''(C) shall be in addition to any other amounts available to the State under this Act.

''(4) USE OF FUNDS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), a coastal State may use funds allocated and paid to it under this subsection for any purpose as determined by State law.

''(B) RESTRICTION ON USE FOR MATCHING.—Funds allocated and paid to a coastal State under this subsection may not be used as matching funds for any other Federal program.''.

## TITLE V—COASTAL PLAIN

**SEC. 55001. DEFINITIONS.**

In this title:

(1) COASTAL PLAIN.—The term ''Coastal Plain'' means that area described in appendix I to part 37 of title 50, Code of Federal Regulations.

(2) PEER REVIEWED.—The term ''peer reviewed'' means reviewed—

(A) by individuals chosen by the National Academy of Sciences with no contractual relationship with or those who have an application for a grant or other funding pending with the Federal agency with leasing jurisdiction; or

(B) if individuals described in subparagraph (A) are not available, by the top individuals in the specified biological fields, as determined by the National Academy of Sciences.

(3) SECRETARY.—The term ''Secretary'', except as otherwise provided, means the Secretary of the Interior or the Secretary's designee.

**SEC. 55002. LEASING PROGRAM FOR LANDS WITHIN THE COASTAL PLAIN.**

(a) IN GENERAL.—The Secretary shall take such actions as are necessary—

(1) to establish and implement, in accordance with this title and acting through the Director of the Bureau of Land Management in consultation with the Director of the United States Fish and Wildlife Service, a competitive oil and gas leasing program that will result in the exploration, development, and production of the oil and gas resources of the Coastal Plain; and

(2) to administer the provisions of this title through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that ensure the oil and gas exploration, development, and production activities on the Coastal Plain will result in no significant adverse effect on fish and wildlife, their habitat, subsistence resources, and the environment, including, in furtherance of this goal, by requiring the application of the best commercially available technology for oil and gas exploration, development, and production to all exploration, development, and production operations under this title in a manner that ensures the receipt of fair market value by the public for the mineral resources to be leased.

(b) REPEAL OF EXISTING RESTRICTION.—

(1) REPEAL.—Section 1003 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3143) is repealed.

(2) CONFORMING AMENDMENT.—The table of contents in section 1 of such Act is amended by striking the item relating to section 1003.

(c) COMPLIANCE WITH REQUIREMENTS UNDER CERTAIN OTHER LAWS.—

(1) COMPATIBILITY.—For purposes of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.), the oil and gas leasing program and activities authorized by this section in the Coastal Plain are deemed to be compatible with the purposes for which the Arctic National Wildlife Refuge was established, and no further findings or decisions are required to implement this determination.

(2) ADEQUACY OF THE DEPARTMENT OF THE INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT STATEMENT.—The ''Final Legislative Environmental Impact Statement'' (April 1987) on the Coastal Plain prepared pursuant to section 1002 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3142) and section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) is deemed to satisfy the requirements under the National Environmental Policy Act of 1969 that apply with respect to prelease activities under this title, including actions authorized to be taken by the Secretary to develop and promulgate the regulations for the establishment of a leasing program authorized by this title before the conduct of the first lease sale.

(3) COMPLIANCE WITH NEPA FOR OTHER ACTIONS.—Before conducting the first lease sale under this title, the Secretary shall prepare an environmental impact statement under the National Environmental Policy Act of 1969 with respect to the actions authorized by this title that are not referred to in paragraph (2). Notwithstanding any other law, the Secretary is not required to identify nonleasing alternative courses of action or to analyze the environmental effects of such courses of action. The Secretary shall only identify a preferred action for such leasing and a single leasing alternative, and analyze the environmental effects and potential mitigation measures for those two alternatives. The identification of the preferred action and related analysis for the first lease sale under this title shall be completed within 18 months after the date of enactment of this Act. The Secretary shall only consider public comments that specifically address the Secretary's preferred action and that are filed within 20 days after publication of an environmental analysis. Notwithstanding any other law, compliance with this paragraph is deemed to satisfy all requirements for the analysis and consideration of the environmental effects of proposed leasing under this title.

(d) RELATIONSHIP TO STATE AND LOCAL AUTHORITY.—Nothing in this title shall be considered to expand or limit State and local regulatory authority.

(e) SPECIAL AREAS.—

(1) IN GENERAL.—The Secretary, after consultation with the State of Alaska, the city of Kaktovik, and the North Slope Borough, may designate up to a total of 45,000 acres of the Coastal Plain as a Special Area if the Secretary determines that the Special Area is of such unique character and interest so as to require special management and regulatory protection. The Secretary shall designate as such a Special Area the Sadlerochit Spring area, comprising approximately 4,000 acres.

(2) MANAGEMENT.—Each such Special Area shall be managed so as to protect and preserve the area's unique and diverse character including its fish, wildlife, and subsistence resource values.

(3) EXCLUSION FROM LEASING OR SURFACE OCCUPANCY.—The Secretary may exclude any Special Area from leasing. If the Secretary leases a Special Area, or any part thereof, for purposes of oil and gas exploration, development, production, and related activities, there shall be no surface occupancy of the lands comprising the Special Area.

(4) DIRECTIONAL DRILLING.—Notwithstanding the other provisions of this subsection, the Secretary may lease all or a portion of a Special Area under terms that permit the use of horizontal drilling technology from sites on leases tracts located outside the Special Area.

(f) LIMITATION ON CLOSED AREAS.—The Secretary's sole authority to close lands within the Coastal Plain to oil and gas leasing and to exploration, development, and production is that set forth in this title.

(g) REGULATIONS.—

(1) IN GENERAL.—The Secretary shall prescribe such regulations as may be necessary to carry out this title, including regulations relating to protection of the fish and wildlife, their habitat, subsistence resources, and environment of the Coastal Plain, by no later than 15 months after the date of enactment of this Act.

(2) REVISION OF REGULATIONS.—The Secretary shall, through a rule making conducted in accordance with section 553 of title 5, United States Code, periodically review and, if appropriate, revise the regulations issued under subsection (a) to reflect a preponderance of the best available scientific evidence that has been peer reviewed and obtained by following appropriate, documented scientific procedures, the results of which can be repeated using those same procedures.

**SEC. 55003. LEASE SALES.**

(a) IN GENERAL.—Lands may be leased under this title to any person qualified to obtain a lease for deposits of oil and gas under the Mineral Leasing Act (30 U.S.C. 181 et seq.).

(b) PROCEDURES.—The Secretary shall, by regulation and no later than 180 days after the date of enactment of this title, establish procedures for—

(1) receipt and consideration of sealed nominations for any area of the Coastal Plain for inclusion in, or exclusion (as provided in subsection (c)) from, a lease sale;

(2) the holding of lease sales after such nomination process; and

(3) public notice of and comment on designation of areas to be included in, or excluded from, a lease sale.

(c) LEASE SALE BIDS.—Lease sales under this title may be conducted through an Internet leasing program, if the Secretary determines that such a system will result in savings to the taxpayer, an increase in the number of bidders participating, and higher returns than oral bidding or a sealed bidding system.

(d) SALE ACREAGES AND SCHEDULE.—

(1) The Secretary shall offer for lease under this title those tracts the Secretary considers to have the greatest potential for the discovery of hydrocarbons, taking into consideration nominations received pursuant to subsection (b)(1).

(2) The Secretary shall offer for lease under this title no less than 50,000 acres for lease within 22 months after the date of the enactment of this Act.

(3) The Secretary shall offer for lease under this title no less than an additional 50,000 acres at 6-, 12-, and 18-month intervals following offering under paragraph (2).

(4) The Secretary shall conduct four additional sales under the same terms and schedule no later than two years after the date of the last sale under paragraph (3), if sufficient interest in leasing exists to warrant, in the Secretary's judgment, the conduct of such sales.

(5) The Secretary shall evaluate the bids in each sale and issue leases resulting from such sales, within 90 days after the date of the completion of such sale.

**SEC. 55004. GRANT OF LEASES BY THE SECRETARY.**

(a) IN GENERAL.—The Secretary may grant to the highest responsible qualified bidder in a lease sale conducted under section 55003 any lands to be leased on the Coastal Plain upon payment by the such bidder of such bonus as may be accepted by the Secretary.

(b) SUBSEQUENT TRANSFERS.—No lease issued under this title may be sold, exchanged, assigned, sublet, or otherwise transferred except with the approval of the Secretary. Prior to any such approval the Secretary shall consult with, and give due consideration to the views of, the Attorney General.

**SEC. 55005. LEASE TERMS AND CONDITIONS.**

(a) IN GENERAL.—An oil or gas lease issued under this title shall—

(1) provide for the payment of a royalty of not less than 12½ percent in amount or value of the production removed or sold under the lease, as determined by the Secretary under the regulations applicable to other Federal oil and gas leases;

(2) provide that the Secretary may close, on a seasonal basis, portions of the Coastal Plain to exploratory drilling activities as necessary to protect caribou calving areas and other species of fish and wildlife based on a preponderance of the best available scientific evidence that has been peer reviewed and obtained by following appropriate, documented scientific procedures, the results of which can be repeated using those same procedures;

(3) require that the lessee of lands within the Coastal Plain shall be fully responsible and liable for the reclamation of lands within the Coastal Plain and any other Federal lands that are adversely affected in connection with exploration, development, production, or transportation activities conducted

under the lease and within the Coastal Plain by the lessee or by any of the subcontractors or agents of the lessee;

(4) provide that the lessee may not delegate or convey, by contract or otherwise, the reclamation responsibility and liability to another person without the express written approval of the Secretary;

(5) provide that the standard of reclamation for lands required to be reclaimed under this title shall be, as nearly as practicable, a condition capable of supporting the uses which the lands were capable of supporting prior to any exploration, development, or production activities, or upon application by the lessee, to a higher or better use as certified by the Secretary;

(6) contain terms and conditions relating to protection of fish and wildlife, their habitat, subsistence resources, and the environment as required pursuant to section 55002(a)(2);

(7) provide that the lessee, its agents, and its contractors use best efforts to provide a fair share, as determined by the level of obligation previously agreed to in the 1974 agreement implementing section 29 of the Federal Agreement and Grant of Right of Way for the Operation of the Trans-Alaska Pipeline, of employment and contracting for Alaska Natives and Alaska Native corporations from throughout the State;

(8) prohibit the export of oil produced under the lease; and

(9) contain such other provisions as the Secretary determines necessary to ensure compliance with this title and the regulations issued under this title.

**SEC. 55006. COASTAL PLAIN ENVIRONMENTAL PROTECTION.**

(a) NO SIGNIFICANT ADVERSE EFFECT STANDARD TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—The Secretary shall, consistent with the requirements of section 55002, administer this title through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that—

(1) ensure the oil and gas exploration, development, and production activities on the Coastal Plain will result in no significant adverse effect on fish and wildlife, their habitat, and the environment;

(2) require the application of the best commercially available technology for oil and gas exploration, development, and production on all new exploration, development, and production operations; and

(3) ensure that the maximum amount of surface acreage covered by production and support facilities, including airstrips and any areas covered by gravel berms or piers for support of pipelines, does not exceed 10,000 acres on the Coastal Plain for each 100,000 acres of area leased.

(b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—The Secretary shall also require, with respect to any proposed drilling and related activities, that—

(1) a site-specific analysis be made of the probable effects, if any, that the drilling or related activities will have on fish and wildlife, their habitat, subsistence resources, and the environment;

(2) a plan be implemented to avoid, minimize, and mitigate (in that order and to the extent practicable) any significant adverse effect identified under paragraph (1); and

(3) the development of the plan shall occur after consultation with the agency or agencies having jurisdiction over matters mitigated by the plan.

(c) REGULATIONS TO PROTECT COASTAL PLAIN FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS, AND THE ENVIRONMENT.—Before implementing the leasing program authorized by this title, the Secretary shall prepare and promulgate regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other measures designed to ensure that the activities undertaken on the Coastal Plain under this title are conducted in a manner consistent with the purposes and environmental requirements of this title.

(d) COMPLIANCE WITH FEDERAL AND STATE ENVIRONMENTAL LAWS AND OTHER REQUIREMENTS.—The proposed regulations, lease terms, conditions, restrictions, prohibitions, and stipulations for the leasing program under this title shall require compliance with all applicable provisions of Federal and State environmental law, and shall also require the following:

(1) Standards at least as effective as the safety and environmental mitigation measures set forth in items 1 through 29 at pages 167 through 169 of the ''Final Legislative Environmental Impact Statement'' (April 1987) on the Coastal Plain.

(2) Seasonal limitations on exploration, development, and related activities, where necessary, to avoid significant adverse effects during periods of concentrated fish and wildlife breeding, denning, nesting, spawning, and migration based on a preponderance of the best available scientific evidence that has been peer reviewed and obtained by following appropriate, documented scientific procedures, the results of which can be repeated using those same procedures.

(3) That exploration activities, except for surface geological studies, be limited to the period between approximately November 1 and May 1 each year and that exploration activities shall be supported, if necessary, by ice roads, winter trails with adequate snow cover, ice pads, ice airstrips, and air transport methods, except that such exploration activities may occur at other times if the Secretary finds that such exploration will have no significant adverse effect on the fish and wildlife, their habitat, and the environment of the Coastal Plain.

(4) Design safety and construction standards for all pipelines and any access and service roads, that—

(A) minimize, to the maximum extent possible, adverse effects upon the passage of migratory species such as caribou; and

(B) minimize adverse effects upon the flow of surface water by requiring the use of culverts, bridges, and other structural devices.

(5) Prohibitions on general public access and use on all pipeline access and service roads.

(6) Stringent reclamation and rehabilitation requirements, consistent with the standards set forth in this title, requiring the removal from the Coastal Plain of all oil and gas development and production facilities, structures, and equipment upon completion of oil and gas production operations, except that the Secretary may exempt from the requirements of this paragraph those facilities, structures, or equipment that the Secretary determines would assist in the management of the Arctic National Wildlife Refuge and that are donated to the United States for that purpose.

(7) Appropriate prohibitions or restrictions on access by all modes of transportation.

(8) Appropriate prohibitions or restrictions on sand and gravel extraction.

(9) Consolidation of facility siting.

(10) Appropriate prohibitions or restrictions on use of explosives.

(11) Avoidance, to the extent practicable, of springs, streams, and river systems; the protection of natural surface drainage patterns, wetlands, and riparian habitats; and the regulation of methods or techniques for developing or transporting adequate supplies of water for exploratory drilling.

(12) Avoidance or minimization of air traffic-related disturbance to fish and wildlife.

(13) Treatment and disposal of hazardous and toxic wastes, solid wastes, reserve pit fluids, drilling muds and cuttings, and domestic wastewater, including an annual waste management report, a hazardous materials tracking system, and a prohibition on chlorinated solvents, in accordance with applicable Federal and State environmental law.

(14) Fuel storage and oil spill contingency planning.

(15) Research, monitoring, and reporting requirements.

(16) Field crew environmental briefings.

(17) Avoidance of significant adverse effects upon subsistence hunting, fishing, and trapping by subsistence users.

(18) Compliance with applicable air and water quality standards.

(19) Appropriate seasonal and safety zone designations around well sites, within which subsistence hunting and trapping shall be limited.

(20) Reasonable stipulations for protection of cultural and archeological resources.

(21) All other protective environmental stipulations, restrictions, terms, and conditions deemed necessary by the Secretary.

(e) CONSIDERATIONS.—In preparing and promulgating regulations, lease terms, conditions, restrictions, prohibitions, and stipulations under this section, the Secretary shall consider the following:

(1) The stipulations and conditions that govern the National Petroleum Reserve-Alaska leasing program, as set forth in the 1999 Northeast National Petroleum Reserve-Alaska Final Integrated Activity Plan/Environmental Impact Statement.

(2) The environmental protection standards that governed the initial Coastal Plain seismic exploration program under parts 37.31 to 37.33 of title 50, Code of Federal Regulations.

(3) The land use stipulations for exploratory drilling on the KIC ASRC private lands that are set forth in appendix 2 of the August 9, 1983, agreement between Arctic Slope Regional Corporation and the United States.

(f) FACILITY CONSOLIDATION PLANNING.—

(1) IN GENERAL.—The Secretary shall, after providing for public notice and comment, prepare and update periodically a plan to govern, guide, and direct the siting and construction of facilities for the exploration, development, production, and transportation of Coastal Plain oil and gas resources.

(2) OBJECTIVES.—The plan shall have the following objectives:

(A) Avoiding unnecessary duplication of facilities and activities.

(B) Encouraging consolidation of common facilities and activities.

(C) Locating or confining facilities and activities to areas that will minimize impact on fish and wildlife, their habitat, and the environment.

(D) Utilizing existing facilities wherever practicable.

(E) Enhancing compatibility between wildlife values and development activities.

(g) ACCESS TO PUBLIC LANDS.—The Secretary shall—

(1) manage public lands in the Coastal Plain subject to of section 811 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3121); and

(2) ensure that local residents shall have reasonable access to public lands in the Coastal Plain for traditional uses.

**SEC. 55007. EXPEDITED JUDICIAL REVIEW.**

(a) FILING OF COMPLAINT.—

(1) DEADLINE.—Subject to paragraph (2), any complaint seeking judicial review—

(A) of any provision of this title shall be filed by not later than 1 year after the date of enactment of this Act; or

(B) of any action of the Secretary under this title shall be filed—

(i) except as provided in clause (ii), within the 90-day period beginning on the date of the action being challenged; or

(ii) in the case of a complaint based solely on grounds arising after such period, within 90 days after the complainant knew or reasonably should have known of the grounds for the complaint.

(2) VENUE.—Any complaint seeking judicial review of any provision of this title or any action of the Secretary under this title may be filed only in the United States Court of Appeals for the District of Columbia.

(3) LIMITATION ON SCOPE OF CERTAIN REVIEW.—Judicial review of a Secretarial decision to conduct a lease sale under this title, including the environmental analysis thereof, shall be limited to whether the Secretary has complied with this title and shall be based upon the administrative record of that decision. The Secretary's identification of a preferred course of action to enable leasing to proceed and the Secretary's analysis of environmental effects under this title shall be presumed to be correct unless shown otherwise by clear and convincing evidence to the contrary.

(b) LIMITATION ON OTHER REVIEW.—Actions of the Secretary with respect to which review could have been obtained under this section shall not be subject to judicial review in any civil or criminal proceeding for enforcement.

(c) LIMITATION ON ATTORNEYS' FEES AND COURT COSTS.—No person seeking judicial review of any action under this title shall receive payment from the Federal Government for their attorneys' fees and other court costs, including under any provision of law enacted by the Equal Access to Justice Act (5 U.S.C. 504 note).

**SEC. 55008. TREATMENT OF REVENUES.**

Notwithstanding any other provision of law, 50 percent of the amount of bonus, rental, and royalty revenues from Federal oil and gas leasing and operations authorized under this title shall be deposited in the Treasury.

**SEC. 55009. RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN.**

(a) IN GENERAL.—The Secretary shall issue rights-of-way and easements across the Coastal Plain for the transportation of oil and gas produced under leases under this title—

(1) except as provided in paragraph (2), under section 28 of the Mineral Leasing Act (30 U.S.C. 185), without regard to title XI of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3161 et seq.); and

(2) under title XI of the Alaska National Interest Lands Conservation Act (30 U.S.C. 3161 et seq.), for access authorized by sections 1110 and 1111 of that Act (16 U.S.C. 3170 and 3171).

(b) TERMS AND CONDITIONS.—The Secretary shall include in any right-of-way or easement issued under subsection (a) such terms and conditions as may be necessary to ensure that transportation of oil and gas does not result in a significant adverse effect on the fish and wildlife, subsistence resources, their habitat, and the environment of the Coastal Plain, including requirements that facilities be sited or designed so as to avoid unnecessary duplication of roads and pipelines.

(c) REGULATIONS.—The Secretary shall include in regulations under section 55002(g) provisions granting rights-of-way and easements described in subsection (a) of this section.

**SEC. 55010. CONVEYANCE.**

In order to maximize Federal revenues by removing clouds on title to lands and clarifying land ownership patterns within the Coastal Plain, the Secretary, notwithstanding section 1302(h)(2) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3192(h)(2)), shall convey—

(1) to the Kaktovik Inupiat Corporation the surface estate of the lands described in paragraph 1 of Public Land Order 6959, to the extent necessary to fulfill the Corporation's entitlement under sections 12 and 14 of the Alaska Native Claims Settlement Act (43 U.S.C. 1611 and 1613) in accordance with the terms and conditions of the Agreement between the Department of the Interior, the United States Fish and Wildlife Service, the Bureau of Land Management, and the Kaktovik Inupiat Corporation dated January 22, 1993; and

(2) to the Arctic Slope Regional Corporation the remaining subsurface estate to which it is entitled pursuant to the August 9, 1983, agreement between the Arctic Slope Regional Corporation and the United States of America.

**TITLE VI—OIL SHALE AND TAR SANDS LEASING**

**SEC. 56001. EFFECTIVENESS OF OIL SHALE REGULATIONS, AMENDMENTS TO RESOURCE MANAGEMENT PLANS, AND RECORD OF DECISION.**

(a) REGULATIONS.—Notwithstanding any other law or regulation to the contrary, the final regulations regarding oil shale management published by the Bureau of Land Management on November 18, 2008 (73 Fed. Reg. 69,414) are deemed to satisfy all legal and procedural requirements under any law, including the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and the Energy Policy Act of 2005 (Public Law 109 58), and the Secretary of the Interior shall implement those regulations, including the oil shale and tar sands leasing program authorized by the regulations, without any other administrative action necessary.

(b) AMENDMENTS TO RESOURCE MANAGEMENT PLANS AND RECORD OF DECISION.—Notwithstanding any other law or regulation to the contrary, the November 17, 2008 U.S. Bureau of Land Management Approved Resource Management Plan Amendments/Record of Decision for Oil Shale and Tar Sands Resources to Address Land Use Allocations in Colorado, Utah, and Wyoming and Final Programmatic Environmental Impact Statement are deemed to satisfy all legal and procedural requirements under any law, including the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and the Energy Policy Act of 2005 (Public Law 109 58), and the Secretary of the Interior shall implement the oil shale and tar sands leasing program authorized by the regulations referred to in subsection (a) in those areas covered by the resource management plans amended by such amendments, and covered by such record of decision, without any other administrative action necessary.

**SEC. 56002. OIL SHALE AND TAR SANDS LEASING.**

(a) ADDITIONAL RESEARCH AND DEVELOPMENT LEASE SALES.—The Secretary of the Interior shall hold a lease sale within 180 days after the date of enactment of this Act offering an additional 10 parcels for lease for research, development, and demonstration of oil shale or tar sands resources, under the terms offered in the solicitation of bids for such leases published on January 15, 2009 (74 Fed. Reg. 10).

(b) COMMERCIAL LEASE SALES.—No later than January 1, 2016, the Secretary of the Interior shall hold no less than 5 separate commercial lease sales in areas considered to have the most potential for oil shale or tar sands development, as determined by the Secretary, in areas nominated through public comment. Each lease sale shall be for an area of not less than 25,000 acres, and in multiple lease blocs.

(c) REDUCED PAYMENTS TO ENSURE PRODUCTION.—The Secretary of the Interior may temporarily reduce royalties, fees, rentals, bonus, or other payments for leases of Federal lands for the development and production of oil shale resources as necessary to incentivize and encourage development of such resources, if the Secretary determines that the royalties, fees, rentals, bonus bids, and other payments otherwise authorized by law are hindering production of such resources.

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**SA 1713.** Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

Strike titles II and III of division D and insert the following:

**TITLE II—REVENUE PROVISIONS**

**SEC. 40201. TRANSFER FROM LEAKING UNDERGROUND STORAGE TANK TRUST FUND TO HIGHWAY TRUST FUND.**

(a) IN GENERAL.—Subsection (c) of section 9508 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''Amounts'' and inserting:

''(1) IN GENERAL.—Except as provided in paragraph (2), amounts'', and

(2) by adding at the end the following new paragraph:

''(2) TRANSFER TO HIGHWAY TRUST FUND.—Out of amounts in the Leaking Underground Storage Tank Trust Fund there is hereby appropriated $3,000,000,000 to be transferred under section 9503(f)(3) to the Highway Trust Fund.''.

(b) TRANSFER TO HIGHWAY TRUST FUND.—

(1) IN GENERAL.—Subsection (f) of section 9503 of the Internal Revenue Code of 1986 is amended by inserting after paragraph (2) the following new paragraph:

''(3) INCREASE IN FUND BALANCE.—There is hereby transferred to the Highway Trust Fund amounts appropriated from the Leaking Underground Storage Tank Trust Fund under section 9508(c)(2).''.

(2) CONFORMING AMENDMENTS.—Paragraph (4) of section 9503(f) of such Code is amended—

(A) by inserting ''or transferred'' after ''appropriated'', and

(B) by striking ''APPROPRIATED'' in the heading thereof.

**SEC. 40202. PORTION OF LEAKING UNDERGROUND STORAGE TANK TRUST FUND FINANCING RATE TRANSFERRED TO HIGHWAY TRUST FUND.**

(a) IN GENERAL.—Subsection (b) of section 9503 of the Internal Revenue Code of 1986 is amended by inserting after paragraph (2) the following new paragraph:

''(3) PORTION OF LEAKING UNDERGROUND STORAGE TANK TRUST FUND FINANCING RATE.—There are hereby appropriated to the Highway Trust Fund amounts equivalent to one-third of the taxes received in the Treasury under—

''(A) section 4041(d) (relating to additional taxes on motor fuels),

''(B) section 4081 (relating to tax on gasoline, diesel fuel, and kerosene) to the extent attributable to the Leaking Underground Storage Tank Trust Fund financing rate under such section, and

''(C) section 4042 (relating to tax on fuel used in commercial transportation on inland

waterways) to the extent attributable to the Leaking Underground Storage Tank Trust Fund financing rate under such section.

For purposes of this paragraph, there shall not be taken into account the taxes imposed by sections 4041 and 4081 on diesel fuel sold for use or used as fuel in a diesel-powered boat.''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraphs (1), (2), and (3) of section 9508(b) of the Internal Revenue Code of 1986 are each amended by inserting ''two-thirds of the'' before ''taxes''.

(2) Paragraph (4) of section 9503(b) of such Code is amended by striking subparagraphs (A) and (B) and by redesignating subparagraphs (C) and (D) as subparagraphs (A) and (B), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxes received after the date of the enactment of this Act.

**SEC. 40203. INTERNAL REVENUE SERVICE LEVIES AND THRIFT SAVINGS PLAN ACCOUNTS.**

Section 8437(e)(3) of title 5, United States Code, is amended by inserting '', the enforcement of a Federal tax levy as provided in section 6331 of the Internal Revenue Code of 1986,'' after ''(42 U.S.C. 659)''.

**SEC. 40204. RESCISSION OF FUNDS FOR THE ADVANCED TECHNOLOGY VEHICLES MANUFACTURING INCENTIVE PROGRAM.**

Effective on the date of enactment of this Act, there are rescinded all unobligated balances of the amounts made available for the advanced technology vehicles manufacturing incentive program established under section 136 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17013).

**SEC. 40205. RESCISSION OF UNSPENT FEDERAL FUNDS.**

(a) IN GENERAL.—Notwithstanding any other provision of law, of all available unobligated funds on the date of enactment of this Act, there are rescinded such amounts as are equal to the difference between—

(1) the amounts necessary to carry out this Act; and

(2) the total amount of offsets provided by this title (other than this section) and division E.

(b) IMPLEMENTATION.—

(1) IN GENERAL.—The Director of the Office of Management and Budget shall determine and identify—

(A) from which appropriation accounts the rescission under subsection (a) shall be made; and

(B) the amount of such rescission that shall be made to each account identified under subparagraph (A).

(2) REPORT.—Not later than 60 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit a report to the Secretary of the Treasury and Congress of the accounts and amounts determined and identified for rescission under paragraph (1).

(c) EXCEPTION.—This section shall not apply to the unobligated funds of the Department of Defense, the Department of Homeland Security, or the Department of Veterans Affairs.

**SEC. 40206. DEPOSIT IN HIGHWAY TRUST FUND.**

There shall be deposited in the Highway Trust Fund

(1) any amounts rescinded under this title; and

(2) any amounts collected by the United States under this title or division E (including an amendment made by this title or division E).

## DIVISION E—ENERGY DEVELOPMENT

## TITLE I—EXPANDING OFFSHORE ENERGY DEVELOPMENT

**SEC. 51001. OUTER CONTINENTAL SHELF LEASING PROGRAM.**

Section 18(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1344(a)) is amended by adding at the end the following:

''(5)(A) In each oil and gas leasing program under this section, the Secretary shall make available for leasing and conduct lease sales including—

''(i) at least 50 percent of the available unleased acreage within each outer Continental Shelf planning area considered to have the largest undiscovered, technically recoverable oil and gas resources (on a total btu basis) based upon the most recent national geologic assessment of the outer Continental Shelf, with an emphasis on offering the most geologically prospective parts of the planning area; and

''(ii) any State subdivision of an outer Continental Shelf planning area that the Governor of the State that represents that subdivision requests be made available for leasing.

''(B) In this paragraph the term 'available unleased acreage' means that portion of the outer Continental Shelf that is not under lease at the time of a proposed lease sale, and that has not otherwise been made unavailable for leasing by law.

''(6)(A) In the 2012 2017 5-year oil and gas leasing program, the Secretary shall make available for leasing any outer Continental Shelf planning areas that—

''(i) are estimated to contain more than 2,500,000,000 barrels of oil; or

''(ii) are estimated to contain more than 7,500,000,000,000 cubic feet of natural gas.

''(B) To determine the planning areas described in subparagraph (A), the Secretary shall use the document entitled 'Minerals Management Service Assessment of Undiscovered Technically Recoverable Oil and Gas Resources of the Nation's Outer Continental Shelf, 2006'.''.

**SEC. 51002. DOMESTIC OIL AND NATURAL GAS PRODUCTION GOAL.**

Section 18(b) of the Outer Continental Shelf Lands Act (43 U.S.C. 1344(b)) is amended to read as follows:

''(b) DOMESTIC OIL AND NATURAL GAS PRODUCTION GOAL.—

''(1) IN GENERAL.—In developing a 5-year oil and gas leasing program, and subject to paragraph (2), the Secretary shall determine a domestic strategic production goal for the development of oil and natural gas as a result of that program. Such goal shall be—

''(A) the best estimate of the possible increase in domestic production of oil and natural gas from the outer Continental Shelf;

''(B) focused on meeting domestic demand for oil and natural gas and reducing the dependence of the United States on foreign energy; and

''(C) focused on the production increases achieved by the leasing program at the end of the 15-year period beginning on the effective date of the program.

''(2) 2012 2017 PROGRAM GOAL.—For purposes of the 2012 2017 5-year oil and gas leasing program, the production goal referred to in paragraph (1) shall be an increase by 2027 of—

''(A) no less than 3,000,000 barrels in the amount of oil produced per day; and

''(B) no less than 10,000,000,000 cubic feet in the amount of natural gas produced per day.

''(3) REPORTING.—The Secretary shall report annually, beginning at the end of the 5-year period for which the program applies, to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate on the progress of the program in meeting the production goal. The Secretary shall identify in the report projections for production and any problems with leasing, permitting, or production that will prevent meeting the goal.''.

## TITLE II—CONDUCTING PROMPT OFFSHORE LEASE SALES

**SEC. 52001. REQUIREMENT TO CONDUCT PROPOSED OIL AND GAS LEASE SALE 216 IN THE CENTRAL GULF OF MEXICO.**

(a) IN GENERAL.—The Secretary of the Interior shall conduct offshore oil and gas Lease Sale 216 under section 8 of the Outer Continental Shelf Lands Act (33 U.S.C. 1337) as soon as practicable, but not later than 4 months after the date of enactment of this Act.

(b) ENVIRONMENTAL REVIEW.—For the purposes of that lease sale, the Environmental Impact Statement for the 2007 2012 5 Year OUTER CONTINENTAL SHELF Plan and the Multi-Sale Environmental Impact Statement are deemed to satisfy the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

**SEC. 52002. REQUIREMENT TO CONDUCT PROPOSED OIL AND GAS LEASE SALE 220 ON THE OUTER CONTINENTAL SHELF OFFSHORE VIRGINIA.**

(a) IN GENERAL.—Notwithstanding the inclusion of Lease Sale 220 in the fiscal years 2012 through fiscal year 2017 5 Year Outer Continental Shelf Oil and Gas Leasing Program, the Secretary shall conduct offshore oil and gas Lease Sale 220 under section 8 of the Outer Continental Shelf Lands Act (33 U.S.C. 1337) as soon as practicable, but not later than one year after the date of enactment of this Act.

(b) PROHIBITION ON CONFLICTS WITH MILITARY OPERATIONS.—No person may engage in any exploration, development, or production of oil or natural gas off the coast of Virginia that would conflict with any military operation, as determined in accordance with the Memorandum of Agreement between the Department of Defense and the Department of the Interior on Mutual Concerns on the Outer Continental Shelf signed July 20, 1983, and any revision or replacement for that agreement that is agreed to by the Secretary of Defense and the Secretary of the Interior after that date but before the date of issuance of the lease under which such exploration, development, or production is conducted.

**SEC. 52003. REQUIREMENT TO CONDUCT PROPOSED OIL AND GAS LEASE SALE 222 IN THE CENTRAL GULF OF MEXICO.**

(a) IN GENERAL.—The Secretary shall conduct offshore oil and gas Lease Sale 222 under section 8 of the Outer Continental Shelf Lands Act (33 U.S.C. 1337) as soon as practicable, but not later than September 1, 2012.

(b) ENVIRONMENTAL REVIEW.—For the purposes of that lease sale, the Environmental Impact Statement for the 2007 2012 5 Year OUTER CONTINENTAL SHELF Plan and the Multi-Sale Environmental Impact Statement are deemed to satisfy the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

**SEC. 52004. ADDITIONAL LEASES.**

Section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344) is amended by adding at the end the following:

''(i) ADDITIONAL LEASE SALES.—In addition to lease sales in accordance with a leasing program in effect under this section, the Secretary may hold lease sales for areas identified by the Secretary to have the greatest potential for new oil and gas development as a result of local support, new seismic findings, or nomination by interested persons.''.

**SEC. 52005. DEFINITIONS.**

In this title:

(1) The term ''Environmental Impact Statement for the 2007 2012 5 Year OUTER CONTINENTAL SHELF Plan'' means the Final Environmental Impact Statement for Outer Continental Shelf Oil and Gas Leasing Program: 2007 2012 (April 2007) prepared by the Secretary.

(2) The term ''Multi-Sale Environmental Impact Statement'' means the Environmental Impact Statement for Proposed Western Gulf of Mexico OUTER CONTINENTAL SHELF Oil and Gas Lease Sales 204, 207, 210, 215, and 218, and Proposed Central Gulf of Mexico OUTER CONTINENTAL SHELF Oil and Gas Lease Sales 205, 206, 208, 213, 216, and 222 (September 2008) prepared by the Secretary.

(3) The term ''Secretary'' means the Secretary of the Interior.

## TITLE III—LEASING IN NEW OFFSHORE AREAS

### SEC. 53001. LEASING IN THE EASTERN GULF OF MEXICO.

Section 104 of division C of the Tax Relief and Health Care Act of 2006 (Public Law 109 432; 120 Stat. 3003) is repealed.

### SEC. 53002. LEASING OFFSHORE OF TERRITORIES OF THE UNITED STATES.

Section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331) is amended, by inserting after ''control'' the following: ''or lying within the United States' exclusive economic zone and the Continental Shelf adjacent to the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, American Samoa, Guam, or the other territories of the United States''.

## TITLE IV—OUTER CONTINENTAL SHELF REVENUE SHARING

### SEC. 54001. DISPOSITION OF OUTER CONTINENTAL SHELF REVENUES.

Section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) is amended—

(1) in the existing text—

(A) in the first sentence, by striking ''All rentals,'' and inserting the following:

''(c) DISPOSITION OF REVENUE UNDER OLD LEASES.—All rentals,''; and

(B) in subsection (c) (as designated by the amendment made by subparagraph (A) of this paragraph), by striking ''for the period from June 5, 1950, to date, and thereafter'' and inserting ''in the period beginning June 5, 1950, and ending on the date of enactment of the Moving Ahead for Progress in the 21st Century Act'';

(2) by adding after subsection (c) (as so designated) the following:

''(d) NEW LEASING REVENUES DEFINED.—In this section the term 'new leasing revenues' means amounts received by the United States as bonuses, rents, and royalties under leases for oil and gas, wind, tidal, or other energy exploration, development, and production that are awarded under this Act after the date of enactment of the Moving Ahead for Progress in the 21st Century Act.''; and

(3) by inserting before subsection (c) (as so designated) the following:

''(a) PAYMENT OF NEW LEASING REVENUES TO COASTAL STATES, GENERALLY.—

''(1) IN GENERAL.—Of the amount of new leasing revenues received by the United States each fiscal year that is described in paragraph (2), 37.5 percent shall be allocated and paid in accordance with subsection (b) to coastal States that are affected States with respect to the leases under which those revenues are received by the United States.

''(2) PHASE-IN.—The amount of new leasing revenues referred to in paragraph (1) is the sum determined by adding—

''(A) 35 percent of new leasing revenues received by the United States in the fiscal year under—

''(i) leases awarded under the first leasing program under section 18(a) that takes effect after the date of enactment of the Moving Ahead for Progress in the 21st Century Act; and

''(ii) other leases issued as a result of the enactment of that Act;

''(B) 70 percent of new leasing revenues received by the United States in the fiscal year under leases awarded under the second such leasing program; and

''(C) 100 percent of new leasing revenues received by the United States under leases awarded under the third such leasing program or any such leasing program taking effect thereafter.

''(b) ALLOCATION OF PAYMENTS TO COASTAL STATES.—

''(1) IN GENERAL.—The amount of new leasing revenues received by the United States with respect to a leased tract that are required to be paid to coastal States in accordance with this subsection each fiscal year shall be allocated among and paid to such States that are within 200 miles of the leased tract, in amounts that are inversely proportional to the respective distances between the point on the coastline of each such State that is closest to the geographic center of the lease tract, as determined by the Secretary.

''(2) MINIMUM AND MAXIMUM ALLOCATION.—The amount allocated to a coastal State under paragraph (1) each fiscal year with respect to a leased tract shall be—

''(A) in the case of a coastal State that is the nearest State to the geographic center of the leased tract, not less than 25 percent of the total amounts allocated with respect to the leased tract; and

''(B) in the case of any other coastal State, not less than 10 percent, and not more than 15 percent, of the total amounts allocated with respect to the leased tract.

''(3) ADMINISTRATION.—Amounts allocated to a coastal State under this subsection—

''(A) shall be available to the State without further appropriation;

''(B) shall remain available until expended; and

''(C) shall be in addition to any other amounts available to the State under this Act.

''(4) USE OF FUNDS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), a coastal State may use funds allocated and paid to it under this subsection for any purpose as determined by State law.

''(B) RESTRICTION ON USE FOR MATCHING.—Funds allocated and paid to a coastal State under this subsection may not be used as matching funds for any other Federal program.''.

## TITLE V—COASTAL PLAIN

### SEC. 55001. DEFINITIONS.

In this title:

(1) COASTAL PLAIN.—The term ''Coastal Plain'' means that area described in appendix I to part 37 of title 50, Code of Federal Regulations.

(2) PEER REVIEWED.—The term ''peer reviewed'' means reviewed—

(A) by individuals chosen by the National Academy of Sciences with no contractual relationship with or those who have an application for a grant or other funding pending with the Federal agency with leasing jurisdiction; or

(B) if individuals described in subparagraph (A) are not available, by the top individuals in the specified biological fields, as determined by the National Academy of Sciences.

(3) SECRETARY.—The term ''Secretary'', except as otherwise provided, means the Secretary of the Interior or the Secretary's designee.

### SEC. 55002. LEASING PROGRAM FOR LANDS WITHIN THE COASTAL PLAIN.

(a) IN GENERAL.—The Secretary shall take such actions as are necessary—

(1) to establish and implement, in accordance with this title and acting through the Director of the Bureau of Land Management in consultation with the Director of the United States Fish and Wildlife Service, a competitive oil and gas leasing program that will result in the exploration, development, and production of the oil and gas resources of the Coastal Plain; and

(2) to administer the provisions of this title through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that ensure the oil and gas exploration, development, and production activities on the Coastal Plain will result in no significant adverse effect on fish and wildlife, their habitat, subsistence resources, and the environment, including, in furtherance of this goal, by requiring the application of the best commercially available technology for oil and gas exploration, development, and production to all exploration, development, and production operations under this title in a manner that ensures the receipt of fair market value by the public for the mineral resources to be leased.

(b) REPEAL OF EXISTING RESTRICTION.—

(1) REPEAL.—Section 1003 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3143) is repealed.

(2) CONFORMING AMENDMENT.—The table of contents in section 1 of such Act is amended by striking the item relating to section 1003.

(c) COMPLIANCE WITH REQUIREMENTS UNDER CERTAIN OTHER LAWS.—

(1) COMPATIBILITY.—For purposes of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.), the oil and gas leasing program and activities authorized by this section in the Coastal Plain are deemed to be compatible with the purposes for which the Arctic National Wildlife Refuge was established, and no further findings or decisions are required to implement this determination.

(2) ADEQUACY OF THE DEPARTMENT OF THE INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT STATEMENT.—The ''Final Legislative Environmental Impact Statement'' (April 1987) on the Coastal Plain prepared pursuant to section 1002 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3142) and section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) is deemed to satisfy the requirements under the National Environmental Policy Act of 1969 that apply with respect to prelease activities under this title, including actions authorized to be taken by the Secretary to develop and promulgate the regulations for the establishment of a leasing program authorized by this title before the conduct of the first lease sale.

(3) COMPLIANCE WITH NEPA FOR OTHER ACTIONS.—Before conducting the first lease sale under this title, the Secretary shall prepare an environmental impact statement under the National Environmental Policy Act of 1969 with respect to the actions authorized by this title that are not referred to in paragraph (2). Notwithstanding any other law, the Secretary is not required to identify nonleasing alternative courses of action or to analyze the environmental effects of such courses of action. The Secretary shall only identify a preferred action for such leasing and a single leasing alternative, and analyze the environmental effects and potential mitigation measures for those two alternatives. The identification of the preferred action and related analysis for the first lease sale under this title shall be completed within 18 months after the date of enactment of this Act. The Secretary shall only consider

public comments that specifically address the Secretary's preferred action and that are filed within 20 days after publication of an environmental analysis. Notwithstanding any other law, compliance with this paragraph is deemed to satisfy all requirements for the analysis and consideration of the environmental effects of proposed leasing under this title.

(d) RELATIONSHIP TO STATE AND LOCAL AUTHORITY.—Nothing in this title shall be considered to expand or limit State and local regulatory authority.

(e) SPECIAL AREAS.—

(1) IN GENERAL.—The Secretary, after consultation with the State of Alaska, the city of Kaktovik, and the North Slope Borough, may designate up to a total of 45,000 acres of the Coastal Plain as a Special Area if the Secretary determines that the Special Area is of such unique character and interest so as to require special management and regulatory protection. The Secretary shall designate as such a Special Area the Sadlerochit Spring area, comprising approximately 4,000 acres.

(2) MANAGEMENT.—Each such Special Area shall be managed so as to protect and preserve the area's unique and diverse character including its fish, wildlife, and subsistence resource values.

(3) EXCLUSION FROM LEASING OR SURFACE OCCUPANCY.—The Secretary may exclude any Special Area from leasing. If the Secretary leases a Special Area, or any part thereof, for purposes of oil and gas exploration, development, production, and related activities, there shall be no surface occupancy of the lands comprising the Special Area.

(4) DIRECTIONAL DRILLING.—Notwithstanding the other provisions of this subsection, the Secretary may lease all or a portion of a Special Area under terms that permit the use of horizontal drilling technology from sites on leases tracts located outside the Special Area.

(f) LIMITATION ON CLOSED AREAS.—The Secretary's sole authority to close lands within the Coastal Plain to oil and gas leasing and to exploration, development, and production is that set forth in this title.

(g) REGULATIONS.—

(1) IN GENERAL.—The Secretary shall prescribe such regulations as may be necessary to carry out this title, including regulations relating to protection of the fish and wildlife, their habitat, subsistence resources, and environment of the Coastal Plain, by no later than 15 months after the date of enactment of this Act.

(2) REVISION OF REGULATIONS.—The Secretary shall, through a rule making conducted in accordance with section 553 of title 5, United States Code, periodically review and, if appropriate, revise the regulations issued under subsection (a) to reflect a preponderance of the best available scientific evidence that has been peer reviewed and obtained by following appropriate, documented scientific procedures, the results of which can be repeated using those same procedures.

**SEC. 55003. LEASE SALES.**

(a) IN GENERAL.—Lands may be leased under this title to any person qualified to obtain a lease for deposits of oil and gas under the Mineral Leasing Act (30 U.S.C. 181 et seq.).

(b) PROCEDURES.—The Secretary shall, by regulation and no later than 180 days after the date of enactment of this title, establish procedures for—

(1) receipt and consideration of sealed nominations for any area of the Coastal Plain for inclusion in, or exclusion (as provided in subsection (c)) from, a lease sale;

(2) the holding of lease sales after such nomination process; and

(3) public notice of and comment on designation of areas to be included in, or excluded from, a lease sale.

(c) LEASE SALE BIDS.—Lease sales under this title may be conducted through an Internet leasing program, if the Secretary determines that such a system will result in savings to the taxpayer, an increase in the number of bidders participating, and higher returns than oral bidding or a sealed bidding system.

(d) SALE ACREAGES AND SCHEDULE.—

(1) The Secretary shall offer for lease under this title those tracts the Secretary considers to have the greatest potential for the discovery of hydrocarbons, taking into consideration nominations received pursuant to subsection (b)(1).

(2) The Secretary shall offer for lease under this title no less than 50,000 acres for lease within 22 months after the date of the enactment of this Act.

(3) The Secretary shall offer for lease under this title no less than an additional 50,000 acres at 6-, 12-, and 18-month intervals following offering under paragraph (2).

(4) The Secretary shall conduct four additional sales under the same terms and schedule no later than two years after the date of the last sale under paragraph (3), if sufficient interest in leasing exists to warrant, in the Secretary's judgment, the conduct of such sales.

(5) The Secretary shall evaluate the bids in each sale and issue leases resulting from such sales, within 90 days after the date of the completion of such sale.

**SEC. 55004. GRANT OF LEASES BY THE SECRETARY.**

(a) IN GENERAL.—The Secretary may grant to the highest responsible qualified bidder in a lease sale conducted under section 55003 any lands to be leased on the Coastal Plain upon payment by the such bidder of such bonus as may be accepted by the Secretary.

(b) SUBSEQUENT TRANSFERS.—No lease issued under this title may be sold, exchanged, assigned, sublet, or otherwise transferred except with the approval of the Secretary. Prior to any such approval the Secretary shall consult with, and give due consideration to the views of, the Attorney General.

**SEC. 55005. LEASE TERMS AND CONDITIONS.**

(a) IN GENERAL.—An oil or gas lease issued under this title shall—

(1) provide for the payment of a royalty of not less than 12½ percent in amount or value of the production removed or sold under the lease, as determined by the Secretary under the regulations applicable to other Federal oil and gas leases;

(2) provide that the Secretary may close, on a seasonal basis, portions of the Coastal Plain to exploratory drilling activities as necessary to protect caribou calving areas and other species of fish and wildlife based on a preponderance of the best available scientific evidence that has been peer reviewed and obtained by following appropriate, documented scientific procedures, the results of which can be repeated using those same procedures;

(3) require that the lessee of lands within the Coastal Plain shall be fully responsible and liable for the reclamation of lands within the Coastal Plain and any other Federal lands that are adversely affected in connection with exploration, development, production, or transportation activities conducted under the lease and within the Coastal Plain by the lessee or by any of the subcontractors or agents of the lessee;

(4) provide that the lessee may not delegate or convey, by contract or otherwise, the reclamation responsibility and liability to another person without the express written approval of the Secretary;

(5) provide that the standard of reclamation for lands required to be reclaimed under this title shall be, as nearly as practicable, a condition capable of supporting the uses which the lands were capable of supporting prior to any exploration, development, or production activities, or upon application by the lessee, to a higher or better use as certified by the Secretary;

(6) contain terms and conditions relating to protection of fish and wildlife, their habitat, subsistence resources, and the environment as required pursuant to section 55002(a)(2);

(7) provide that the lessee, its agents, and its contractors use best efforts to provide a fair share, as determined by the level of obligation previously agreed to in the 1974 agreement implementing section 29 of the Federal Agreement and Grant of Right of Way for the Operation of the Trans-Alaska Pipeline, of employment and contracting for Alaska Natives and Alaska Native corporations from throughout the State;

(8) prohibit the export of oil produced under the lease; and

(9) contain such other provisions as the Secretary determines necessary to ensure compliance with this title and the regulations issued under this title.

**SEC. 55006. COASTAL PLAIN ENVIRONMENTAL PROTECTION.**

(a) NO SIGNIFICANT ADVERSE EFFECT STANDARD TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—The Secretary shall, consistent with the requirements of section 55002, administer this title through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that—

(1) ensure the oil and gas exploration, development, and production activities on the Coastal Plain will result in no significant adverse effect on fish and wildlife, their habitat, and the environment;

(2) require the application of the best commercially available technology for oil and gas exploration, development, and production on all new exploration, development, and production operations; and

(3) ensure that the maximum amount of surface acreage covered by production and support facilities, including airstrips and any areas covered by gravel berms or piers for support of pipelines, does not exceed 10,000 acres on the Coastal Plain for each 100,000 acres of area leased.

(b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—The Secretary shall also require, with respect to any proposed drilling and related activities, that—

(1) a site-specific analysis be made of the probable effects, if any, that the drilling or related activities will have on fish and wildlife, their habitat, subsistence resources, and the environment;

(2) a plan be implemented to avoid, minimize, and mitigate (in that order and to the extent practicable) any significant adverse effect identified under paragraph (1); and

(3) the development of the plan shall occur after consultation with the agency or agencies having jurisdiction over matters mitigated by the plan.

(c) REGULATIONS TO PROTECT COASTAL PLAIN FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS, AND THE ENVIRONMENT.—Before implementing the leasing program authorized by this title, the Secretary shall prepare and promulgate regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other measures designed to ensure that the activities undertaken on the Coastal Plain under this title are conducted in a manner consistent with the purposes and environmental requirements of this title.

(d) COMPLIANCE WITH FEDERAL AND STATE ENVIRONMENTAL LAWS AND OTHER REQUIREMENTS.—The proposed regulations, lease terms, conditions, restrictions, prohibitions, and stipulations for the leasing program under this title shall require compliance with all applicable provisions of Federal and State environmental law, and shall also require the following:

(1) Standards at least as effective as the safety and environmental mitigation measures set forth in items 1 through 29 at pages 167 through 169 of the ''Final Legislative Environmental Impact Statement'' (April 1987) on the Coastal Plain.

(2) Seasonal limitations on exploration, development, and related activities, where necessary, to avoid significant adverse effects during periods of concentrated fish and wildlife breeding, denning, nesting, spawning, and migration based on a preponderance of the best available scientific evidence that has been peer reviewed and obtained by following appropriate, documented scientific procedures, the results of which can be repeated using those same procedures.

(3) That exploration activities, except for surface geological studies, be limited to the period between approximately November 1 and May 1 each year and that exploration activities shall be supported, if necessary, by ice roads, winter trails with adequate snow cover, ice pads, ice airstrips, and air transport methods, except that such exploration activities may occur at other times if the Secretary finds that such exploration will have no significant adverse effect on the fish and wildlife, their habitat, and the environment of the Coastal Plain.

(4) Design safety and construction standards for all pipelines and any access and service roads, that—

(A) minimize, to the maximum extent possible, adverse effects upon the passage of migratory species such as caribou; and

(B) minimize adverse effects upon the flow of surface water by requiring the use of culverts, bridges, and other structural devices.

(5) Prohibitions on general public access and use on all pipeline access and service roads.

(6) Stringent reclamation and rehabilitation requirements, consistent with the standards set forth in this title, requiring the removal from the Coastal Plain of all oil and gas development and production facilities, structures, and equipment upon completion of oil and gas production operations, except that the Secretary may exempt from the requirements of this paragraph those facilities, structures, or equipment that the Secretary determines would assist in the management of the Arctic National Wildlife Refuge and that are donated to the United States for that purpose.

(7) Appropriate prohibitions or restrictions on access by all modes of transportation.

(8) Appropriate prohibitions or restrictions on sand and gravel extraction.

(9) Consolidation of facility siting.

(10) Appropriate prohibitions or restrictions on use of explosives.

(11) Avoidance, to the extent practicable, of springs, streams, and river systems; the protection of natural surface drainage patterns, wetlands, and riparian habitats; and the regulation of methods or techniques for developing or transporting adequate supplies of water for exploratory drilling.

(12) Avoidance or minimization of air traffic-related disturbance to fish and wildlife.

(13) Treatment and disposal of hazardous and toxic wastes, solid wastes, reserve pit fluids, drilling muds and cuttings, and domestic wastewater, including an annual waste management report, a hazardous materials tracking system, and a prohibition on chlorinated solvents, in accordance with applicable Federal and State environmental law.

(14) Fuel storage and oil spill contingency planning.

(15) Research, monitoring, and reporting requirements.

(16) Field crew environmental briefings.

(17) Avoidance of significant adverse effects upon subsistence hunting, fishing, and trapping by subsistence users.

(18) Compliance with applicable air and water quality standards.

(19) Appropriate seasonal and safety zone designations around well sites, within which subsistence hunting and trapping shall be limited.

(20) Reasonable stipulations for protection of cultural and archeological resources.

(21) All other protective environmental stipulations, restrictions, terms, and conditions deemed necessary by the Secretary.

(e) CONSIDERATIONS.—In preparing and promulgating regulations, lease terms, conditions, restrictions, prohibitions, and stipulations under this section, the Secretary shall consider the following:

(1) The stipulations and conditions that govern the National Petroleum Reserve-Alaska leasing program, as set forth in the 1999 Northeast National Petroleum Reserve-Alaska Final Integrated Activity Plan/Environmental Impact Statement.

(2) The environmental protection standards that governed the initial Coastal Plain seismic exploration program under parts 37.31 to 37.33 of title 50, Code of Federal Regulations.

(3) The land use stipulations for exploratory drilling on the KIC ASRC private lands that are set forth in appendix 2 of the August 9, 1983, agreement between Arctic Slope Regional Corporation and the United States.

(f) FACILITY CONSOLIDATION PLANNING.—

(1) IN GENERAL.—The Secretary shall, after providing for public notice and comment, prepare and update periodically a plan to govern, guide, and direct the siting and construction of facilities for the exploration, development, production, and transportation of Coastal Plain oil and gas resources.

(2) OBJECTIVES.—The plan shall have the following objectives:

(A) Avoiding unnecessary duplication of facilities and activities.

(B) Encouraging consolidation of common facilities and activities.

(C) Locating or confining facilities and activities to areas that will minimize impact on fish and wildlife, their habitat, and the environment.

(D) Utilizing existing facilities wherever practicable.

(E) Enhancing compatibility between wildlife values and development activities.

(g) ACCESS TO PUBLIC LANDS.—The Secretary shall—

(1) manage public lands in the Coastal Plain subject to of section 811 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3121); and

(2) ensure that local residents shall have reasonable access to public lands in the Coastal Plain for traditional uses.

**SEC. 55007. EXPEDITED JUDICIAL REVIEW.**

(a) FILING OF COMPLAINT.—

(1) DEADLINE.—Subject to paragraph (2), any complaint seeking judicial review—

(A) of any provision of this title shall be filed by not later than 1 year after the date of enactment of this Act; or

(B) of any action of the Secretary under this title shall be filed—

(i) except as provided in clause (ii), within the 90-day period beginning on the date of the action being challenged; or

(ii) in the case of a complaint based solely on grounds arising after such period, within 90 days after the complainant knew or reasonably should have known of the grounds for the complaint.

(2) VENUE.—Any complaint seeking judicial review of any provision of this title or any action of the Secretary under this title may be filed only in the United States Court of Appeals for the District of Columbia.

(3) LIMITATION ON SCOPE OF CERTAIN REVIEW.—Judicial review of a Secretarial decision to conduct a lease sale under this title, including the environmental analysis thereof, shall be limited to whether the Secretary has complied with this title and shall be based upon the administrative record of that decision. The Secretary's identification of a preferred course of action to enable leasing to proceed and the Secretary's analysis of environmental effects under this title shall be presumed to be correct unless shown otherwise by clear and convincing evidence to the contrary.

(b) LIMITATION ON OTHER REVIEW.—Actions of the Secretary with respect to which review could have been obtained under this section shall not be subject to judicial review in any civil or criminal proceeding for enforcement.

(c) LIMITATION ON ATTORNEYS' FEES AND COURT COSTS.—No person seeking judicial review of any action under this title shall receive payment from the Federal Government for their attorneys' fees and other court costs, including under any provision of law enacted by the Equal Access to Justice Act (5 U.S.C. 504 note).

**SEC. 55008. TREATMENT OF REVENUES.**

Notwithstanding any other provision of law, 50 percent of the amount of bonus, rental, and royalty revenues from Federal oil and gas leasing and operations authorized under this title shall be deposited in the Treasury.

**SEC. 55009. RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN.**

(a) IN GENERAL.—The Secretary shall issue rights-of-way and easements across the Coastal Plain for the transportation of oil and gas produced under leases under this title—

(1) except as provided in paragraph (2), under section 28 of the Mineral Leasing Act (30 U.S.C. 185), without regard to title XI of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3161 et seq.); and

(2) under title XI of the Alaska National Interest Lands Conservation Act (30 U.S.C. 3161 et seq.), for access authorized by sections 1110 and 1111 of that Act (16 U.S.C. 3170 and 3171).

(b) TERMS AND CONDITIONS.—The Secretary shall include in any right-of-way or easement issued under subsection (a) such terms and conditions as may be necessary to ensure that transportation of oil and gas does not result in a significant adverse effect on the fish and wildlife, subsistence resources, their habitat, and the environment of the Coastal Plain, including requirements that facilities be sited or designed so as to avoid unnecessary duplication of roads and pipelines.

(c) REGULATIONS.—The Secretary shall include in regulations under section 55002(g) provisions granting rights-of-way and easements described in subsection (a) of this section.

**SEC. 55010. CONVEYANCE.**

In order to maximize Federal revenues by removing clouds on title to lands and clarifying land ownership patterns within the Coastal Plain, the Secretary, notwithstanding section 1302(h)(2) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3192(h)(2)), shall convey—

(1) to the Kaktovik Inupiat Corporation the surface estate of the lands described in paragraph 1 of Public Land Order 6959, to the

extent necessary to fulfill the Corporation's entitlement under sections 12 and 14 of the Alaska Native Claims Settlement Act (43 U.S.C. 1611 and 1613) in accordance with the terms and conditions of the Agreement between the Department of the Interior, the United States Fish and Wildlife Service, the Bureau of Land Management, and the Kaktovik Inupiat Corporation dated January 22, 1993; and

(2) to the Arctic Slope Regional Corporation the remaining subsurface estate to which it is entitled pursuant to the August 9, 1983, agreement between the Arctic Slope Regional Corporation and the United States of America.

**TITLE VI—OIL SHALE AND TAR SANDS LEASING**

**SEC. 56001. EFFECTIVENESS OF OIL SHALE REGULATIONS, AMENDMENTS TO RESOURCE MANAGEMENT PLANS, AND RECORD OF DECISION.**

(a) REGULATIONS.—Notwithstanding any other law or regulation to the contrary, the final regulations regarding oil shale management published by the Bureau of Land Management on November 18, 2008 (73 Fed. Reg. 69,414) are deemed to satisfy all legal and procedural requirements under any law, including the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and the Energy Policy Act of 2005 (Public Law 109 58), and the Secretary of the Interior shall implement those regulations, including the oil shale and tar sands leasing program authorized by the regulations, without any other administrative action necessary.

(b) AMENDMENTS TO RESOURCE MANAGEMENT PLANS AND RECORD OF DECISION.—Notwithstanding any other law or regulation to the contrary, the November 17, 2008 U.S. Bureau of Land Management Approved Resource Management Plan Amendments/Record of Decision for Oil Shale and Tar Sands Resources to Address Land Use Allocations in Colorado, Utah, and Wyoming and Final Programmatic Environmental Impact Statement are deemed to satisfy all legal and procedural requirements under any law, including the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and the Energy Policy Act of 2005 (Public Law 109 58), and the Secretary of the Interior shall implement the oil shale and tar sands leasing program authorized by the regulations referred to in subsection (a) in those areas covered by the resource management plans amended by such amendments, and covered by such record of decision, without any other administrative action necessary.

**SEC. 56002. OIL SHALE AND TAR SANDS LEASING.**

(a) ADDITIONAL RESEARCH AND DEVELOPMENT LEASE SALES.—The Secretary of the Interior shall hold a lease sale within 180 days after the date of enactment of this Act offering an additional 10 parcels for lease for research, development, and demonstration of oil shale or tar sands resources, under the terms offered in the solicitation of bids for such leases published on January 15, 2009 (74 Fed. Reg. 10).

(b) COMMERCIAL LEASE SALES.—No later than January 1, 2016, the Secretary of the Interior shall hold no less than 5 separate commercial lease sales in areas considered to have the most potential for oil shale or tar sands development, as determined by the Secretary, in areas nominated through public comment. Each lease sale shall be for an area of not less than 25,000 acres, and in multiple lease blocs.

(c) REDUCED PAYMENTS TO ENSURE PRODUCTION.—The Secretary of the Interior may temporarily reduce royalties, fees, rentals, bonus, or other payments for leases of Federal lands for the development and production of oil shale resources as necessary to incentivize and encourage development of such resources, if the Secretary determines that the royalties, fees, rentals, bonus bids, and other payments otherwise authorized by law are hindering production of such resources.

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**SA 1714.** Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

On page 6, strike lines 13 and 14 and insert the following:

(4) COORDINATED BORDER INFRASTRUCTURE PROGRAM.—For the coordinated border infrastructure program under section 1303 of the SAFETEA LU (23 U.S.C. 101 note; 119 Stat. 1207), to be derived and transferred from amounts authorized to be appropriated for each fiscal year under paragraph (1)—

(A) $210,000,000 for fiscal year 2012; and

(B) $214,000,000 for fiscal year 2013.

(5) TERRITORIAL AND PUERTO RICO HIGHWAY PROGRAM.—For the territorial and Puerto Rico

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**SA 1715.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. ___. CONTROLLING HELICOPTER NOISE POLLUTION IN RESIDENTIAL AREAS.**

(a) RULEMAKING WITH RESPECT TO REDUCING HELICOPTER NOISE POLLUTION.—

(1) NEW YORK NORTH SHORE HELICOPTER ROUTE.—Not later than 1 year after the date of the enactment of this Act, the Administrator of the Federal Aviation Administration shall issue a final rule in Docket No. FAA-2010-0302 (The New York North Shore Helicopter Route), without additional notice and comment. The final rule shall include—

(A) a requirement for helicopter operators to utilize the North Shore route, as charted, when operating in that area of Long Island, New York;

(B) a requirement for helicopter operations to enter and exit the west terminus of North Shore Helicopter Route over water at VPROK;

(C) appropriate safeguards for safety and operational necessity, including safeguards to avoid adverse effects on the safe and efficient use and management of the national airspace system; and

(D) penalties for failing to comply with the requirements described in subparagraph (A).

(2) LONG ISLAND SOUTH SHORE ROUTE.—Not later than 18 months after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall issue a notice of proposed rulemaking to address helicopter noise on the South Shore of Long Island, New York. The proposed rule shall include—

(A) a requirement for helicopter operators to utilize the South Shore route, as charted, when operating in that area of Long Island, New York;

(B) an expansion of the existing route to include linkage east of Orient and Montauk Points to the North Shore Helicopter Route remaining over water;

(C) appropriate safeguards for safety and operational necessity, including safeguards to avoid adverse effects on the safe and efficient use and management of the national airspace system; and

(D) penalties for failing to comply with the requirements described in subparagraph (A).

(3) LOS ANGELES COUNTY FLIGHT PATHS.—Not later than 2 years after the date of the enactment of this Act, the Administrator of the Federal Aviation Administration shall prescribe regulations for helicopter operations in Los Angeles County, California, that include requirements relating to the flight paths and altitudes associated with such operations to reduce helicopter noise pollution in residential areas, increase safety, and minimize commercial aircraft delays.

(b) EXCEPTIONS FOR EMERGENCY, LAW ENFORCEMENT, BROADCASTING AND MILITARY HELICOPTERS.—The rules required under subsection (a) shall provide exceptions for helicopter activity related to emergency, law enforcement, broadcast news gathering, or military activities.

(c) COMPLIANCE MONITORING.—For the 24 month period following the completion of the rulemakings required in subsection (a), the Administrator of the Federal Aviation Administration shall monitor compliance with the rulemakings required under subsection (a). This monitoring shall include both the route and altitude of helicopter operations.

(d) CONSULTATIONS.—In prescribing the regulations under subsection (a)(3), the Administrator of the Federal Aviation Administration shall make reasonable efforts to consult with local communities and local helicopter operators in order to develop regulations that meet the needs of local communities, helicopter operators, and the Federal Aviation Administration.

(e) REPORT TO CONGRESS.—Within 60 days of the conclusion of the compliance monitoring required in subsection (c), the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that includes, at minimum—

(1) the compliance rate of helicopter operations;

(2) the average altitude of helicopter operations;

(3) a comparison of North Shore and South Shore route use;

(4) analysis of season, time and day use of the helicopter operations; and

(5) analysis of impact to commercial aircraft arrival and departure flows.

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**SA 1716.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle G of title II of division C, add the following:

**SEC. 32714. DISCLOSURE OF SAFETY PERFORMANCE RATINGS OF MOTORCOACH SERVICES AND OPERATIONS.**

(a) IN GENERAL.—Subchapter I of chapter 141 of title 49, United States Code, is amended by adding at the end the following:

**"§ 14105. Safety performance ratings of motorcoach services and operations**

"(a) DEFINITIONS.—In this section:

"(1) MOTORCOACH.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'motorcoach' has the meaning given to the term 'over-the-road bus' in section 3038(a)(3) of the Transportation Equity Act for the 21st Century (49 U.S.C. 5310 note).

''(B) INCLUSIONS AND EXCLUSIONS.—The term 'motorcoach'—

''(i) includes a motor vehicle used to transport passengers that has a gross vehicle weight of at least 10,001 pounds; and

''(ii) does not include—

''(I) a bus used in public transportation that is provided by a State or local government; or

''(II) a school bus (as defined in section 30125(a)(1)), including a multifunction school activity bus.

''(2) MOTORCOACH SERVICES AND OPERATIONS.—The term 'motorcoach services and operations' means passenger transportation by a motorcoach for compensation.

''(b) RULEMAKING.—

''(1) IN GENERAL.—Not later than 1 year after the date on which the safety fitness determination rule is implemented, the Secretary shall require, by regulation—

''(A) each motor carrier that owns or leases 1 or more motorcoaches that transport passengers subject to the Secretary's jurisdiction under section 13501 to display prominently in each terminal of departure, on the motorcoach if the motorcoach does not depart from a terminal, and at all points of sale for such motorcoach services and operations, a simple and understandable letter grade rating system that allows motorcoach passengers to compare the safety performance of motorcoach operators; and

''(B) any person who sells tickets for motorcoach services and operations to display the letter grade rating system described in subparagraph (A) at all points of sale for such motorcoach services and operations.

''(2) ITEMS INCLUDED IN THE RULEMAKING.—In promulgating safety performance ratings for motorcoaches pursuant to the rulemaking required under paragraph (1), the Secretary shall consider—

''(A) the frequency with which safety performance ratings will be assigned and updated, which updates shall take place at least once per year;

''(B) the specific data elements and sources of information to be utilized in establishing and updating safety performance ratings for motorcoaches;

''(C) the need and extent to which safety performance ratings should be made available in languages other than English; and

''(D) penalties authorized under section 521.

''(3) INSUFFICIENT INSPECTIONS.—Any motor carrier for which insufficient safety data is available shall display a label warning of such insufficiency.

''(c) EFFECT ON STATE AND LOCAL LAW.—Nothing in this section may be construed to preempt a State, or a political subdivision of a State, from enforcing any requirements concerning the manner and content of consumer information provided by motor carriers that are not subject to the Secretary's jurisdiction under section 13501.''.

(b) CLERICAL AMENDMENT.—The analysis of chapter 141 of title 49, United States Code, is amended by inserting after the item relating to section 14104 the following:

''Sec. 14105. Safety performance ratings of motorcoach services and operations.''.

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**SA 1717.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. ____. SUBALLOCATION OF FUNDS FOR MULTISTATE URBANIZED AREAS.**

Section 5340(d)(5) of title 49, United States Code, as amended by this Act, is amended by striking the second sentence.

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**SA 1718.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in the amendment, insert the following:

**SEC. ____. MAXIMUM HOUR REQUIREMENTS.**

Section 13(b)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(b)(1)) is amended by inserting before the semicolon the following: '', except a driver of an 'over-the-road bus' (as defined in section 3038(a)(3) of the Transportation Equity Act for the 21st Century (Public Law 105 178; 49 U.S.C. 5310 note))''.

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**SA 1719.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

On page 350, line 8, strike ''and'' and all that follows through line 11, insert the following:

''(D) the development of technologies to detect drug impaired drivers; and

''(E) the effect of State laws on any aspects, activities, or programs described in subparagraphs (A) through (D).

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**SA 1720.** Mr. AKAKA submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the end of division B, add the following:

**SEC. ____. COORDINATED PUBLIC TRANSPORTATION PLAN.**

Chapter 53 of title 49, United States Code, as amended by this Act, is amended—

(1) in section 5307(b)(2), in the matter preceding subparagraph (A), by inserting ''that receives amounts apportioned for an urbanized area with a population of at least 200,000'' after ''Each grant recipient under this subsection'';

(2) in section 5310, by striking subsection (e) and inserting the following:

''(e) REQUIREMENTS.—A grant under this section shall be subject to the same requirements as a grant under section 5307, to the extent the Secretary determines appropriate.''; and

(3) in section 5311—

(A) in subsection (g)—

(i) by striking paragraph (2); and

(ii) by redesignating paragraph (3) as paragraph (2); and

(B) by adding at the end the following:

''(1) COORDINATED PUBLIC TRANSPORTATION PLAN.—

''(1) IN GENERAL.—Each State that receives funding under this section, section 5310, or section 5336(a)(1) shall develop a coordinated public transportation plan, in coordination with each recipient of funding under this section, section 5310, or section 5336(a)(1), respectively, in the State—

''(A) to enhance the coordination and efficiency of public transportation service; and

''(B) to improve public transportation service for low-income individuals, individuals with disabilities, and seniors in—

''(i) other than urbanized areas; and

''(ii) urbanized areas with a population of less than 200,000.

''(2) DEVELOPMENT OF PLAN.—A coordinated public transportation plan under paragraph (1) shall be developed and approved through a process that includes participation by—

''(A) low-income individuals;

''(B) individuals with disabilities;

''(C) seniors;

''(D) representatives of public, private, and nonprofit transportation and human services providers;

''(E) Indian tribes; and

''(F) the public.

''(3) MOBILITY MANAGEMENT.—Each State shall allocate not more than 1 percent of the amounts made available to the State under each of this section, section 5310, or section 5336(a)(1), as applicable, for mobility management activities, as described in section 5302(3)(K), relating to the development of, or included in, the coordinated public transportation plan.

''(4) PARTICIPATION IN PLAN.—Each State that receives amounts made available under this section or section 5310 shall, to the extent practicable, give priority in the allocation of amounts made available under this section or section 5310 to recipients that participated in the development of the coordinated public transportation plan under this subsection.

''(5) PROJECT SELECTION AND PLAN DEVELOPMENT.—Each recipient of amounts made available under this section, section 5310, or section 5336(a)(1) shall certify that—

''(A) the projects selected by the recipient to be carried out using amounts made available under such sections were included in the coordinated public transportation plan or otherwise approved by the Governor of the State;

''(B) to the maximum extent feasible, the services funded using amounts made available under such sections are coordinated with transportation services funded by other Federal departments and agencies; and

''(C) any amounts made available under such sections that are allocated to subrecipients are allocated on a fair and equitable basis.''.

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**SA 1721.** Mr. AKAKA (for himself, Ms. MURKOWSKI, Mr. INOUYE, and Mr. BEGICH) submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. ____. DEFINITION OF THE TERM ''LOW-INCOME INDIVIDUAL''.**

Section 5302(10) of title 49, United States Code, as amended by this Act, is amended by striking ''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,'' and inserting ''guidelines updated periodically in the Federal Register by the Department of Health and Human Services under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))''.

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**SA 1722.** Mr. LIEBERMAN (for himself and Ms. COLLINS) submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 20007 of the amendment and insert the following:

**SEC. 20007. INTERAGENCY AGREEMENT.**

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

(1) to improve coordination between the Department of Transportation and the Department of Homeland Security; and

(2) to expedite the provision of Federal assistance for public transportation systems for activities relating to a major disaster or emergency declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) (referred to in this subsection as a ''major disaster or emergency'').

(b) AGREEMENT.—Not later than 180 days after the date of enactment of this Act, the Secretary of Transportation and the Secretary of Homeland Security shall enter into an interagency agreement to coordinate the roles and responsibilities of the Department of Transportation and the Department of Homeland Security in the provision, repair, and restoration of public transportation services in areas for which the President has declared a major disaster or emergency.

(c) CONTENTS OF AGREEMENT.—The interagency agreement required under subsection (b) shall—

(1) provide for improved coordination and expeditious use of public transportation, as appropriate, in response to and recovery from a major disaster or emergency;

(2) establish procedures to address—

(A) issues that have contributed to delays in the reimbursement of eligible transportation-related expenses relating to a major disaster or emergency; and

(B) any challenges identified in the review under subsection (d); and

(3) provide for the development and distribution of clear guidelines for State, local, and tribal governments, including public transportation agencies, relating to—

(A) assistance available to public transportation systems for activities relating to a major disaster or emergency—

(i) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act; and

(ii) from other sources, including other Federal agencies; and

(B) reimbursement procedures that speed the process of—

(i) applying for assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act; and

(ii) distributing assistance to public transportation systems under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

(d) AFTER ACTION REVIEW.—Before entering into an interagency agreement under subsection (b), the Secretary of Transportation and the Secretary of Homeland Security (acting through the Administrator of the Federal Emergency Management Agency), in consultation with State, local, and tribal governments (including public transportation agencies) that have experienced a major disaster or emergency, shall review after action reports relating to major disasters, emergencies, and exercises, to identify areas where coordination between the Department of Transportation and the Department of Homeland Security and the provision of public transportation services should be improved.

(e) FACTORS FOR DECLARATIONS OF MAJOR DISASTERS AND EMERGENCIES.—The Administrator of the Federal Emergency Management Agency shall make available to State, local, and tribal governments, including public transportation agencies, a description of the factors that the President considers in declaring a major disaster or emergency, including any pre-disaster declaration policies.

(f) BRIEFINGS.—

(1) INITIAL BRIEFING.—Not later than 180 days after the date of enactment of this Act, the Secretary of Transportation and the Secretary of Homeland Security shall jointly brief the Committee on Banking, Housing, and Urban Affairs and the Committee on Homeland Security and Governmental Affairs of the Senate on the interagency agreement required under subsection (b).

(2) QUARTERLY BRIEFINGS.—Each quarter of the 1-year period beginning on the date on which the Secretary of Transportation and the Secretary of Homeland Security enter into the interagency agreement required under subsection (b), the Secretary of Transportation and the Secretary of Homeland Security shall jointly brief the Committee on Banking, Housing, and Urban Affairs and the Committee on Homeland Security and Governmental Affairs of the Senate on the implementation of the interagency agreement.

(g) TECHNICAL AND CONFORMING AMENDMENT.—

(1) REPEAL.—Section 5306 of title 49, United States Code, is repealed.

(2) OTHER MATTERS.—Notwithstanding subsection (b) of section 5338 of title 49, United States Code, as amended by this Act, no amounts are authorized to be appropriated to carry out section 5306 of title 49, United States Code.

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**SA 1723.** Mr. NELSON of Florida (for himself and Mr. BINGAMAN) submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

In division D, on page 728, between lines 17 and 18, insert the following:

**SEC. _____. ALGAE TREATED AS A QUALIFIED FEEDSTOCK FOR PURPOSES OF THE CELLULOSIC BIOFUEL PRODUCER CREDIT, ETC.**

(a) IN GENERAL.—Subclause (I) of section 40(b)(6)(E)(i) of the Internal Revenue Code of 1986 is amended to read as follows:

''(I) is derived by, or from, qualified feedstocks, and''.

(b) QUALIFIED FEEDSTOCK; SPECIAL RULES FOR ALGAE.—Paragraph (6) of section 40(b) of the Internal Revenue Code of 1986 is amended by redesignating subparagraphs (F), (G), and (H) as subparagraphs (H), (I), and (J), respectively, and by inserting after subparagraph (E) the following new subparagraphs:

''(F) QUALIFIED FEEDSTOCK.—For purposes of this paragraph, the term 'qualified feedstock' means—

''(i) any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis, and

''(ii) any cultivated algae, cyanobacteria, or lemna.

''(G) SPECIAL RULES FOR ALGAE.—In the case of fuel which is derived by, or from, feedstock described in subparagraph (F)(ii) and which is sold by the taxpayer to another person for refining by such other person into a fuel which meets the requirements of subparagraph (E)(i)(II) and the refined fuel is not excluded under subparagraph (E)(iii)—

''(i) such sale shall be treated as described in subparagraph (C)(i),

''(ii) such fuel shall be treated as meeting the requirements of subparagraph (E)(i)(II) and as not being excluded under subparagraph (E)(iii) in the hands of such taxpayer, and

''(iii) except as provided in this subparagraph, such fuel (and any fuel derived from such fuel) shall not be taken into account under subparagraph (C) with respect to the taxpayer or any other person.''.

(c) ALGAE TREATED AS A QUALIFIED FEEDSTOCK FOR PURPOSES OF BONUS DEPRECIATION FOR BIOFUEL PLANT PROPERTY.—

(1) IN GENERAL.—Subparagraph (A) of section 168(l)(2) of the Internal Revenue Code of 1986 is amended by striking ''solely to produce cellulosic biofuel'' and inserting ''solely to produce second generation biofuel (as defined in section 40(b)(6)(E))''.

(2) CONFORMING AMENDMENTS.—Subsection (l) of section 168 of such Code is amended—

(A) by striking ''cellulosic biofuel'' each place it appears in the text thereof and inserting ''second generation biofuel'',

(B) by striking paragraph (3) and redesignating paragraphs (4) through (8) as paragraphs (3) through (7), respectively,

(C) by striking ''CELLULOSIC'' in the heading of such subsection and inserting ''SECOND GENERATION'', and

(D) by striking ''CELLULOSIC'' in the heading of paragraph (2) and inserting ''SECOND GENERATION''.

(d) CONFORMING AMENDMENTS.—

(1) Section 40 of the Internal Revenue Code of 1986, as amended by subsection (b), is amended—

(A) by striking ''cellulosic biofuel'' each place it appears in the text thereof and inserting ''second generation biofuel'',

(B) by striking ''CELLULOSIC'' in the headings of subsections (b)(6), (b)(6)(E), and (d)(3)(D) and inserting ''SECOND GENERATION'', and

(C) by striking ''CELLULOSIC'' in the headings of subsections (b)(6)(C), (b)(6)(D), (b)(6)(H), (d)(6), and (e)(3) and inserting ''SECOND GENERATION''.

(2) Clause (ii) of section 40(b)(6)(E) of such Code is amended by striking ''Such term shall not'' and inserting ''The term 'second generation biofuel' shall not''.

(3) Paragraph (1) of section 4101(a) of such Code is amended by striking ''cellulosic biofuel'' and inserting ''second generation biofuel''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to fuels sold or used after the date of the enactment of this Act.

(2) APPLICATION TO BONUS DEPRECIATION.—The amendments made by subsection (c) shall apply to property placed in service after the date of the enactment of this Act.

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**SA 1724.** Mr. BEGICH submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

On page 87, line 20, strike ''50 percent'' and insert ''62.5 percent''.

On page 88, line 8, strike ''50 percent'' and insert ''37.5 percent''.

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**SA 1725.** Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. _____. REVIEW AND REGULATION OF TOLLS.**

(a) IN GENERAL.—Section 135 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (33 U.S.C. 508; Public Law 100 17; 101 Stat. 174) is amended to read as follows:

**''SEC. 135. REVIEW AND REGULATION OF TOLLS.**

''(a) IN GENERAL.—Tolls for passage or transit over any bridge constructed under

the Act of March 23, 1906 (33 U.S.C. 491 et seq.) (commonly known as the 'Bridge Act of 1906'), the General Bridge Act of 1946 (33 U.S.C. 525 et seq.), or the International Bridge Act of 1972 (33 U.S.C. 535 et seq.), and over or through any bridge or tunnel constructed on a Federal-aid highway (as defined in section 101(a) of title 23, United States Code) under any other provision of law, shall be—

''(1) just and reasonable; and

''(2) subject to review and regulation by the Secretary, upon complaint or the initiative of the Secretary, including with respect to increases in the amount of tolls.

''(b) REGULATIONS.—The Secretary shall promulgate such regulations as are necessary to carry out this section, including regulations that—

''(1)(A) define the term 'just and reasonable' for purposes of this section;

''(B) establish a process to determine whether tolls are just and reasonable for purposes of this section; and

''(C) prescribe, when appropriate, the just and reasonable rates of tolls to be charged under this section;

''(2) establish a process for the filing of an administrative complaint to challenge a determination described in paragraph (1)(B);

''(3) authorize the Secretary, or a designated administrative law judge—

''(A) to consider a complaint from any person aggrieved by a toll increase on any bridge or tunnel described in subsection (a); and

''(B) to conduct an investigation and, if appropriate, hold a formal hearing on such a complaint; and

''(4) authorize a person who submitted a complaint described in paragraph (3)(A) to challenge the final administrative determination of the Secretary or administrative law judge on the complaint, after issuance of that determination, in the appropriate United States district court in accordance with subchapter II of chapter 5, and chapter 7, of title 5, United States Code (commonly known as the 'Administrative Procedure Act').''.

(b) CONFORMING AMENDMENT.—The table of contents for the Surface Transportation and Uniform Relocation Assistance Act of 1987 (23 U.S.C. 101 note; Public Law 100 17) is amended by striking the item relating to section 135 and inserting the following:

''Sec. 135. Review and regulation of tolls.''.

**SEC. ___. STUDY ON USE OF TOLLS BY INTERSTATE AUTHORITIES.**

As soon as practicable after the date of enactment of this Act, the Comptroller General shall conduct, and submit to the appropriate committees of Congress a report on the results of, a study—

(1) to evaluate the use of tolls by interstate authorities to maintain and improve surface transportation facilities; and

(2) to make recommendations to increase transparency and accountability of the funding decisions by those authorities.

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**SA 1726.** Mr. BLUMENTHAL submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. _____. RENTAL TRUCK ACCIDENT STUDY.**

(a) DEFINITIONS.—In this section:

(1) RENTAL EQUIPMENT.—The term ''rental equipment'' means any vehicle that has a gross vehicle weight rating of 10,000 pounds or less that is made available for rental by a rental truck company.

(2) RENTAL TRUCK.—The term ''rental truck'' means a motor vehicle with a gross vehicle weight rating of between 10,000 and 26,000 pounds that is made available for rental by a rental truck company.

(3) RENTAL TRUCK COMPANY.—The term ''rental truck company'' means a person or company that is in the business of renting or leasing rental trucks to the public or for private use.

(b) STUDY.—

(1) IN GENERAL.—The Secretary shall conduct a study of the safety of rental trucks during the 7-year period ending on December 31, 2012.

(2) REQUIREMENTS.—The study conducted under paragraph (1) shall—

(A) identify the number of crashes involving rental trucks or rental equipment occurring during each year of the study and the number of deaths resulting from such crashes during each year;

(B) determine whether the crashes identified under subparagraph (A) were caused by driver error or as a result of vehicle malfunction;

(C) determine the percentage of such crashes resulting from vehicle malfunction that could have been prevented through mandatory vehicle inspections;

(D) evaluate available safety data of fatalities and injuries incurred in crashes involving rental trucks or rental equipment;

(E) review the sources of available safety data of rental truck use, including police accident reports, consumer complaints, and other sources;

(F) estimate the property damage and costs involved in crashes resulting from rental truck operations;

(G) analyze State and local laws regulating rental truck companies, including safety and inspection requirements;

(H) assess rental truck maintenance programs provided by rental truck companies, including the frequency of rental truck maintenance inspections, and compare such programs with inspection requirements for passenger vehicles and commercial motor vehicles;

(I) include any other information available regarding the safety of rental trucks and rental equipment; and

(J) review any other information that the Secretary determines to be appropriate.

(c) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives that contains—

(1) the findings of the study conducted pursuant to subsection (b); and

(2) any recommendations for legislation that the Secretary determines to be appropriate.

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**SA 1727.** Mr. BLUMENTHAL submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. _____. CONSUMER COMPLAINT INFORMATION DISCLOSURE.**

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall, not later than 180 days after the date of the enactment of this Act, permit persons who file motor vehicle defect information with the Department of Transportation with regard to safety defects in motor vehicles and motor vehicle equipment, the option to release their personal identification information to the public, to the motor vehicle manufacturer, or both.

(b) CONSUMER AUTHORIZATION AND INFORMATION RELEASE.—

(1) MODIFICATION OF SYSTEMS OF RECORDS AND INFORMATION COLLECTION FORMS.—The Secretary shall revise any and all systems of records and information collection forms, whether paper or electronic, used by the Department of Transportation to obtain motor vehicle defect information from vehicle owners and consumers, including the vehicle owner's questionnaire, to include 2 separate statements that authorize the Secretary, at the option of the person submitting the defect information form, to release the personal identification information included on the defect information form.

(2) SEPARATE STATEMENTS.—The 2 statements required by paragraph (1) shall separately permit the person submitting the form to authorize the Secretary to release the personal identification information contained in the defect information form—

(A) to the public; and

(B) to the manufacturer of the motor vehicle that is the subject of the defect information collection form.

(c) MANNER AND CONTENT OF DISCLOSURE.—

(1) DISCLOSURE TO PUBLIC.—In the case of a person filing a defect information form that authorizes the Secretary to make the person's personal identification information available to the public, the Secretary shall make the personal identification information on that form, along with the information describing the defect, available on a searchable database that is accessible to the public.

(2) DISCLOSURE TO MANUFACTURERS.—In the case of a person filing a defect information form that authorizes the Secretary to make the person's personal identification information available to the manufacturer of the motor vehicle that is the subject of the defect information form, the Secretary shall provide a copy of the safety defect information form, along with the information describing the safety defect and the personal identification information provided by the person filing the defect information form, to such manufacturer.

(3) CONTENT.—The personal information of a person filing a defect information form disclosed under this section, at the option of the person filing the defect information form, shall include the following:

(A) The name of the person.

(B) The street address of the person.

(C) The e-mail address of the person.

(D) The telephone number of the person.

(E) The vehicle identification number of the motor vehicle described in the safety defect information form.

(d) CONSUMER NOTICE.—The Secretary shall ensure that the statements authorizing the release of personal identification information under subsection (b) provide the person filing the safety defect information form with the following:

(1) A notice of the person's option to authorize the release of the person's personal identification information in a manner that is easily understandable by a typical reader of the notice.

(2) A description of the personal identification information items listed in subsection (c)(3) that will be released in the event the person filing the safety defect information form authorizes the Secretary to disclose the information.

(e) INFORMATION FROM STATES AND CONSUMER GROUPS.—

(1) IN GENERAL.—The Secretary shall include in the database required by subsection (c)(1) defect information on individual consumer complaints of motor vehicle defects

that are submitted to the Department of Transportation by States and other governmental agencies, and by consumer, safety, and other non-governmental organizations.

(2) PERSONAL INFORMATION.—Personal identification information described in subsection (c)(3) that is included in defect information provided to the Department of Transportation by State and other governmental agencies, and by consumer, safety, and other non-governmental organizations, shall be included in the searchable database required by subsection (c)(1) if such information is made public with the consent of the person who provided the information to the State, other governmental agency or consumer, safety, or other non-governmental organization.

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**SA 1728.** Mr. BLUMENTHAL submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in division B, insert the following:

**SEC. ___. ZERO EMISSION BUS DEPLOYMENT PROGRAM.**

(a) IN GENERAL.—Section 5307 of title 49, United States Code, as amended by this division, is further amended by adding at the end the following:

''(j) ZERO EMISSION BUS DEPLOYMENT GRANT PROGRAM.—

''(1) IN GENERAL.—The Secretary shall make grants under this section for the purchase of zero emission buses and the establishment of related fueling infrastructure and facilities.

''(2) COMPETITIVE PROCESS.—The Secretary shall solicit grant applications and make grants for eligible projects on a competitive basis.

''(3) PRIORITY CONSIDERATION.—In awarding grants under this subsection, the Secretary shall give priority to applications for projects that offer high levels of performance and service with respect to—

''(A) bus utility and performance, including—

''(i) operating range and sustained power;

''(ii) refueling time;

''(iii) passenger capacity;

''(iv) revenue service time;

''(v) operational availability; and

''(vi) route service flexibility;

''(B) maturity of technology, including—

''(i) demonstrated revenue service operation; and

''(ii) any resulting performance data; and

''(C) fuel economy.''.

(b) APPORTIONMENTS.—Section 5336(h) of title 49, United States Code, as amended by this division, is further amended—

(1) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively;

(2) by inserting after paragraph (1) the following:

''(2) $35,000,000 shall be set aside to carry out section 5307(j);'';

(3) in paragraph (4), as redesignated, by striking ''paragraphs (1) and (2)'' and inserting ''paragraphs (1) through (3)''; and

(4) in paragraph (5), as redesignated, by striking ''paragraphs (1), (2), and (3)'' and inserting ''paragraphs (1) through (4)''.

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**SA 1729.** Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. _____. AGENCY APPROVALS FOR POSITIVE TRAIN CONTROL.**

(a) COORDINATION.—The Secretary and the Chairman of the Federal Communications Commission (referred to in this section as the ''Chairman'') shall coordinate to expedite approvals of associated technology essential to implementing a positive train control system pursuant to section 20157(a) of title 49, United States Code.

(b) APPROVAL PROCESS.—

(1) IN GENERAL.—The Chairman shall give priority to all actions essential to implementing the system described in subsection (a).

(2) SPECTRUM APPLICATIONS.—The Chairman—

(A) shall approve or deny applications for spectrum necessary to implement positive train control not later than 180 days after the submission of a complete application, unless additional time is sought by the applicant; and

(B) in determining whether to grant an application described in paragraph (1), shall consider the interests of public safety.

(3) EXTENSION OF TIME FOR APPROVING OR DENYING APPLICATIONS.—The Chairman may extend the time for approving or denying an application under paragraph (2)(A) for one additional period of 180 days for good cause if the Chairman provides to the applicant—

(A) a statement of the grounds for the extension; and

(B) a target date for approving or denying the application.

(c) SEMI-ANNUAL REPORT.—Not later than 90 days after the date of enactment of this Act, and every 6 months thereafter, the Secretary and the Chairman shall jointly submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives that describes—

(1) the status of the applications described in subsection (b)(2);

(2) any additional agency approvals or actions that may be necessary; and

(3) the additional agency resources that will be required to facilitate expeditious approvals and actions.

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**SA 1730.** Mr. REID proposed an amendment to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; as follows:

**DIVISION B—PUBLIC TRANSPORTATION**

**SEC. 20001. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This division may be cited as the ''Federal Public Transportation Act of 2012''.

(b) TABLE OF CONTENTS.—The table of contents for this division is as follows:

Sec. 20001. Short title; table of contents.
Sec. 20002. Repeals.
Sec. 20003. Policies, purposes, and goals.
Sec. 20004. Definitions.
Sec. 20005. Metropolitan transportation planning.
Sec. 20006. Statewide and nonmetropolitan transportation planning.
Sec. 20007. Public Transportation Emergency Relief Program.
Sec. 20008. Urbanized area formula grants.
Sec. 20009. Clean fuel grant program.
Sec. 20010. Fixed guideway capital investment grants.
Sec. 20011. Formula grants for the enhanced mobility of seniors and individuals with disabilities.
Sec. 20012. Formula grants for other than urbanized areas.
Sec. 20013. Research, development, demonstration, and deployment projects.
Sec. 20014. Technical assistance and standards development.
Sec. 20015. Bus testing facilities.
Sec. 20016. Public transportation workforce development and human resource programs.
Sec. 20017. General provisions.
Sec. 20018. Contract requirements.
Sec. 20019. Transit asset management.
Sec. 20020. Project management oversight.
Sec. 20021. Public transportation safety.
Sec. 20022. Alcohol and controlled substances testing.
Sec. 20023. Nondiscrimination.
Sec. 20024. Labor standards.
Sec. 20025. Administrative provisions.
Sec. 20026. National transit database.
Sec. 20027. Apportionment of appropriations for formula grants.
Sec. 20028. State of good repair grants.
Sec. 20029. Authorizations.
Sec. 20030. Apportionments based on growing States and high density States formula factors.
Sec. 20031. Technical and conforming amendments.

**SEC. 20002. REPEALS.**

(a) CHAPTER 53.—Chapter 53 of title 49, United States Code, is amended by striking sections 5316, 5317, 5321, 5324, 5328, and 5339.

(b) TRANSPORTATION EQUITY ACT FOR THE 21ST CENTURY.—Section 3038 of the Transportation Equity Act for the 21st Century (49 U.S.C. 5310 note) is repealed.

(c) SAFETEA LU.—The following provisions are repealed:

(1) Section 3009(i) of SAFETEA LU (Public Law 109 59; 119 Stat. 1572).

(2) Section 3011(c) of SAFETEA LU (49 U.S.C. 5309 note).

(3) Section 3012(b) of SAFETEA LU (49 U.S.C. 5310 note).

(4) Section 3045 of SAFETEA LU (49 U.S.C. 5308 note).

(5) Section 3046 of SAFETEA LU (49 U.S.C. 5338 note).

**SEC. 20003. POLICIES, PURPOSES, AND GOALS.**

Section 5301 of title 49, United States Code, is amended to read as follows:

**''§ 5301. Policies, purposes, and goals**

''(a) DECLARATION OF POLICY.—It is in the interest of the United States, including the economic interest of the United States, to foster the development and revitalization of public transportation systems.

''(b) GENERAL PURPOSES.—The purposes of this chapter are to—

''(1) provide funding to support public transportation;

''(2) improve the development and delivery of capital projects;

''(3) initiate a new framework for improving the safety of public transportation systems;

''(4) establish standards for the state of good repair of public transportation infrastructure and vehicles;

''(5) promote continuing, cooperative, and comprehensive planning that improves the performance of the transportation network;

''(6) establish a technical assistance program to assist recipients under this chapter to more effectively and efficiently provide public transportation service;

''(7) continue Federal support for public transportation providers to deliver high quality service to all users, including individuals with disabilities, seniors, and individuals who depend on public transportation;

''(8) support research, development, demonstration, and deployment projects dedicated to assisting in the delivery of efficient and effective public transportation service; and

''(9) promote the development of the public transportation workforce.

''(c) NATIONAL GOALS.—The goals of this chapter are to—

''(1) increase the availability and accessibility of public transportation across a balanced, multimodal transportation network;

''(2) promote the environmental benefits of public transportation, including reduced reliance on fossil fuels, fewer harmful emissions, and lower public health expenditures;

''(3) improve the safety of public transportation systems;

''(4) achieve and maintain a state of good repair of public transportation infrastructure and vehicles;

''(5) provide an efficient and reliable alternative to congested roadways;

''(6) increase the affordability of transportation for all users; and

''(7) maximize economic development opportunities by—

''(A) connecting workers to jobs;

''(B) encouraging mixed-use, transit-oriented development; and

''(C) leveraging private investment and joint development.''.

**SEC. 20004. DEFINITIONS.**

Section 5302 of title 49, United States Code, is amended to read as follows:

**''§ 5302. Definitions**

''Except as otherwise specifically provided, in this chapter the following definitions apply:

''(1) ASSOCIATED TRANSIT IMPROVEMENT.—The term 'associated transit improvement' means, with respect to any project or an area to be served by a project, projects that are designed to enhance public transportation service or use and that are physically or functionally related to transit facilities. Eligible projects are—

''(A) historic preservation, rehabilitation, and operation of historic public transportation buildings, structures, and facilities (including historic bus and railroad facilities) intended for use in public transportation service;

''(B) bus shelters;

''(C) landscaping and streetscaping, including benches, trash receptacles, and street lights;

''(D) pedestrian access and walkways;

''(E) bicycle access, including bicycle storage facilities and installing equipment for transporting bicycles on public transportation vehicles;

''(F) signage; or

''(G) enhanced access for persons with disabilities to public transportation.

''(2) BUS RAPID TRANSIT SYSTEM.—The term 'bus rapid transit system' means a bus transit system—

''(A) in which the majority of each line operates in a separated right-of-way dedicated for public transportation use during peak periods; and

''(B) that includes features that emulate the services provided by rail fixed guideway public transportation systems, including—

''(i) defined stations;

''(ii) traffic signal priority for public transportation vehicles;

''(iii) short headway bidirectional services for a substantial part of weekdays and weekend days; and

''(iv) any other features the Secretary may determine are necessary to produce high-quality public transportation services that emulate the services provided by rail fixed guideway public transportation systems.

''(3) CAPITAL PROJECT.—The term 'capital project' means a project for—

''(A) acquiring, constructing, supervising, or inspecting equipment or a facility for use in public transportation, expenses incidental to the acquisition or construction (including designing, engineering, location surveying, mapping, and acquiring rights-of-way), payments for the capital portions of rail trackage rights agreements, transit-related intelligent transportation systems, relocation assistance, acquiring replacement housing sites, and acquiring, constructing, relocating, and rehabilitating replacement housing;

''(B) rehabilitating a bus;

''(C) remanufacturing a bus;

''(D) overhauling rail rolling stock;

''(E) preventive maintenance;

''(F) leasing equipment or a facility for use in public transportation, subject to regulations that the Secretary prescribes limiting the leasing arrangements to those that are more cost-effective than purchase or construction;

''(G) a joint development improvement that—

''(i) enhances economic development or incorporates private investment, such as commercial and residential development;

''(ii)(I) enhances the effectiveness of public transportation and is related physically or functionally to public transportation; or

''(II) establishes new or enhanced coordination between public transportation and other transportation;

''(iii) provides a fair share of revenue that will be used for public transportation;

''(iv) provides that a person making an agreement to occupy space in a facility constructed under this paragraph shall pay a fair share of the costs of the facility through rental payments and other means;

''(v) may include—

''(I) property acquisition;

''(II) demolition of existing structures;

''(III) site preparation;

''(IV) utilities;

''(V) building foundations;

''(VI) walkways;

''(VII) pedestrian and bicycle access to a public transportation facility;

''(VIII) construction, renovation, and improvement of intercity bus and intercity rail stations and terminals;

''(IX) renovation and improvement of historic transportation facilities;

''(X) open space;

''(XI) safety and security equipment and facilities (including lighting, surveillance, and related intelligent transportation system applications);

''(XII) facilities that incorporate community services such as daycare or health care;

''(XIII) a capital project for, and improving, equipment or a facility for an intermodal transfer facility or transportation mall; and

''(XIV) construction of space for commercial uses; and

''(vi) does not include outfitting of commercial space (other than an intercity bus or rail station or terminal) or a part of a public facility not related to public transportation;

''(H) the introduction of new technology, through innovative and improved products, into public transportation;

''(I) the provision of nonfixed route paratransit transportation services in accordance with section 223 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12143), but only for grant recipients that are in compliance with applicable requirements of that Act, including both fixed route and demand responsive service, and only for amounts not to exceed 10 percent of such recipient's annual formula apportionment under sections 5307 and 5311;

''(J) establishing a debt service reserve, made up of deposits with a bondholder's trustee, to ensure the timely payment of principal and interest on bonds issued by a grant recipient to finance an eligible project under this chapter;

''(K) 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; or

''(L) associated capital maintenance, including—

''(i) equipment, tires, tubes, and material, each costing at least .5 percent of the current fair market value of rolling stock comparable to the rolling stock for which the equipment, tires, tubes, and material are to be used; and

''(ii) reconstruction of equipment and material, each of which after reconstruction will have a fair market value of at least .5 percent of the current fair market value of rolling stock comparable to the rolling stock for which the equipment and material will be used.

''(4) DESIGNATED RECIPIENT.—The term 'designated recipient' means—

''(A) an entity designated, in accordance with the planning process under sections 5303 and 5304, by the Governor of a State, responsible local officials, and publicly owned operators of public transportation, to receive and apportion amounts under section 5336 to urbanized areas of 200,000 or more in population; or

''(B) a State or regional authority, if the authority is responsible under the laws of a State for a capital project and for financing and directly providing public transportation.

''(5) DISABILITY.—The term 'disability' has the same meaning as in section 3(1) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102).

''(6) EMERGENCY REGULATION.—The term 'emergency regulation' means a regulation—

''(A) that is effective temporarily before the expiration of the otherwise specified periods of time for public notice and comment under section 5334(c); and

''(B) prescribed by the Secretary as the result of a finding that a delay in the effective date of the regulation—

''(i) would injure seriously an important public interest;

''(ii) would frustrate substantially legislative policy and intent; or

''(iii) would damage seriously a person or class without serving an important public interest.

''(7) FIXED GUIDEWAY.—The term 'fixed guideway' means a public transportation facility—

''(A) using and occupying a separate right-of-way for the exclusive use of public transportation;

''(B) using rail;

''(C) using a fixed catenary system;

''(D) for a passenger ferry system; or

''(E) for a bus rapid transit system.

''(8) GOVERNOR.—The term 'Governor'—

''(A) means the Governor of a State, the mayor of the District of Columbia, and the chief executive officer of a territory of the United States; and

''(B) includes the designee of the Governor.

''(9) LOCAL GOVERNMENTAL AUTHORITY.—The term 'local governmental authority' includes—

''(A) a political subdivision of a State;

''(B) an authority of at least 1 State or political subdivision of a State;

''(C) an Indian tribe; and

''(D) a public corporation, board, or commission established under the laws of a State.

''(10) LOW-INCOME INDIVIDUAL.—The term '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.

''(11) NET PROJECT COST.—The term 'net project cost' means the part of a project that reasonably cannot be financed from revenues.

''(12) NEW BUS MODEL.—The term 'new bus model' means a bus model (including a model using alternative fuel)—

''(A) that has not been used in public transportation in the United States before the date of production of the model; or

''(B) used in public transportation in the United States, but being produced with a major change in configuration or components.

''(13) PUBLIC TRANSPORTATION.—The term 'public transportation'—

''(A) means regular, continuing shared-ride surface transportation services that are open to the general public or open to a segment of the general public defined by age, disability, or low income; and

''(B) does not include—

''(i) intercity passenger rail transportation provided by the entity described in chapter 243 (or a successor to such entity);

''(ii) intercity bus service;

''(iii) charter bus service;

''(iv) school bus service;

''(v) sightseeing service;

''(vi) courtesy shuttle service for patrons of one or more specific establishments; or

''(vii) intra-terminal or intra-facility shuttle services.

''(14) REGULATION.—The term 'regulation' means any part of a statement of general or particular applicability of the Secretary designed to carry out, interpret, or prescribe law or policy in carrying out this chapter.

''(15) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

''(16) SENIOR.—The term 'senior' means an individual who is 65 years of age or older.

''(17) STATE.—The term 'State' means a State of the United States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, Guam, American Samoa, and the Virgin Islands.

''(18) STATE OF GOOD REPAIR.—The term 'state of good repair' has the meaning given that term by the Secretary, by rule, under section 5326(b).

''(19) TRANSIT.—The term 'transit' means public transportation.

''(20) URBAN AREA.—The term 'urban area' means an area that includes a municipality or other built-up place that the Secretary, after considering local patterns and trends of urban growth, decides is appropriate for a local public transportation system to serve individuals in the locality.

''(21) URBANIZED AREA.—The term 'urbanized area' means an area encompassing a population of not less than 50,000 people that has been defined and designated in the most recent decennial census as an 'urbanized area' by the Secretary of Commerce.''.

**SEC. 20005. METROPOLITAN TRANSPORTATION PLANNING.**

(a) IN GENERAL.—Section 5303 of title 49, United States Code, is amended to read as follows:

**''§ 5303. Metropolitan transportation planning**

''(a) POLICY.—It is in the national interest—

''(1) to encourage and promote the safe, cost-effective, and efficient management, operation, and development of surface transportation systems that will serve efficiently the mobility needs of individuals and freight, reduce transportation-related fatalities and serious injuries, and foster economic growth and development within and between States and urbanized areas, while fitting the needs and complexity of individual communities, maximizing value for taxpayers, leveraging cooperative investments, and minimizing transportation-related fuel consumption and air pollution through the metropolitan and statewide transportation planning processes identified in this chapter;

''(2) to encourage the continued improvement, evolution, and coordination of the metropolitan and statewide transportation planning processes by and among metropolitan planning organizations, State departments of transportation, regional planning organizations, interstate partnerships, and public transportation and intercity service operators as guided by the planning factors identified in subsection (h) of this section and section 5304(d);

''(3) to encourage and promote transportation needs and decisions that are integrated with other planning needs and priorities; and

''(4) to maximize the effectiveness of transportation investments.

''(b) DEFINITIONS.—In this section and section 5304, the following definitions shall apply:

''(1) EXISTING MPO.—The term 'existing MPO' means a metropolitan planning organization that was designated as a metropolitan planning organization as of the day before the date of enactment of the Federal Public Transportation Act of 2012.

''(2) LOCAL OFFICIAL.—The term 'local official' means any elected or appointed official of general purpose local government with responsibility for transportation in a designated area.

''(3) MAINTENANCE AREA.—The term 'maintenance area' means an area that was designated as an air quality nonattainment area, but was later redesignated by the Administrator of the Environmental Protection Agency as an air quality attainment area, under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)).

''(4) METROPOLITAN PLANNING AREA.—The term 'metropolitan planning area' means a geographical area determined by agreement between the metropolitan planning organization for the area and the applicable Governor under subsection (c).

''(5) METROPOLITAN PLANNING ORGANIZATION.—The term 'metropolitan planning organization' means the policy board of an organization established pursuant to subsection (c).

''(6) METROPOLITAN TRANSPORTATION PLAN.—The term 'metropolitan transportation plan' means a plan developed by a metropolitan planning organization under subsection (i).

''(7) NONATTAINMENT AREA.—The term 'nonattainment area' has the meaning given the term in section 171 of the Clean Air Act (42 U.S.C. 7501).

''(8) NONMETROPOLITAN AREA.—

''(A) IN GENERAL.—The term 'nonmetropolitan area' means a geographical area outside the boundaries of a designated metropolitan planning area.

''(B) INCLUSIONS.—The term 'nonmetropolitan area' includes a small urbanized area with a population of more than 50,000, but fewer than 200,000 individuals, as calculated according to the most recent decennial census, and a nonurbanized area.

''(9) NONMETROPOLITAN PLANNING ORGANIZATION.—The term 'nonmetropolitan planning organization' means an organization that—

''(A) was designated as a metropolitan planning organization as of the day before the date of enactment of the Federal Public Transportation Act of 2012; and

''(B) is not designated as a tier I MPO or tier II MPO.

''(10) REGIONALLY SIGNIFICANT.—The term 'regionally significant', with respect to a transportation project, program, service, or strategy, means a project, program, service, or strategy that—

''(A) serves regional transportation needs (such as access to and from the area outside of the region, major activity centers in the region, and major planned developments); and

''(B) would normally be included in the modeling of a transportation network of a metropolitan area.

''(11) RURAL PLANNING ORGANIZATION.—The term 'rural planning organization' means a voluntary organization of local elected officials and representatives of local transportation systems that—

''(A) works in cooperation with the department of transportation (or equivalent entity) of a State to plan transportation networks and advise officials of the State on transportation planning; and

''(B) is located in a rural area—

''(i) with a population of not fewer than 5,000 individuals, as calculated according to the most recent decennial census; and

''(ii) that is not located in an area represented by a metropolitan planning organization.

''(12) STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM.—The term 'statewide transportation improvement program' means a statewide transportation improvement program developed by a State under section 5304(g).

''(13) STATEWIDE TRANSPORTATION PLAN.—The term 'statewide transportation plan' means a plan developed by a State under section 5304(f).

''(14) TIER I MPO.—The term 'tier I MPO' means a metropolitan planning organization designated as a tier I MPO under subsection (e)(4)(A).

''(15) TIER II MPO.—The term 'tier II MPO' means a metropolitan planning organization designated as a tier II MPO under subsection (e)(4)(B).

''(16) TRANSPORTATION IMPROVEMENT PROGRAM.—The term 'transportation improvement program' means a program developed by a metropolitan planning organization under subsection (j).

''(17) URBANIZED AREA.—The term 'urbanized area' means a geographical area with a population of 50,000 or more individuals, as calculated according to the most recent decennial census.

''(c) DESIGNATION OF METROPOLITAN PLANNING ORGANIZATIONS.—

''(1) IN GENERAL.—To carry out the metropolitan transportation planning process under this section, a metropolitan planning organization shall be designated for each urbanized area with a population of 200,000 or more individuals, as calculated according to the most recent decennial census—

''(A) by agreement between the applicable Governor and local officials that, in the aggregate, represent at least 75 percent of the affected population (including the largest incorporated city (based on population), as calculated according to the most recent decennial census); or

''(B) in accordance with procedures established by applicable State or local law.

''(2) SMALL URBANIZED AREAS.—To carry out the metropolitan transportation planning process under this section, a metropolitan planning organization may be designated for any urbanized area with a population of 50,000 or more individuals, but fewer than 200,000 individuals, as calculated according to the most recent decennial census—

''(A) by agreement between the applicable Governor and local officials that, in the aggregate, represent at least 75 percent of the affected population (including the largest incorporated city (based on population), as calculated according to the most recent decennial census); and

''(B) with the consent of the Secretary, based on a finding that the resulting metropolitan planning organization has met the minimum requirements under subsection (e)(4)(B).

''(3) STRUCTURE.—Not later than 1 year after the date of enactment of the Federal Public Transportation Act of 2012, a metropolitan planning organization shall consist of—

''(A) elected local officials in the relevant metropolitan area;

''(B) officials of public agencies that administer or operate major modes of transportation in the relevant metropolitan area, including providers of public transportation; and

''(C) appropriate State officials.

''(4) EFFECT OF SUBSECTION.—Nothing in this subsection interferes with any authority under any State law in effect on December 18, 1991, of a public agency with multimodal transportation responsibilities—

''(A) to develop the metropolitan transportation plans and transportation improvement programs for adoption by a metropolitan planning organization; or

''(B) to develop capital plans, coordinate public transportation services and projects, or carry out other activities pursuant to State law.

''(5) CONTINUING DESIGNATION.—A designation of an existing MPO—

''(A) for an urbanized area with a population of 200,000 or more individuals, as calculated according to the most recent decennial census, shall remain in effect—

''(i) for the period during which the structure of the existing MPO complies with the requirements of paragraph (1); or

''(ii) until the date on which the existing MPO is redesignated under paragraph (6); and

''(B) for an urbanized area with a population of fewer than 200,000 individuals, as calculated according to the most recent decennial census, shall remain in effect until the date on which the existing MPO is redesignated under paragraph (6) unless—

''(i) the existing MPO requests that its planning responsibilities be transferred to the State or to another planning organization designated by the State; or

''(ii)(I) the applicable Governor determines not later than 3 years after the date on which the Secretary issues a rule pursuant to subsection (e)(4)(B)(i), that the existing MPO is not meeting the minimum requirements established by the rule; and

''(II) the Secretary approves the Governor's determination.

''(C) DESIGNATION AS TIER II MPO.—If the Secretary determines the existing MPO has met the minimum requirements under the rule issued under subsection (e)(4)(B)(i), the Secretary shall designate the existing MPO as a tier II MPO.

''(6) REDESIGNATION.—

''(A) IN GENERAL.—The designation of a metropolitan planning organization under this subsection shall remain in effect until the date on which the metropolitan planning organization is redesignated, as appropriate, in accordance with the requirements of this subsection pursuant to an agreement between—

''(i) the applicable Governor; and

''(ii) affected local officials who, in the aggregate, represent at least 75 percent of the existing metropolitan planning area population (including the largest incorporated city (based on population), as calculated according to the most recent decennial census).

''(B) RESTRUCTURING.—A metropolitan planning organization may be restructured to meet the requirements of paragraph (3) without undertaking a redesignation.

''(7) DESIGNATION OF MULTIPLE MPOS.—

''(A) IN GENERAL.—More than 1 metropolitan planning organization may be designated within an existing metropolitan planning area only if the applicable Governor and an existing MPO determine that the size and complexity of the existing metropolitan planning area make the designation of more than 1 metropolitan planning organization for the metropolitan planning area appropriate.

''(B) SERVICE JURISDICTIONS.—If more than 1 metropolitan planning organization is designated for an existing metropolitan planning area under subparagraph (A), the existing metropolitan planning area shall be split into multiple metropolitan planning areas, each of which shall be served by the existing MPO or a new metropolitan planning organization.

''(C) TIER DESIGNATION.—The tier designation of each metropolitan planning organization subject to a designation under this paragraph shall be determined based on the size of each respective metropolitan planning area, in accordance with subsection (e)(4).

''(d) METROPOLITAN PLANNING AREA BOUNDARIES.—

''(1) IN GENERAL.—For purposes of this section, the boundaries of a metropolitan planning area shall be determined by agreement between the applicable metropolitan planning organization and the Governor of the State in which the metropolitan planning area is located.

''(2) INCLUDED AREA.—Each metropolitan planning area—

''(A) shall encompass at least the relevant existing urbanized area and any contiguous area expected to become urbanized within a 20-year forecast period under the applicable metropolitan transportation plan; and

''(B) may encompass the entire relevant metropolitan statistical area, as defined by the Office of Management and Budget.

''(3) IDENTIFICATION OF NEW URBANIZED AREAS.—The designation by the Bureau of the Census of a new urbanized area within the boundaries of an existing metropolitan planning area shall not require the redesignation of the relevant existing MPO.

''(4) NONATTAINMENT AND MAINTENANCE AREAS.—

''(A) EXISTING METROPOLITAN PLANNING AREAS.—

''(i) IN GENERAL.—Except as provided in clause (ii), notwithstanding paragraph (2), in the case of an urbanized area designated as a nonattainment area or maintenance area as of the date of enactment of the Federal Public Transportation Act of 2012, the boundaries of the existing metropolitan planning area as of that date of enactment shall remain in force and effect.

''(ii) EXCEPTION.—Notwithstanding clause (i), the boundaries of an existing metropolitan planning area described in that clause may be adjusted by agreement of the applicable Governor and the affected metropolitan planning organizations in accordance with subsection (c)(7).

''(B) NEW METROPOLITAN PLANNING AREAS.—In the case of an urbanized area designated as a nonattainment area or maintenance area after the date of enactment of the Federal Public Transportation Act of 2012, the boundaries of the applicable metropolitan planning area—

''(i) shall be established in accordance with subsection (c)(1);

''(ii) shall encompass the areas described in paragraph (2)(A);

''(iii) may encompass the areas described in paragraph (2)(B); and

''(iv) may address any appropriate nonattainment area or maintenance area.

''(e) REQUIREMENTS.—

''(1) DEVELOPMENT OF PLANS AND TIPS.—To accomplish the policy objectives described in subsection (a), each metropolitan planning organization, in cooperation with the applicable State and public transportation operators, shall develop metropolitan transportation plans and transportation improvement programs for metropolitan planning areas of the State through a performance-driven, outcome-based approach to metropolitan transportation planning consistent with subsection (h).

''(2) CONTENTS.—The metropolitan transportation plans and transportation improvement programs for each metropolitan area shall provide for the development and integrated management and operation of transportation systems and facilities (including accessible pedestrian walkways, bicycle transportation facilities, and intermodal facilities that support intercity transportation) that will function as—

''(A) an intermodal transportation system for the metropolitan planning area; and

''(B) an integral part of an intermodal transportation system for the applicable State and the United States.

''(3) PROCESS OF DEVELOPMENT.—The process for developing metropolitan transportation plans and transportation improvement programs shall—

''(A) provide for consideration of all modes of transportation; and

''(B) be continuing, cooperative, and comprehensive to the degree appropriate, based on the complexity of the transportation needs to be addressed.

''(4) TIERING.—

''(A) TIER I MPOS.—

''(i) IN GENERAL.—A metropolitan planning organization shall be designated as a tier I MPO if—

''(I) as certified by the Governor of each applicable State, the metropolitan planning organization operates within, and primarily serves, a metropolitan planning area with a population of 1,000,000 or more individuals, as calculated according to the most recent decennial census; and

''(II) the Secretary determines the metropolitan planning organization—

''(aa) meets the minimum technical requirements under clause (iv); and

''(bb) not later than 2 years after the date of enactment of the Federal Public Transportation Act of 2012, will fully implement the processes described in subsections (h) through (j).

''(ii) ABSENCE OF DESIGNATION.—In the absence of designation as a tier I MPO under clause (i), a metropolitan planning organization shall operate as a tier II MPO until the date on which the Secretary determines the metropolitan planning organization can meet the minimum technical requirements under clause (iv).

''(iii) REDESIGNATION AS TIER I.—A metropolitan planning organization operating within a metropolitan planning area with a population of 200,000 or more and fewer than 1,000,000 individuals and primarily within urbanized areas with populations of 200,000 or more individuals, as calculated according to the most recent decennial census, that is designated as a tier II MPO under subparagraph (B) may request, with the support of the applicable Governor, a redesignation as a tier I MPO on a determination by the Secretary that the metropolitan planning organization has met the minimum technical requirements under clause (iv).

''(iv) MINIMUM TECHNICAL REQUIREMENTS.—Not later than 1 year after the date of enactment of the Federal Public Transportation Act of 2012, the Secretary shall issue a rule that establishes the minimum technical requirements necessary for a metropolitan planning organization to be designated as a tier I MPO, including, at a minimum, modeling, data, staffing, and other technical requirements.

''(B) TIER II MPOS.—

''(i) IN GENERAL.—Not later than 1 year after the date of enactment of the Federal Public Transportation Act of 2012, the Secretary shall issue a rule that establishes minimum requirements necessary for a metropolitan planning organization to be designated as a tier II MPO.

''(ii) REQUIREMENTS.—The minimum requirements established under clause (i) shall—

''(I) ensure that each metropolitan planning organization has the capabilities necessary to develop the metropolitan transportation plan and transportation improvement program under this section; and

''(II) include—

''(aa) only the staff resources necessary to operate the metropolitan planning organization; and

''(bb) a requirement that the metropolitan planning organization has the technical capacity to conduct the modeling necessary, as appropriate to the size and resources of the metropolitan planning organization, to fulfill the requirements of this section, except that in cases in which a metropolitan planning organization has a formal agreement with a State to conduct the modeling on behalf of the metropolitan planning organization, the metropolitan planning organization shall be exempt from the technical capacity requirement.

''(iii) INCLUSION.—A metropolitan planning organization operating primarily within an urbanized area with a population of 200,000 or more individuals, as calculated according to the most recent decennial census, and that does not qualify as a tier I MPO under subparagraph (A)(i), shall—

''(I) be designated as a tier II MPO; and

''(II) follow the processes under subsection (k).

''(C) CONSOLIDATION.—

''(i) IN GENERAL.—Metropolitan planning organizations operating within contiguous or adjacent urbanized areas may elect to consolidate in order to meet the population thresholds required to achieve designation as a tier I or tier II MPO under this paragraph.

''(ii) EFFECT OF SUBSECTION.—Nothing in this subsection requires or prevents consolidation among multiple metropolitan planning organizations located within a single urbanized area.

''(f) 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) COORDINATION ALONG DESIGNATED TRANSPORTATION CORRIDORS.—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 designated transportation corridor.

''(3) COORDINATION WITH INTERSTATE COMPACTS.—The Secretary shall encourage metropolitan planning organizations to take into consideration, during the development of metropolitan transportation plans and transportation improvement programs, any relevant transportation studies concerning planning for regional transportation (including high-speed and intercity rail corridor studies, commuter rail corridor studies, intermodal terminals, and interstate highways) in support of freight, intercity, or multistate area projects and services that have been developed pursuant to interstate compacts or agreements, or by organizations established under section 5304.

''(g) ENGAGEMENT IN METROPOLITAN TRANSPORTATION PLAN AND TIP DEVELOPMENT.—

''(1) NONATTAINMENT AND MAINTENANCE AREAS.—If more than 1 metropolitan planning organization has authority within a metropolitan area, nonattainment area, or maintenance area, each metropolitan planning organization shall consult with all other metropolitan planning organizations designated for the metropolitan area, nonattainment area, or maintenance area and the State in the development of metropolitan transportation plans and transportation improvement programs under this section.

''(2) TRANSPORTATION IMPROVEMENTS LOCATED IN MULTIPLE METROPOLITAN PLANNING AREAS.—If a transportation improvement project funded under this chapter or title 23 is located within the boundaries of more than 1 metropolitan planning area, the affected metropolitan planning organizations shall coordinate metropolitan transportation plans and transportation improvement programs regarding the project.

''(3) COORDINATION OF ADJACENT PLANNING ORGANIZATIONS.—

''(A) IN GENERAL.—A metropolitan planning organization that is adjacent or located in reasonably close proximity to another metropolitan planning organization shall coordinate with that metropolitan planning organization with respect to planning processes, including preparation of metropolitan transportation plans and transportation improvement programs, to the maximum extent practicable.

''(B) NONMETROPOLITAN PLANNING ORGANIZATIONS.—A metropolitan planning organization that is adjacent or located in reasonably close proximity to a nonmetropolitan planning organization shall consult with that nonmetropolitan planning organization with respect to planning processes, to the maximum extent practicable.

''(4) RELATIONSHIP WITH OTHER PLANNING OFFICIALS.—

''(A) IN GENERAL.—The Secretary shall encourage each metropolitan planning organization to cooperate with Federal, State, tribal, and local officers and entities responsible for other types of planning activities that are affected by transportation in the relevant area (including planned growth, economic development, infrastructure services, housing, other public services, environmental protection, airport operations, high-speed and intercity passenger rail, freight rail, port access, and freight movements), to the maximum extent practicable, to ensure that the metropolitan transportation planning process, metropolitan transportation plans, and transportation improvement programs are developed in cooperation with other related planning activities in the area.

''(B) INCLUSION.—Cooperation under subparagraph (A) shall include the design and delivery of transportation services within the metropolitan area that are provided by—

''(i) recipients of assistance under sections 202, 203, and 204 of title 23;

''(ii) recipients of assistance under this title;

''(iii) government 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

''(iv) sponsors of regionally significant programs, projects, and services that are related to transportation and receive assistance from any public or private source.

''(5) COORDINATION OF OTHER FEDERALLY REQUIRED PLANNING PROGRAMS.—The Secretary shall encourage each metropolitan planning organization to coordinate, to the maximum extent practicable, the development of metropolitan transportation plans and transportation improvement programs with other relevant federally required planning programs.

''(h) SCOPE OF PLANNING PROCESS.—

''(1) IN GENERAL.—The metropolitan transportation planning process for a metropolitan planning area under this section shall provide for consideration of projects and strategies that will—

''(A) support the economic vitality of the metropolitan area, especially by enabling global competitiveness, productivity, and efficiency;

''(B) increase the safety of the transportation system for motorized and nonmotorized users;

''(C) increase the security of the transportation system for motorized and nonmotorized users;

''(D) increase the accessibility and mobility of individuals and freight;

''(E) 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;

''(F) enhance the integration and connectivity of the transportation system, across and between modes, for individuals and freight;

''(G) increase efficient system management and operation; and

''(H) emphasize the preservation of the existing transportation system.

''(2) PERFORMANCE-BASED APPROACH.—

''(A) IN GENERAL.—The metropolitan transportation planning process shall provide for the establishment and use of a performance-based approach to transportation decision-making to support the national goals described in section 5301(c) of this title and in section 150(b) of title 23.

''(B) PERFORMANCE TARGETS.—

''(i) SURFACE TRANSPORTATION PERFORMANCE TARGETS.—

''(I) IN GENERAL.—Each metropolitan planning organization shall establish performance targets that address the performance measures described in sections 119(f), 148(h), 149(k) (where applicable), and 167(i) of title 23, to use in tracking attainment of critical outcomes for the region of the metropolitan planning organization.

''(II) COORDINATION.—Selection of performance targets by a metropolitan planning organization shall be coordinated with the relevant State to ensure consistency, to the maximum extent practicable.

''(ii) PUBLIC TRANSPORTATION PERFORMANCE TARGETS.—Each metropolitan planning organization shall adopt the performance targets identified by providers of public transportation pursuant to sections 5326(c) and 5329(d), for use in tracking attainment of critical outcomes for the region of the metropolitan planning organization.

''(C) TIMING.—Each metropolitan planning organization shall establish or adopt the performance targets under subparagraph (B) not later than 90 days after the date on which the relevant State or provider of public transportation establishes the performance targets.

''(D) INTEGRATION OF OTHER PERFORMANCE-BASED PLANS.—A metropolitan planning organization shall integrate in the metropolitan transportation planning process, directly

or by reference, the goals, objectives, performance measures, and targets described in other State plans and processes, as well as asset management and safety plans developed by providers of public transportation, required as part of a performance-based program, including plans such as—

''(i) the State National Highway System asset management plan;

''(ii) asset management plans developed by providers of public transportation;

''(iii) the State strategic highway safety plan;

''(iv) safety plans developed by providers of public transportation;

''(v) the congestion mitigation and air quality performance plan, where applicable;

''(vi) the national freight strategic plan; and

''(vii) the statewide transportation plan.

''(E) USE OF PERFORMANCE MEASURES AND TARGETS.—The performance measures and targets established under this paragraph shall be used, at a minimum, by the relevant metropolitan planning organization as the basis for development of policies, programs, and investment priorities reflected in the metropolitan transportation plan and transportation improvement program.

''(3) FAILURE TO CONSIDER FACTORS.—The failure to take into consideration 1 or more of the factors specified in paragraphs (1) and (2) shall not be subject to review by any court under this chapter, title 23, subchapter II of chapter 5 of title 5, or chapter 7 of title 5 in any matter affecting a metropolitan transportation plan, a transportation improvement program, a project or strategy, or the certification of a planning process.

''(4) PARTICIPATION BY INTERESTED PARTIES.—

''(A) IN GENERAL.—Each metropolitan planning organization shall provide to affected individuals, public agencies, and other interested parties notice and a reasonable opportunity to comment on the metropolitan transportation plan and transportation improvement program and any relevant scenarios.

''(B) CONTENTS OF PARTICIPATION PLAN.—Each metropolitan planning organization shall establish a participation plan that—

''(i) is developed in consultation with all interested parties; and

''(ii) provides that all interested parties have reasonable opportunities to comment on the contents of the metropolitan transportation plan of the metropolitan planning organization.

''(C) METHODS.—In carrying out subparagraph (A), the metropolitan planning organization shall, to the maximum extent practicable—

''(i) develop the metropolitan transportation plan and transportation improvement program in consultation with interested parties, as appropriate, including by the formation of advisory groups representative of the community and interested parties that participate in the development of the metropolitan transportation plan and transportation improvement program;

''(ii) hold any public meetings at times and locations that are, as applicable—

''(I) convenient; and

''(II) in compliance with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);

''(iii) employ visualization techniques to describe metropolitan transportation plans and transportation improvement programs; and

''(iv) make public information available in appropriate electronically accessible formats and means, such as the Internet, to afford reasonable opportunity for consideration of public information under subparagraph (A).

''(i) DEVELOPMENT OF METROPOLITAN TRANSPORTATION PLAN.—

''(1) DEVELOPMENT.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), not later than 5 years after the date of enactment of the Federal Public Transportation Act of 2012, and not less frequently than once every 5 years thereafter, each metropolitan planning organization shall prepare and update, respectively, a metropolitan transportation plan for the relevant metropolitan planning area in accordance with this section.

''(B) EXCEPTIONS.—A metropolitan planning organization shall prepare or update, as appropriate, the metropolitan transportation plan not less frequently than once every 4 years if the metropolitan planning organization is operating within—

''(i) a nonattainment area; or

''(ii) a maintenance area.

''(2) OTHER REQUIREMENTS.—A metropolitan transportation plan under this section shall—

''(A) be in a form that the Secretary determines to be appropriate;

''(B) have a term of not less than 20 years; and

''(C) contain, at a minimum—

''(i) an identification of the existing transportation infrastructure, including highways, local streets and roads, bicycle and pedestrian facilities, public transportation facilities and services, commuter rail facilities and services, high-speed and intercity passenger rail facilities and services, freight facilities (including freight railroad and port facilities), multimodal and intermodal facilities, and intermodal connectors that, evaluated in the aggregate, function as an integrated metropolitan transportation system;

''(ii) a description of the performance measures and performance targets used in assessing the existing and future performance of the transportation system in accordance with subsection (h)(2);

''(iii) a description of the current and projected future usage of the transportation system, including a projection based on a preferred scenario, and further including, to the extent practicable, an identification of existing or planned transportation rights-of-way, corridors, facilities, and related real properties;

''(iv) a system performance report evaluating the existing and future condition and performance of the transportation system with respect to the performance targets described in subsection (h)(2) and updates in subsequent system performance reports, including—

''(I) progress achieved by the metropolitan planning organization in meeting the performance targets in comparison with system performance recorded in previous reports;

''(II) an accounting of the performance of the metropolitan planning organization on outlay of obligated project funds and delivery of projects that have reached substantial completion in relation to—

''(aa) the projects included in the transportation improvement program; and

''(bb) the projects that have been removed from the previous transportation improvement program; and

''(III) when appropriate, an analysis of how the preferred scenario has improved the conditions and performance of the transportation system and how changes in local policies, investments, and growth have impacted the costs necessary to achieve the identified performance targets;

''(v) recommended strategies and investments for improving system performance over the planning horizon, including transportation systems management and operations strategies, maintenance strategies, demand management strategies, asset management strategies, capacity and enhancement investments, State and local economic development and land use improvements, intelligent transportation systems deployment, and technology adoption strategies, as determined by the projected support of the performance targets described in subsection (h)(2);

''(vi) recommended strategies and investments to improve and integrate disability-related access to transportation infrastructure, including strategies and investments based on a preferred scenario, when appropriate;

''(vii) investment priorities for using projected available and proposed revenues over the short- and long-term stages of the planning horizon, in accordance with the financial plan required under paragraph (4);

''(viii) a description of interstate compacts entered into in order to promote coordinated transportation planning in multistate areas, if applicable;

''(ix) an optional illustrative list of projects containing investments that—

''(I) are not included in the metropolitan transportation plan; but

''(II) would be so included if resources in addition to the resources identified in the financial plan under paragraph (4) were available;

''(x) a discussion (developed in consultation with Federal, State, and tribal wildlife, land management, and regulatory agencies) of types of potential environmental and stormwater mitigation activities and potential areas to carry out those activities, including activities that may have the greatest potential to restore and maintain the environmental functions affected by the metropolitan transportation plan; and

''(xi) recommended strategies and investments, including those developed by the State as part of interstate compacts, agreements, or organizations, that support intercity transportation.

''(3) SCENARIO DEVELOPMENT.—

''(A) IN GENERAL.—When preparing the metropolitan transportation plan, the metropolitan planning organization may, while fitting the needs and complexity of their community, develop multiple scenarios for consideration as a part of the development of the metropolitan transportation plan, in accordance with subparagraph (B).

''(B) COMPONENTS OF SCENARIOS.—The scenarios—

''(i) shall include potential regional investment strategies for the planning horizon;

''(ii) shall include assumed distribution of population and employment;

''(iii) may include a scenario that, to the maximum extent practicable, maintains baseline conditions for the performance targets identified in subsection (h)(2);

''(iv) may include a scenario that improves the baseline conditions for as many of the performance targets under subsection (h)(2) as possible;

''(v) may include a revenue constrained scenario based on total revenues reasonably expected to be available over the 20-year planning period and assumed population and employment; and

''(vi) may include estimated costs and potential revenues available to support each scenario.

''(C) METRICS.—In addition to the performance targets identified in subsection (h)(2), scenarios developed under this paragraph may be evaluated using locally developed metrics for the following categories:

''(i) Congestion and mobility, including transportation use by mode.

''(ii) Freight movement.

''(iii) Safety.

''(iv) Efficiency and costs to taxpayers.

''(4) FINANCIAL PLAN.—A financial plan referred to in paragraph (2)(C)(vii) shall—

''(A) be prepared by each metropolitan planning organization to support the metropolitan transportation plan; and

''(B) contain a description of—

''(i) the projected resource requirements for implementing projects, strategies, and services recommended in the metropolitan transportation plan, including existing and projected system operating and maintenance needs, proposed enhancement and expansions to the system, projected available revenue from Federal, State, local, and private sources, and innovative financing techniques to finance projects and programs;

''(ii) the projected difference between costs and revenues, and strategies for securing additional new revenue (such as by capture of some of the economic value created by any new investment);

''(iii) estimates of future funds, to be developed cooperatively by the metropolitan planning organization, any public transportation agency, and the State, that are reasonably expected to be available to support the investment priorities recommended in the metropolitan transportation plan; and

''(iv) each applicable 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.

''(5) COORDINATION WITH CLEAN AIR ACT AGENCIES.—The metropolitan planning organization for any metropolitan area that is a nonattainment area or maintenance area 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 (42 U.S.C. 7401 et seq.).

''(6) PUBLICATION.—On approval by the relevant metropolitan planning organization, a metropolitan transportation plan involving Federal participation shall be, at such times and in such manner as the Secretary shall require—

''(A) published or otherwise made readily available by the metropolitan planning organization for public review, including (to the maximum extent practicable) in electronically accessible formats and means, such as the Internet; and

''(B) submitted for informational purposes to the applicable Governor.

''(7) CONSULTATION.—

''(A) IN GENERAL.—In each metropolitan area, the metropolitan planning organization shall consult, as appropriate, with Federal, State, tribal, and local agencies responsible for land use management, natural resources, environmental protection, conservation, and historic preservation concerning the development of a metropolitan transportation plan.

''(B) ISSUES.—The consultation under subparagraph (A) shall involve, as available, consideration of—

''(i) metropolitan transportation plans with Federal, State, tribal, and local conservation plans or maps; and

''(ii) inventories of natural or historic resources.

''(8) SELECTION OF PROJECTS FROM ILLUSTRATIVE LIST.—Notwithstanding paragraph (4), a State or metropolitan planning organization shall not be required to select any project from the illustrative list of additional projects included in the metropolitan transportation plan under paragraph (2)(C)(ix).

''(j) TRANSPORTATION IMPROVEMENT PROGRAM.—

''(1) DEVELOPMENT.—

''(A) IN GENERAL.—In cooperation with the applicable State and any affected public transportation operator, the metropolitan planning organization designated for a metropolitan area shall develop a transportation improvement program for the metropolitan planning area that—

''(i) contains projects consistent with the current metropolitan transportation plan;

''(ii) reflects the investment priorities established in the current metropolitan transportation plan; and

''(iii) once implemented, will make significant progress toward achieving the performance targets established under subsection (h)(2).

''(B) OPPORTUNITY FOR PARTICIPATION.—In developing the transportation improvement program, the metropolitan planning organization, in cooperation with the State and any affected public transportation operator, shall provide an opportunity for participation by interested parties, in accordance with subsection (h)(4).

''(C) UPDATING AND APPROVAL.—The transportation improvement program shall be—

''(i) updated not less frequently than once every 4 years, on a cycle compatible with the development of the relevant statewide transportation improvement program under section 5304; and

''(ii) approved by the applicable Governor.

''(2) CONTENTS.—

''(A) PRIORITY LIST.—The transportation improvement program shall include a priority list of proposed federally supported projects and strategies to be carried out during the 4-year period beginning on the date of adoption of the transportation improvement program, and each 4-year period thereafter, using existing and reasonably available revenues in accordance with the financial plan under paragraph (3).

''(B) DESCRIPTIONS.—Each project described in the transportation improvement program 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 and the effect that the project or project phase will have in addressing the performance targets described in subsection (h)(2).

''(C) PERFORMANCE TARGET ACHIEVEMENT.—The transportation improvement program shall include, to the maximum extent practicable, a description of the anticipated effect of the transportation improvement program on attainment of the performance targets established in the metropolitan transportation plan, linking investment priorities to those performance targets.

''(D) ILLUSTRATIVE LIST OF PROJECTS.—In developing a transportation improvement program, an optional illustrative list of projects may be prepared containing additional investment priorities that—

''(i) are not included in the transportation improvement program; but

''(ii) would be so included if resources in addition to the resources identified in the financial plan under paragraph (3) were available.

''(3) FINANCIAL PLAN.—A financial plan referred to in paragraph (2)(D)(ii) shall—

''(A) be prepared by each metropolitan planning organization to support the transportation improvement program; and

''(B) contain a description of—

''(i) the projected resource requirements for implementing projects, strategies, and services recommended in the transportation improvement program, including existing and projected system operating and maintenance needs, proposed enhancement and expansions to the system, projected available revenue from Federal, State, local, and private sources, and innovative financing techniques to finance projects and programs;

''(ii) the projected difference between costs and revenues, and strategies for securing additional new revenue (such as by capture of some of the economic value created by any new investment);

''(iii) estimates of future funds, to be developed cooperatively by the metropolitan planning organization, any public transportation agency, and the State, that are reasonably expected to be available to support the investment priorities recommended in the transportation improvement program; and

''(iv) each applicable 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) INCLUDED PROJECTS.—

''(A) PROJECTS UNDER THIS CHAPTER AND TITLE 23.—A transportation improvement program developed under this subsection for a metropolitan area shall include a description of the projects within the area that are proposed for funding under this chapter and chapter 1 of title 23.

''(B) PROJECTS UNDER CHAPTER 2.—

''(i) REGIONALLY SIGNIFICANT.—Each regionally significant project proposed for funding under chapter 2 of title 23 shall be identified individually in the transportation improvement program.

''(ii) NONREGIONALLY SIGNIFICANT.—A description of each project proposed for funding under chapter 2 of title 23 that is not determined to be regionally significant shall be contained in 1 line item or identified individually in the transportation improvement program.

''(5) OPPORTUNITY FOR PARTICIPATION.—Before approving a transportation improvement program, a metropolitan planning organization, in cooperation with the State and any affected public transportation operator, shall provide an opportunity for participation by interested parties in the development of the transportation improvement program, in accordance with subsection (h)(4).

''(6) SELECTION OF PROJECTS.—

''(A) IN GENERAL.—Each tier I MPO and tier II MPO shall select projects carried out within the boundaries of the applicable metropolitan planning area from the transportation improvement program, in consultation with the relevant State and on concurrence of the affected facility owner, for funds apportioned to the State under section 104(b)(2) of title 23 and suballocated to the metropolitan planning area under section 133(d) of title 23.

''(B) PROJECTS UNDER CHAPTER 53.—In the case of projects under this chapter, the selection of federally funded projects in metropolitan areas shall be carried out, from the approved transportation improvement program, by the designated recipients of public transportation funding in cooperation with the metropolitan planning organization.

''(C) CONGESTION MITIGATION AND AIR QUALITY PROJECTS.—Each tier I MPO shall select projects carried out within the boundaries of the applicable metropolitan planning area from the transportation improvement program, in consultation with the relevant State and on concurrence of the affected facility owner, for funds apportioned to the State under section 104(b)(4) of title 23 and suballocated to the metropolitan planning area under section 149(j) of title 23.

''(D) MODIFICATIONS TO PROJECT PRIORITY.—Notwithstanding any other provision of law, approval by the Secretary shall not be required to carry out a project included in a transportation improvement program in place of another project in the transportation improvement program.

''(7) PUBLICATION.—

''(A) IN GENERAL.—A transportation improvement program shall be published or

otherwise made readily available by the applicable metropolitan planning organization for public review in electronically accessible formats and means, such as the Internet.

''(B) ANNUAL LIST OF PROJECTS.—An annual list of projects, including investments in pedestrian walkways, bicycle transportation facilities, and intermodal facilities that support intercity transportation, for which Federal funds have been obligated during the preceding fiscal year shall be published or otherwise made available by the cooperative effort of the State, public transportation operator, and metropolitan planning organization in electronically accessible formats and means, such as the Internet, in a manner that is consistent with the categories identified in the relevant transportation improvement program.

''(k) PLANNING REQUIREMENTS FOR TIER II MPOS.—

''(1) IN GENERAL.—The Secretary may provide for the performance-based development of a metropolitan transportation plan and transportation improvement program for the metropolitan planning area of a tier II MPO, as the Secretary determines to be appropriate, taking into account—

''(A) the complexity of transportation needs in the area; and

''(B) the technical capacity of the metropolitan planning organization.

''(2) EVALUATION OF PERFORMANCE-BASED PLANNING.—In reviewing a tier II MPO under subsection (m), the Secretary shall take into consideration the effectiveness of the tier II MPO in implementing and maintaining a performance-based planning process that—

''(A) addresses the performance targets described in subsection (h)(2); and

''(B) demonstrates progress on the achievement of those performance targets.

''(l) CERTIFICATION.—

''(1) IN GENERAL.—The Secretary shall—

''(A) ensure that the metropolitan transportation planning process of a metropolitan planning organization is being carried out in accordance with applicable Federal law; and

''(B) subject to paragraph (2), certify, not less frequently than once every 4 years, that the requirements of subparagraph (A) are met with respect to the metropolitan transportation planning process.

''(2) REQUIREMENTS FOR CERTIFICATION.—The Secretary may make a certification under paragraph (1)(B) if—

''(A) the metropolitan transportation planning process complies with the requirements of this section and other applicable Federal law;

''(B) representation on the metropolitan planning organization board includes officials of public agencies that administer or operate major modes of transportation in the relevant metropolitan area, including providers of public transportation; and

''(C) a transportation improvement program for the metropolitan planning area has been approved by the relevant metropolitan planning organization and applicable Governor.

''(3) DELEGATION OF AUTHORITY.—The Secretary may—

''(A) delegate to the appropriate State fact-finding authority regarding the certification of a tier II MPO under this subsection; and

''(B) make the certification under paragraph (1) in consultation with the State.

''(4) EFFECT OF FAILURE TO CERTIFY.—

''(A) WITHHOLDING OF PROJECT FUNDS.—If a metropolitan transportation planning process of a metropolitan planning organization is not certified under paragraph (1), 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 this chapter and title 23.

''(B) RESTORATION OF WITHHELD FUNDS.—Any funds withheld under subparagraph (A) shall be restored to the metropolitan planning area on the date of certification of the metropolitan transportation planning process by the Secretary.

''(5) PUBLIC INVOLVEMENT.—In making a determination regarding certification under this subsection, the Secretary shall provide for public involvement appropriate to the metropolitan planning area under review.

''(m) PERFORMANCE-BASED PLANNING PROCESSES EVALUATION.—

''(1) IN GENERAL.—The Secretary shall establish criteria to evaluate the effectiveness of the performance-based planning processes of metropolitan planning organizations under this section, taking into consideration the following:

''(A) The extent to which the metropolitan planning organization has achieved, or is currently making substantial progress toward achieving, the performance targets specified in subsection (h)(2), taking into account whether the metropolitan planning organization developed meaningful performance targets.

''(B) The extent to which the metropolitan planning organization has used proven best practices that help ensure transportation investment that is efficient and cost-effective.

''(C) The extent to which the metropolitan planning organization—

''(i) has developed an investment process that relies on public input and awareness to ensure that investments are transparent and accountable; and

''(ii) provides regular reports allowing the public to access the information being collected in a format that allows the public to meaningfully assess the performance of the metropolitan planning organization.

''(2) REPORT.—

''(A) IN GENERAL.—Not later than 5 years after the date of enactment of the Federal Public Transportation Act of 2012, the Secretary shall submit to Congress a report evaluating—

''(i) the overall effectiveness of performance-based planning as a tool for guiding transportation investments; and

''(ii) the effectiveness of the performance-based planning process of each metropolitan planning organization under this section.

''(B) PUBLICATION.—The report under subparagraph (A) shall be published or otherwise made available in electronically accessible formats and means, including on the Internet.

''(n) ADDITIONAL REQUIREMENTS FOR CERTAIN NONATTAINMENT AREAS.—

''(1) IN GENERAL.—Notwithstanding any other provision of this chapter or title 23, Federal funds may not be advanced in any metropolitan planning area classified as a nonattainment area or maintenance area for any highway project that will result in a significant increase in the carrying capacity for single-occupant vehicles, unless the owner or operator of the project demonstrates that the project will achieve or make substantial progress toward achieving the performance targets described in subsection (h)(2).

''(2) APPLICABILITY.—This subsection applies to any nonattainment area or maintenance area within the boundaries of a metropolitan planning area, as determined under subsection (d).

''(o) EFFECT OF SECTION.—Nothing in this section provides to any metropolitan planning organization the authority to impose any legal requirement on any transportation facility, provider, or project not subject to the requirements of this chapter or title 23.

''(p) FUNDING.—Funds apportioned under section 104(b)(6) of title 23 and set aside under section 5305(g) of this title shall be available to carry out this section.

''(q) CONTINUATION OF CURRENT REVIEW PRACTICE.—

''(1) IN GENERAL.—In consideration of the factors described in paragraph (2), any decision by the Secretary concerning a metropolitan transportation plan or transportation improvement program shall not be considered to be a Federal action subject to review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

''(2) DESCRIPTION OF FACTORS.—The factors referred to in paragraph (1) are that—

''(A) metropolitan transportation plans and transportation improvement programs are subject to a reasonable opportunity for public comment;

''(B) the projects included in metropolitan transportation plans and transportation improvement programs are subject to review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

''(C) decisions by the Secretary concerning metropolitan transportation plans and transportation improvement programs have not been reviewed under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) as of January 1, 1997.

''(r) SCHEDULE FOR IMPLEMENTATION.—The Secretary shall issue guidance on a schedule for implementation of the changes made by this section, taking into consideration the established planning update cycle for metropolitan planning organizations. The Secretary shall not require a metropolitan planning organization to deviate from its established planning update cycle to implement changes made by this section. Metropolitan planning organizations shall reflect changes made to their transportation plan or transportation improvement program updates not later than 2 years after the date of issuance of guidance by the Secretary.''.

(b) PILOT PROGRAM FOR TRANSIT-ORIENTED DEVELOPMENT PLANNING.—

(1) DEFINITIONS.—In this subsection the following definitions shall apply:

(A) ELIGIBLE PROJECT.—The term ''eligible project'' means a new fixed guideway capital project or a core capacity improvement project, as those terms are defined in section 5309 of title 49, United States Code, as amended by this division.

(B) SECRETARY.—The term ''Secretary'' means the Secretary of Transportation.

(2) GENERAL AUTHORITY.—The Secretary may make grants under this subsection to a State or local governmental authority to assist in financing comprehensive planning associated with an eligible project that seeks to—

(A) enhance economic development, ridership, and other goals established during the project development and engineering processes;

(B) facilitate multimodal connectivity and accessibility;

(C) increase access to transit hubs for pedestrian and bicycle traffic;

(D) enable mixed-use development;

(E) identify infrastructure needs associated with the eligible project; and

(F) include private sector participation.

(3) ELIGIBILITY.—A State or local governmental authority that desires to participate in the program under this subsection shall submit to the Secretary an application that contains, at a minimum—

(A) identification of an eligible project;

(B) a schedule and process for the development of a comprehensive plan;

(C) a description of how the eligible project and the proposed comprehensive plan advance the metropolitan transportation plan of the metropolitan planning organization;

(D) proposed performance criteria for the development and implementation of the comprehensive plan; and

(E) identification of—

(i) partners;

(ii) availability of and authority for funding; and

(iii) potential State, local or other impediments to the implementation of the comprehensive plan.

**SEC. 20006. STATEWIDE AND NONMETROPOLITAN TRANSPORTATION PLANNING.**

Section 5304 of title 49, United States Code, is amended to read as follows:

**"§ 5304. Statewide and nonmetropolitan transportation planning**

''(a) STATEWIDE TRANSPORTATION PLANS AND STIPS.—

''(1) DEVELOPMENT.—

''(A) IN GENERAL.—To accomplish the policy objectives described in section 5303(a), each State shall develop a statewide transportation plan and a statewide transportation improvement program for all areas of the State in accordance with this section.

''(B) INCORPORATION OF METROPOLITAN TRANSPORTATION PLANS AND TIPS.—Each State shall incorporate in the statewide transportation plan and statewide transportation improvement program, without change or by reference, the metropolitan transportation plans and transportation improvement programs, respectively, for each metropolitan planning area in the State.

''(C) NONMETROPOLITAN AREAS.—Each State shall coordinate with local officials in small urbanized areas with a population of 50,000 or more individuals, but fewer than 200,000 individuals, as calculated according to the most recent decennial census, and nonurbanized areas of the State in preparing the nonmetropolitan portions of statewide transportation plans and statewide transportation improvement programs.

''(2) CONTENTS.—The statewide transportation plan and statewide 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, bicycle transportation facilities, and intermodal facilities that support intercity transportation) that will function as—

''(A) an intermodal transportation system for the State; and

''(B) an integral part of an intermodal transportation system for the United States.

''(3) PROCESS.—The process for developing the statewide transportation plan and statewide transportation improvement program shall—

''(A) provide for consideration of all modes of transportation; and

''(B) be continuing, cooperative, and comprehensive to the degree appropriate, based on the complexity of the transportation needs to be addressed.

''(b) COORDINATION AND CONSULTATION.—

''(1) IN GENERAL.—Each State shall—

''(A) coordinate planning carried out under this section with—

''(i) the transportation planning activities carried out under section 5303 for metropolitan areas of the State; and

''(ii) statewide trade and economic development planning activities and related multistate planning efforts;

''(B) coordinate planning carried out under this section with the transportation planning activities carried out by each nonmetropolitan planning organization in the State, as applicable;

''(C) coordinate planning carried out under this section with the transportation planning activities carried out by each rural planning organization in the State, as applicable; and

''(D) develop the transportation portion of the State implementation plan as required by the Clean Air Act (42 U.S.C. 7401 et seq.).

''(2) MULTISTATE AREAS.—

''(A) IN GENERAL.—The Secretary shall encourage each Governor with responsibility for a portion of a multistate metropolitan planning area and the appropriate metropolitan planning organizations to provide coordinated transportation planning for the entire metropolitan area.

''(B) COORDINATION ALONG DESIGNATED TRANSPORTATION CORRIDORS.—The Secretary shall encourage each Governor with responsibility for a portion of a multistate transportation corridor to provide coordinated transportation planning for the entire designated corridor.

''(C) INTERSTATE COMPACTS.—For purposes of this section, any 2 or more States—

''(i) may enter into compacts, agreements, or organizations not in conflict with any Federal law for cooperative efforts and mutual assistance in support of activities authorized under this section, as the activities relate to interstate areas and localities within the States;

''(ii) may establish such agencies (joint or otherwise) as the States determine to be appropriate for ensuring the effectiveness of the agreements and compacts; and

''(iii) are encouraged to enter into such compacts, agreements, or organizations as are appropriate to develop planning documents in support of intercity or multistate area projects, facilities, and services, the relevant components of which shall be reflected in statewide transportation improvement programs and statewide transportation plans.

''(D) RESERVATION OF RIGHTS.—The right to alter, amend, or repeal any interstate compact or agreement entered into under this subsection is expressly reserved.

''(c) RELATIONSHIP WITH OTHER PLANNING OFFICIALS.—

''(1) IN GENERAL.—The Secretary shall encourage each State to cooperate with Federal, State, tribal, and local officers and entities responsible for other types of planning activities that are affected by transportation in the relevant area (including planned growth, economic development, infrastructure services, housing, other public services, environmental protection, airport operations, high-speed and intercity passenger rail, freight rail, port access, and freight movements), to the maximum extent practicable, to ensure that the statewide and nonmetropolitan planning process, statewide transportation plans, and statewide transportation improvement programs are developed with due consideration for other related planning activities in the State.

''(2) INCLUSION.—Cooperation under paragraph (1) shall include the design and delivery of transportation services within the State that are provided by—

''(A) recipients of assistance under sections 202, 203, and 204 of title 23;

''(B) recipients of assistance under this chapter;

''(C) government 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

''(D) sponsors of regionally significant programs, projects, and services that are related to transportation and receive assistance from any public or private source.

''(d) SCOPE OF PLANNING PROCESS.—

''(1) IN GENERAL.—The statewide transportation planning process for a State under this section shall provide for consideration of projects, strategies, and services that will—

''(A) support the economic vitality of the United States, the State, nonmetropolitan areas, and metropolitan areas, especially by enabling global competitiveness, productivity, and efficiency;

''(B) increase the safety of the transportation system for motorized and nonmotorized users;

''(C) increase the security of the transportation system for motorized and nonmotorized users;

''(D) increase the accessibility and mobility of individuals and freight;

''(E) 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;

''(F) enhance the integration and connectivity of the transportation system, across and between modes, for individuals and freight;

''(G) increase efficient system management and operation; and

''(H) emphasize the preservation of the existing transportation system.

''(2) PERFORMANCE-BASED APPROACH.—

''(A) IN GENERAL.—The statewide transportation planning process shall provide for the establishment and use of a performance-based approach to transportation decision-making to support the national goals described in section 5301(c) of this title and in section 150(b) of title 23.

''(B) SURFACE TRANSPORTATION PERFORMANCE TARGETS.—

''(i) IN GENERAL.—Each State shall establish performance targets that address the performance measures described in sections 119(f), 148(h), and 167(i) of title 23 to use in tracking attainment of critical outcomes for the region of the State.

''(ii) COORDINATION.—Selection of performance targets by a State shall be coordinated with relevant metropolitan planning organizations to ensure consistency, to the maximum extent practicable.

''(C) PUBLIC TRANSPORTATION PERFORMANCE TARGETS.—For providers of public transportation operating in urbanized areas with a population of fewer than 200,000 individuals, as calculated according to the most recent decennial census, and not represented by a metropolitan planning organization, each State shall adopt the performance targets identified by such providers of public transportation pursuant to sections 5326(c) and 5329(d), for use in tracking attainment of critical outcomes for the region of the metropolitan planning organization.

''(D) INTEGRATION OF OTHER PERFORMANCE-BASED PLANS.—A State shall integrate into the statewide transportation planning process, directly or by reference, the goals, objectives, performance measures, and performance targets described in this paragraph in other State plans and processes, and asset management and safety plans developed by providers of public transportation in urbanized areas with a population of fewer than 200,000 individuals, as calculated according to the most recent decennial census, and not represented by a metropolitan planning organization, required as part of a performance-based program, including plans such as—

''(i) the State National Highway System asset management plan;

''(ii) asset management plans developed by providers of public transportation;

''(iii) the State strategic highway safety plan;

''(iv) safety plans developed by providers of public transportation; and

''(v) the national freight strategic plan.

''(E) USE OF PERFORMANCE MEASURES AND TARGETS.—The performance measures and

targets established under this paragraph shall be used, at a minimum, by a State as the basis for development of policies, programs, and investment priorities reflected in the statewide transportation plan and statewide transportation improvement program.

''(3) FAILURE TO CONSIDER FACTORS.—The failure to take into consideration 1 or more of the factors specified in paragraphs (1) and (2) shall not be subject to review by any court under this chapter, title 23, subchapter II of chapter 5 of title 5, or chapter 7 of title 5 in any matter affecting a statewide transportation plan, a statewide transportation improvement program, a project or strategy, or the certification of a planning process.

''(4) PARTICIPATION BY INTERESTED PARTIES.—

''(A) IN GENERAL.—Each State shall provide to affected individuals, public agencies, and other interested parties notice and a reasonable opportunity to comment on the statewide transportation plan and statewide transportation improvement program.

''(B) METHODS.—In carrying out subparagraph (A), the State shall, to the maximum extent practicable—

''(i) develop the statewide transportation plan and statewide transportation improvement program in consultation with interested parties, as appropriate, including by the formation of advisory groups representative of the State and interested parties that participate in the development of the statewide transportation plan and statewide transportation improvement program;

''(ii) hold any public meetings at times and locations that are, as applicable—

''(I) convenient; and

''(II) in compliance with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);

''(iii) employ visualization techniques to describe statewide transportation plans and statewide transportation improvement programs; and

''(iv) make public information available in appropriate electronically accessible formats and means, such as the Internet, to afford reasonable opportunity for consideration of public information under subparagraph (A).

''(e) COORDINATION AND CONSULTATION.—

''(1) METROPOLITAN AREAS.—

''(A) IN GENERAL.—Each State shall develop a statewide transportation plan and statewide transportation improvement program for each metropolitan area in the State by incorporating, without change or by reference, at a minimum, as prepared by each metropolitan planning organization designated for the metropolitan area under section 5303—

''(i) all regionally significant projects to be carried out during the 10-year period beginning on the effective date of the relevant existing metropolitan transportation plan; and

''(ii) all projects to be carried out during the 4-year period beginning on the effective date of the relevant transportation improvement program.

''(B) PROJECTED COSTS.—Each metropolitan planning organization shall provide to each applicable State a description of the projected costs of implementing the projects included in the metropolitan transportation plan of the metropolitan planning organization for purposes of metropolitan financial planning and fiscal constraint.

''(2) NONMETROPOLITAN AREAS.—With respect to nonmetropolitan areas in a State, the statewide transportation plan and statewide transportation improvement program of the State shall be developed in coordination with affected nonmetropolitan local officials with responsibility for transportation, including providers of public transportation.

''(3) INDIAN TRIBAL AREAS.—With respect to each area of a State under the jurisdiction of an Indian tribe, the statewide transportation plan and statewide transportation improvement program of the State shall be developed in consultation with—

''(A) the tribal government; and

''(B) the Secretary of the Interior.

''(4) FEDERAL LAND MANAGEMENT AGENCIES.—With respect to each area of a State under the jurisdiction of a Federal land management agency, the statewide transportation plan and statewide transportation improvement program of the State shall be developed in consultation with the relevant Federal land management agency.

''(5) CONSULTATION, COMPARISON, AND CONSIDERATION.—

''(A) IN GENERAL.—A statewide transportation plan shall be developed, as appropriate, in consultation with Federal, State, tribal, and local agencies responsible for land use management, natural resources, infrastructure permitting, environmental protection, conservation, and historic preservation.

''(B) COMPARISON AND CONSIDERATION.—Consultation under subparagraph (A) shall involve the comparison of statewide transportation plans to, as available—

''(i) Federal, State, tribal, and local conservation plans or maps; and

''(ii) inventories of natural or historic resources.

''(f) STATEWIDE TRANSPORTATION PLAN.—

''(1) DEVELOPMENT.—

''(A) IN GENERAL.—Each State shall develop a statewide transportation plan, the forecast period of which shall be not less than 20 years for all areas of the State, that provides for the development and implementation of the intermodal transportation system of the State.

''(B) INITIAL PERIOD.—A statewide transportation plan shall include, at a minimum, for the first 10-year period of the statewide transportation plan, the identification of existing and future transportation facilities that will function as an integrated statewide transportation system, giving emphasis to those facilities that serve important national, statewide, and regional transportation functions.

''(C) SUBSEQUENT PERIOD.—For the second 10-year period of the statewide transportation plan (referred to in this subsection as the 'outer years period'), a statewide transportation plan—

''(i) may include identification of future transportation facilities; and

''(ii) shall describe the policies and strategies that provide for the development and implementation of the intermodal transportation system of the State.

''(D) OTHER REQUIREMENTS.—A statewide transportation plan shall—

''(i) include, for the 20-year period covered by the statewide transportation plan, a description of—

''(I) the projected aggregate cost of projects anticipated by a State to be implemented; and

''(II) the revenues necessary to support the projects;

''(ii) include, in such form as the Secretary determines to be appropriate, a description of—

''(I) the existing transportation infrastructure, including an identification of highways, local streets and roads, bicycle and pedestrian facilities, public transportation facilities and services, commuter rail facilities and services, high-speed and intercity passenger rail facilities and services, freight facilities (including freight railroad and port facilities), multimodal and intermodal facilities, and intermodal connectors that, evaluated in the aggregate, function as an integrated transportation system;

''(II) the performance measures and performance targets used in assessing the existing and future performance of the transportation system described in subsection (d)(2);

''(III) the current and projected future usage of the transportation system, including, to the maximum extent practicable, an identification of existing or planned transportation rights-of-way, corridors, facilities, and related real properties;

''(IV) a system performance report evaluating the existing and future condition and performance of the transportation system with respect to the performance targets described in subsection (d)(2) and updates to subsequent system performance reports, including—

''(aa) progress achieved by the State in meeting performance targets, as compared to system performance recorded in previous reports; and

''(bb) an accounting of the performance by the State on outlay of obligated project funds and delivery of projects that have reached substantial completion, in relation to the projects currently on the statewide transportation improvement program and those projects that have been removed from the previous statewide transportation improvement program;

''(V) recommended strategies and investments for improving system performance over the planning horizon, including transportation systems management and operations strategies, maintenance strategies, demand management strategies, asset management strategies, capacity and enhancement investments, land use improvements, intelligent transportation systems deployment and technology adoption strategies as determined by the projected support of performance targets described in subsection (d)(2);

''(VI) recommended strategies and investments to improve and integrate disability-related access to transportation infrastructure;

''(VII) investment priorities for using projected available and proposed revenues over the short- and long-term stages of the planning horizon, in accordance with the financial plan required under paragraph (2);

''(VIII) a description of interstate compacts entered into in order to promote coordinated transportation planning in multistate areas, if applicable;

''(IX) an optional illustrative list of projects containing investments that—

''(aa) are not included in the statewide transportation plan; but

''(bb) would be so included if resources in addition to the resources identified in the financial plan under paragraph (2) were available;

''(X) a discussion (developed in consultation with Federal, State, and tribal wildlife, land management, and regulatory agencies) of types of potential environmental and stormwater mitigation activities and potential areas to carry out those activities, including activities that may have the greatest potential to restore and maintain the environmental functions affected by the statewide transportation plan; and

''(XI) recommended strategies and investments, including those developed by the State as part of interstate compacts, agreements, or organizations, that support intercity transportation; and

''(iii) be updated by the State not less frequently than once every 5 years.

''(2) FINANCIAL PLAN.—A financial plan referred to in paragraph (1)(D)(ii)(VII) shall—

''(A) be prepared by each State to support the statewide transportation plan; and

''(B) contain a description of—

''(i) the projected resource requirements during the 20-year planning horizon for implementing projects, strategies, and services recommended in the statewide transportation plan, including existing and projected system operating and maintenance needs, proposed enhancement and expansions to the system, projected available revenue from Federal, State, local, and private sources, and innovative financing techniques to finance projects and programs;

''(ii) the projected difference between costs and revenues, and strategies for securing additional new revenue (such as by capture of some of the economic value created by any new investment);

''(iii) estimates of future funds, to be developed cooperatively by the State, any public transportation agency, and relevant metropolitan planning organizations, that are reasonably expected to be available to support the investment priorities recommended in the statewide transportation plan;

''(iv) each applicable 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; and

''(v) aggregate cost ranges or bands, subject to the condition that any future funding source shall be reasonably expected to be available to support the projected cost ranges or bands, for the outer years period of the statewide transportation plan.

''(3) COORDINATION WITH CLEAN AIR ACT AGENCIES.—For any nonmetropolitan area that is a nonattainment area or maintenance area, the State shall coordinate the development of the statewide transportation plan with the process for development of the transportation control measures of the State implementation plan required by the Clean Air Act (42 U.S.C. 7401 et seq.).

''(4) PUBLICATION.—A statewide transportation plan involving Federal and non-Federal participation programs, projects, and strategies shall be published or otherwise made readily available by the State for public review, including (to the maximum extent practicable) in electronically accessible formats and means, such as the Internet, in such manner as the Secretary shall require.

''(5) SELECTION OF PROJECTS FROM ILLUSTRATIVE LIST.—Notwithstanding paragraph (2), a State shall not be required to select any project from the illustrative list of additional projects included in the statewide transportation plan under paragraph (1)(D)(ii)(IX).

''(g) STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAMS.—

''(1) DEVELOPMENT.—

''(A) IN GENERAL.—In cooperation with nonmetropolitan officials with responsibility for transportation and affected public transportation operators, the State shall develop a statewide transportation improvement program for the State that—

''(i) includes projects consistent with the statewide transportation plan;

''(ii) reflects the investment priorities established in the statewide transportation plan; and

''(iii) once implemented, makes significant progress toward achieving the performance targets described in subsection (d)(2).

''(B) OPPORTUNITY FOR PARTICIPATION.—In developing a statewide transportation improvement program, the State, in cooperation with affected public transportation operators, shall provide an opportunity for participation by interested parties in the development of the statewide transportation improvement program, in accordance with subsection (e).

''(C) OTHER REQUIREMENTS.—

''(i) IN GENERAL.—A statewide transportation improvement program shall—

''(I) cover a period of not less than 4 years; and

''(II) be updated not less frequently than once every 4 years, or more frequently, as the Governor determines to be appropriate.

''(ii) INCORPORATION OF TIPS.—A statewide transportation improvement program shall incorporate any relevant transportation improvement program developed by a metropolitan planning organization under section 5303, without change.

''(iii) PROJECTS.—Each project included in a statewide transportation improvement program shall be—

''(I) consistent with the statewide transportation plan developed under this section for the State;

''(II) identical to a project or phase of a project described in a relevant transportation improvement program; and

''(III) for any project located in a nonattainment area or maintenance area, carried out in accordance with the applicable State air quality implementation plan developed under the Clean Air Act (42 U.S.C. 7401 et seq.).

''(2) CONTENTS.—

''(A) PRIORITY LIST.—A statewide transportation improvement program shall include a priority list of proposed federally supported projects and strategies, to be carried out during the 4-year period beginning on the date of adoption of the statewide transportation improvement program, and during each 4-year period thereafter, using existing and reasonably available revenues in accordance with the financial plan under paragraph (3).

''(B) DESCRIPTIONS.—Each project or phase of a project included in a statewide transportation improvement program shall include sufficient descriptive material (such as type of work, termini, length, estimated completion date, and other similar factors) to identify—

''(i) the project or project phase; and

''(ii) the effect that the project or project phase will have in addressing the performance targets described in subsection (d)(2).

''(C) PERFORMANCE TARGET ACHIEVEMENT.—A statewide transportation improvement program shall include, to the maximum extent practicable, a discussion of the anticipated effect of the statewide transportation improvement program toward achieving the performance targets established in the statewide transportation plan, linking investment priorities to those performance targets.

''(D) ILLUSTRATIVE LIST OF PROJECTS.—An optional illustrative list of projects may be prepared containing additional investment priorities that—

''(i) are not included in the statewide transportation improvement program; but

''(ii) would be so included if resources in addition to the resources identified in the financial plan under paragraph (3) were available.

''(3) FINANCIAL PLAN.—A financial plan referred to in paragraph (2)(D)(ii) shall—

''(A) be prepared by each State to support the statewide transportation improvement program; and

''(B) contain a description of—

''(i) the projected resource requirements for implementing projects, strategies, and services recommended in the statewide transportation improvement program, including existing and projected system operating and maintenance needs, proposed enhancement and expansions to the system, projected available revenue from Federal, State, local, and private sources, and innovative financing techniques to finance projects and programs;

''(ii) the projected difference between costs and revenues, and strategies for securing additional new revenue (such as by capture of some of the economic value created by any new investment);

''(iii) estimates of future funds, to be developed cooperatively by the State and relevant metropolitan planning organizations and public transportation agencies, that are reasonably expected to be available to support the investment priorities recommended in the statewide transportation improvement program; and

''(iv) each applicable 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) INCLUDED PROJECTS.—

''(A) PROJECTS UNDER THIS CHAPTER AND TITLE 23.—A statewide transportation improvement program developed under this subsection for a State shall include the projects within the State that are proposed for funding under this chapter and chapter 1 of title 23.

''(B) PROJECTS UNDER THIS CHAPTER AND CHAPTER 2.—

''(i) REGIONALLY SIGNIFICANT.—Each regionally significant project proposed for funding under this chapter and chapter 2 of title 23 shall be identified individually in the statewide transportation improvement program.

''(ii) NONREGIONALLY SIGNIFICANT.—A description of each project proposed for funding under this chapter and chapter 2 of title 23 that is not determined to be regionally significant shall be contained in 1 line item or identified individually in the statewide transportation improvement program.

''(5) PUBLICATION.—

''(A) IN GENERAL.—A statewide transportation improvement program shall be published or otherwise made readily available by the State for public review in electronically accessible formats and means, such as the Internet.

''(B) ANNUAL LIST OF PROJECTS.—An annual list of projects, including investments in pedestrian walkways, bicycle transportation facilities, and intermodal facilities that support intercity transportation, for which Federal funds have been obligated during the preceding fiscal year shall be published or otherwise made available by the cooperative effort of the State, public transportation operator, and relevant metropolitan planning organizations in electronically accessible formats and means, such as the Internet, in a manner that is consistent with the categories identified in the relevant statewide transportation improvement program.

''(6) PROJECT SELECTION FOR URBANIZED AREAS WITH POPULATIONS OF FEWER THAN 200,000 NOT REPRESENTED BY DESIGNATED MPOS.—Projects carried out in urbanized areas with populations of fewer than 200,000 individuals, as calculated according to the most recent decennial census, and that are not represented by designated metropolitan planning organizations, shall be selected from the approved statewide transportation improvement program (including projects carried out under this chapter and projects carried out by the State), in cooperation with the affected nonmetropolitan planning organization, if any exists, and in consultation with the affected nonmetropolitan area local officials with responsibility for transportation.

''(7) APPROVAL BY SECRETARY.—

''(A) IN GENERAL.—Not less frequently than once every 4 years, a statewide transportation improvement program developed under this subsection shall be reviewed and approved by the Secretary, based on the current planning finding of the Secretary under subparagraph (B).

''(B) PLANNING FINDING.—The Secretary shall make a planning finding referred to in

subparagraph (A) not less frequently than once every 5 years regarding whether the transportation planning process through which statewide transportation plans and statewide transportation improvement programs are developed is consistent with this section and section 5303.

''(8) MODIFICATIONS TO PROJECT PRIORITY.—Approval by the Secretary shall not be required to carry out a project included in an approved statewide transportation improvement program in place of another project in the statewide transportation improvement program.

''(h) CERTIFICATION.—

''(1) IN GENERAL.—The Secretary shall—

''(A) ensure that the statewide transportation planning process of a State is being carried out in accordance with applicable Federal law; and

''(B) subject to paragraph (2), certify, not less frequently than once every 5 years, that the requirements of subparagraph (A) are met with respect to the statewide transportation planning process.

''(2) REQUIREMENTS FOR CERTIFICATION.—The Secretary may make a certification under paragraph (1)(B) if—

''(A) the statewide transportation planning process complies with the requirements of this section and other applicable Federal law; and

''(B) a statewide transportation improvement program for the State has been approved by the Governor of the State.

''(3) EFFECT OF FAILURE TO CERTIFY.—

''(A) WITHHOLDING OF PROJECT FUNDS.—If a statewide transportation planning process of a State is not certified under paragraph (1), the Secretary may withhold up to 20 percent of the funds attributable to the State for projects funded under this chapter and title 23.

''(B) RESTORATION OF WITHHELD FUNDS.—Any funds withheld under subparagraph (A) shall be restored to the State on the date of certification of the statewide transportation planning process by the Secretary.

''(4) PUBLIC INVOLVEMENT.—In making a determination regarding certification under this subsection, the Secretary shall provide for public involvement appropriate to the State under review.

''(i) PERFORMANCE-BASED PLANNING PROCESSES EVALUATION.—

''(1) IN GENERAL.—The Secretary shall establish criteria to evaluate the effectiveness of the performance-based planning processes of States, taking into consideration the following:

''(A) The extent to which the State has achieved, or is currently making substantial progress toward achieving, the performance targets described in subsection (d)(2), taking into account whether the State developed meaningful performance targets.

''(B) The extent to which the State has used proven best practices that help ensure transportation investment that is efficient and cost-effective.

''(C) The extent to which the State—

''(i) has developed an investment process that relies on public input and awareness to ensure that investments are transparent and accountable; and

''(ii) provides regular reports allowing the public to access the information being collected in a format that allows the public to meaningfully assess the performance of the State.

''(2) REPORT.—

''(A) IN GENERAL.—Not later than 5 years after the date of enactment of the Federal Public Transportation Act of 2012, the Secretary shall submit to Congress a report evaluating—

''(i) the overall effectiveness of performance-based planning as a tool for guiding transportation investments; and

''(ii) the effectiveness of the performance-based planning process of each State.

''(B) PUBLICATION.—The report under subparagraph (A) shall be published or otherwise made available in electronically accessible formats and means, including on the Internet.

''(j) FUNDING.—Funds apportioned under section 104(b)(6) of title 23 and set aside under section 5305(g) shall be available to carry out this section.

''(k) CONTINUATION OF CURRENT REVIEW PRACTICE.—

''(1) IN GENERAL.—In consideration of the factors described in paragraph (2), any decision by the Secretary concerning a statewide transportation plan or statewide transportation improvement program shall not be considered to be a Federal action subject to review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

''(2) DESCRIPTION OF FACTORS.—The factors referred to in paragraph (1) are that—

''(A) statewide transportation plans and statewide transportation improvement programs are subject to a reasonable opportunity for public comment;

''(B) the projects included in statewide transportation plans and statewide transportation improvement programs are subject to review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

''(C) decisions by the Secretary concerning statewide transportation plans and statewide transportation improvement programs have not been reviewed under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) as of January 1, 1997.

''(l) SCHEDULE FOR IMPLEMENTATION.—The Secretary shall issue guidance on a schedule for implementation of the changes made by this section, taking into consideration the established planning update cycle for States. The Secretary shall not require a State to deviate from its established planning update cycle to implement changes made by this section. States shall reflect changes made to their transportation plan or transportation improvement program updates not later than 2 years after the date of issuance of guidance by the Secretary under this subsection.''.

**SEC. 20007. PUBLIC TRANSPORTATION EMERGENCY RELIEF PROGRAM.**

Section 5306 of title 49, United States Code, is amended to read as follows:

**''§ 5306. Public transportation emergency relief program**

''(a) DEFINITION.—In this section the following definitions shall apply:

''(1) ELIGIBLE OPERATING COSTS.—The term 'eligible operating costs' means costs relating to—

''(A) evacuation services;

''(B) rescue operations;

''(C) temporary public transportation service; or

''(D) reestablishing, expanding, or relocating public transportation route service before, during, or after an emergency.

''(2) EMERGENCY.—The term 'emergency' means a natural disaster affecting a wide area (such as a flood, hurricane, tidal wave, earthquake, severe storm, or landslide) or a catastrophic failure from any external cause, as a result of which—

''(A) the Governor of a State has declared an emergency and the Secretary has concurred; or

''(B) the President has declared a major disaster under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170).

''(b) GENERAL AUTHORITY.—

''(1) CAPITAL ASSISTANCE.—The Secretary may make grants and enter into contracts and other agreements (including agreements with departments, agencies, and instrumentalities of the Government) for capital projects to protect, repair, reconstruct, or replace equipment and facilities of a public transportation system operating in the United States or on an Indian reservation that the Secretary determines is in danger of suffering serious damage, or has suffered serious damage, as a result of an emergency.

''(2) OPERATING ASSISTANCE.—Of the funds appropriated to carry out this section, the Secretary may make grants and enter into contracts or other agreements for the eligible operating costs of public transportation equipment and facilities in an area directly affected by an emergency during—

''(A) the 1-year period beginning on the date of a declaration described in subsection (a)(2); or

''(B) if the Secretary determines there is a compelling need, the 2-year period beginning on the date of a declaration described in subsection (a)(2).

''(c) COORDINATION OF EMERGENCY FUNDS.—

''(1) USE OF FUNDS.—Funds appropriated to carry out this section shall be in addition to any other funds available—

''(A) under this chapter; or

''(B) for the same purposes as authorized under this section by any other branch of the Government, including the Federal Emergency Management Agency, or a State agency, local governmental entity, organization, or person.

''(2) NOTIFICATION.—The Secretary shall notify the Secretary of Homeland Security of the purpose and amount of any grant made or contract or other agreement entered into under this section.

''(d) INTERAGENCY TRANSFERS.—Amounts that are made available for emergency purposes to any other agency of the Government, including the Federal Emergency Management Agency, and that are eligible to be expended for purposes authorized under this section may be transferred to and administered by the Secretary under this section.

''(e) INTERAGENCY AGREEMENT.—

''(1) IN GENERAL.—The Secretary shall enter into an interagency agreement with the Secretary of Homeland Security which shall provide for the means by which the Department of Transportation, including the Federal Transit Administration, and the Department of Homeland Security, including the Federal Emergency Management Agency, shall cooperate in administering emergency relief for public transportation.

''(2) CONTENTS.—The interagency agreement under paragraph (1) shall provide that funds made available to the Federal Emergency Management Agency for emergency relief for public transportation shall be transferred to the Secretary to carry out this section, to the maximum extent possible.

''(f) GRANT REQUIREMENTS.—A grant awarded under this section shall be subject to the terms and conditions the Secretary determines are necessary.

''(g) GOVERNMENT SHARE OF COSTS.—

''(1) CAPITAL PROJECTS AND OPERATING ASSISTANCE.—A grant, contract, or other agreement for a capital project or eligible operating costs under this section shall be, at the option of the recipient, for not more than 80 percent of the net project cost, as determined by the Secretary.

''(2) NON-FEDERAL SHARE.—The remainder of the net project cost may be provided from an undistributed cash surplus, a replacement or depreciation cash fund or reserve, or new capital.

''(3) WAIVER.—The Secretary may waive, in whole or part, the non-Federal share required under paragraph (2).''.

**SEC. 20008. URBANIZED AREA FORMULA GRANTS.**

Section 5307 of title 49, United States Code, is amended to read as follows:

**''§ 5307. Urbanized area formula grants**

''(a) GENERAL AUTHORITY.—

''(1) GRANTS.—The Secretary may make grants under this section for—

''(A) capital projects;

''(B) planning; and

''(C) operating costs of equipment and facilities for use in public transportation in an urbanized area with a population of fewer than 200,000 individuals, as determined by the Bureau of the Census.

''(2) SPECIAL RULE.—The Secretary may make grants under this section to finance the operating cost of equipment and facilities for use in public transportation, excluding rail fixed guideway, in an urbanized area with a population of not fewer than 200,000 individuals, as determined by the Bureau of the Census—

''(A) for public transportation systems that operate 75 or fewer buses during peak service hours, in an amount not to exceed 50 percent of the share of the apportionment which is attributable to such systems within the urbanized area, as measured by vehicle revenue hours; and

''(B) for public transportation systems that operate a minimum of 76 buses and a maximum of 100 buses during peak service hours, in an amount not to exceed 25 percent of the share of the apportionment which is attributable to such systems within the urbanized area, as measured by vehicle revenue hours.

''(3) TEMPORARY AND TARGETED ASSISTANCE.—

''(A) ELIGIBILITY.—The Secretary may make a grant under this section to finance the operating cost of equipment and facilities to a recipient for use in public transportation in an area that the Secretary determines has—

''(i) a population of not fewer than 200,000 individuals, as determined by the Bureau of the Census; and

''(ii) a 3-month unemployment rate, as reported by the Bureau of Labor Statistics, that is—

''(I) greater than 7 percent; and

''(II) at least 2 percentage points greater than the lowest 3-month unemployment rate for the area during the 5-year period preceding the date of the determination.

''(B) AWARD OF GRANT.—

''(i) IN GENERAL.—Except as otherwise provided in this subparagraph, the Secretary may make a grant under this section for not more than 2 consecutive fiscal years.

''(ii) ADDITIONAL YEAR.—If, at the end of the second fiscal year following the date on which the Secretary makes a determination under subparagraph (A) with respect to an area, the Secretary determines that the 3-month unemployment rate for the area is at least 2 percentage points greater than the unemployment rate for the area at the time the Secretary made the determination under subparagraph (A), the Secretary may make a grant to a recipient in the area for 1 additional consecutive fiscal year.

''(iii) EXCLUSION PERIOD.—Beginning on the last day of the last consecutive fiscal year for which a recipient receives a grant under this paragraph, the Secretary may not make a subsequent grant under this paragraph to the recipient for a number of fiscal years equal to the number of consecutive fiscal years in which the recipient received a grant under this paragraph.

''(C) LIMITATION.—

''(i) FIRST FISCAL YEAR.—For the first fiscal year following the date on which the Secretary makes a determination under subparagraph (A) with respect to an area, not more than 25 percent of the amount apportioned to a designated recipient under section 5336 for the fiscal year shall be available for operating assistance for the area.

''(ii) SECOND AND THIRD FISCAL YEARS.—For the second and third fiscal years following the date on which the Secretary makes a determination under subparagraph (A) with respect to an area, not more than 20 percent of the amount apportioned to a designated recipient under section 5336 for the fiscal year shall be available for operating assistance for the area.

''(D) PERIOD OF AVAILABILITY FOR OPERATING ASSISTANCE.—Operating assistance awarded under this paragraph shall be available for expenditure to a recipient in an area until the end of the second fiscal year following the date on which the Secretary makes a determination under subparagraph (A) with respect to the area, after which time any unexpended funds shall be available to the recipient for other eligible activities under this section.

''(E) CERTIFICATION.—The Secretary may make a grant for operating assistance under this paragraph for a fiscal year only if the recipient certifies that—

''(i) the recipient will maintain public transportation service levels at or above the current service level, which shall be demonstrated by providing an equal or greater number of vehicle hours of service in the fiscal year than the number of vehicle hours of service provided in the preceding fiscal year;

''(ii) any non-Federal entity that provides funding to the recipient, including a State or local governmental entity, will maintain the tax rate or rate of allocations dedicated to public transportation at or above the rate for the preceding fiscal year;

''(iii) the recipient has allocated the maximum amount of funding under this section for preventive maintenance costs eligible as a capital expense necessary to maintain the level and quality of service provided in the preceding fiscal year; and

''(iv) the recipient will not use funding under this section for new capital assets except as necessary for the existing system to maintain or achieve a state of good repair, assure safety, or replace obsolete technology.

''(b) ACCESS TO JOBS PROJECTS.—

''(1) IN GENERAL.—A designated recipient shall expend not less than 3 percent of the amount apportioned to the designated recipient under section 5336 or an amount equal to the amount apportioned to the designated recipient in fiscal year 2011 to carry out section 5316 (as in effect for fiscal year 2011), whichever is less, to carry out a program to develop and maintain job access projects. Eligible projects may include—

''(A) a project relating to the development and maintenance of public transportation services designed to transport eligible low-income individuals to and from jobs and activities related to their employment, including—

''(i) a public transportation project to finance planning, capital, and operating costs of providing access to jobs under this chapter;

''(ii) promoting public transportation by low-income workers, including the use of public transportation by workers with non-traditional work schedules;

''(iii) promoting the use of public transportation vouchers for welfare recipients and eligible low-income individuals; and

''(iv) promoting the use of employer-provided transportation, including the transit pass benefit program under section 132 of the Internal Revenue Code of 1986; and

''(B) a transportation project designed to support the use of public transportation including—

''(i) enhancements to existing public transportation service for workers with non-traditional hours or reverse commutes;

''(ii) guaranteed ride home programs;

''(iii) bicycle storage facilities; and

''(iv) projects that otherwise facilitate the provision of public transportation services to employment opportunities.

''(2) PROJECT SELECTION AND PLAN DEVELOPMENT.—Each grant recipient under this subsection shall certify that—

''(A) the projects selected were included in a locally developed, coordinated public transit-human services transportation plan;

''(B) the plan was developed and approved through a process that included individuals with low incomes, representatives of public, private, and nonprofit transportation and human services providers, and participation by the public;

''(C) services funded under this subsection are coordinated with transportation services funded by other Federal departments and agencies to the maximum extent feasible; and

''(D) allocations of the grant to subrecipients, if any, are distributed on a fair and equitable basis.

''(3) COMPETITIVE PROCESS FOR GRANTS TO SUBRECIPIENTS.—

''(A) AREAWIDE SOLICITATIONS.—A recipient of funds apportioned under this subsection may conduct, in cooperation with the appropriate metropolitan planning organization, an areawide solicitation for applications for grants to the recipient and subrecipients under this subsection.

''(B) APPLICATION.—If the recipient elects to engage in a competitive process, recipients and subrecipients seeking to receive a grant from apportioned funds shall submit to the recipient an application in the form and in accordance with such requirements as the recipient shall establish.

''(c) PROGRAM OF PROJECTS.—Each recipient of a grant shall—

''(1) make available to the public information on amounts available to the recipient under this section;

''(2) develop, in consultation with interested parties, including private transportation providers, a proposed program of projects for activities to be financed;

''(3) publish a proposed program of projects in a way that affected individuals, private transportation providers, and local elected officials have the opportunity to examine the proposed program and submit comments on the proposed program and the performance of the recipient;

''(4) provide an opportunity for a public hearing in which to obtain the views of individuals on the proposed program of projects;

''(5) ensure that the proposed program of projects provides for the coordination of public transportation services assisted under section 5336 of this title with transportation services assisted from other United States Government sources;

''(6) consider comments and views received, especially those of private transportation providers, in preparing the final program of projects; and

''(7) make the final program of projects available to the public.

''(d) GRANT RECIPIENT REQUIREMENTS.—A recipient may receive a grant in a fiscal year only if—

''(1) the recipient, within the time the Secretary prescribes, submits a final program of projects prepared under subsection (c) of this section and a certification for that fiscal year that the recipient (including a person receiving amounts from a Governor under this section)—

''(A) has or will have the legal, financial, and technical capacity to carry out the program, including safety and security aspects of the program;

''(B) has or will have satisfactory continuing control over the use of equipment and facilities;

''(C) will maintain equipment and facilities;

''(D) will ensure that, during non-peak hours for transportation using or involving a facility or equipment of a project financed under this section, a fare that is not more than 50 percent of the peak hour fare will be charged for any—

''(i) senior;

''(ii) individual who, because of illness, injury, age, congenital malfunction, or other incapacity or temporary or permanent disability (including an individual who is a wheelchair user or has semiambulatory capability), cannot use a public transportation service or a public transportation facility effectively without special facilities, planning, or design; and

''(iii) individual presenting a Medicare card issued to that individual under title II or XVIII of the Social Security Act (42 U.S.C. 401 et seq. and 1395 et seq.);

''(E) in carrying out a procurement under this section, will comply with sections 5323 and 5325;

''(F) has complied with subsection (c) of this section;

''(G) has available and will provide the required amounts as provided by subsection (e) of this section;

''(H) will comply with sections 5303 and 5304;

''(I) has a locally developed process to solicit and consider public comment before raising a fare or carrying out a major reduction of transportation;

''(J)(i) will expend for each fiscal year for public transportation security projects, including increased lighting in or adjacent to a public transportation system (including bus stops, subway stations, parking lots, and garages), increased camera surveillance of an area in or adjacent to that system, providing an emergency telephone line to contact law enforcement or security personnel in an area in or adjacent to that system, and any other project intended to increase the security and safety of an existing or planned public transportation system, at least 1 percent of the amount the recipient receives for each fiscal year under section 5336 of this title; or

''(ii) has decided that the expenditure for security projects is not necessary;

''(K) in the case of a recipient for an urbanized area with a population of not fewer than 200,000 individuals, as determined by the Bureau of the Census—

''(i) will expend not less than 1 percent of the amount the recipient receives each fiscal year under this section for associated transit improvements, as defined in section 5302; and

''(ii) will submit an annual report listing projects carried out in the preceding fiscal year with those funds; and

''(L) will comply with section 5329(d); and

''(2) the Secretary accepts the certification.

''(e) GOVERNMENT SHARE OF COSTS.—

''(1) CAPITAL PROJECTS.—A grant for a capital project 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) REMAINING COSTS.—Subject to paragraph (4), the remainder of the net project costs shall be provided—

''(A) in cash from non-Government sources other than revenues from providing public transportation services;

''(B) from revenues from the sale of advertising and concessions;

''(C) from an undistributed cash surplus, a replacement or depreciation cash fund or reserve, or new capital;

''(D) from amounts appropriated or otherwise made available to a department or agency of the Government (other than the Department of Transportation) that are eligible to be expended for transportation; and

''(E) from amounts received under a service agreement with a State or local social service agency or private social service organization.

''(4) USE OF CERTAIN FUNDS.—For purposes of subparagraphs (D) and (E) of paragraph (3), 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.

''(f) UNDERTAKING PROJECTS IN ADVANCE.—

''(1) PAYMENT.—The Secretary may pay the Government share of the net project cost to a State or local governmental authority that carries out any part of a project eligible under subparagraph (A) or (B) of subsection (a)(1) without the aid of amounts of the Government and according to all applicable procedures and requirements if—

''(A) the recipient applies for the payment;

''(B) the Secretary approves the payment; and

''(C) before carrying out any part of the project, the Secretary approves the plans and specifications for the part in the same way as for other projects under this section.

''(2) APPROVAL OF APPLICATION.—The Secretary may approve an application under paragraph (1) of this subsection only if an authorization for this section is in effect for the fiscal year to which the application applies. The Secretary may not approve an application if the payment will be more than—

''(A) the recipient's expected apportionment under section 5336 of this title if the total amount authorized to be appropriated for the fiscal year to carry out this section is appropriated; less

''(B) the maximum amount of the apportionment that may be made available for projects for operating expenses under this section.

''(3) 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 recipient to the extent proceeds of the bonds are expended in carrying out the part.

''(B) LIMITATION ON THE AMOUNT OF INTEREST.—The amount of interest allowed under this paragraph may not be more than the most favorable financing 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 financing terms.

''(g) REVIEWS, AUDITS, AND EVALUATIONS.—

''(1) ANNUAL REVIEW.—

''(A) IN GENERAL.—At least annually, the Secretary shall carry out, or require a recipient to have carried out independently, reviews and audits the Secretary considers appropriate to establish whether the recipient has carried out—

''(i) the activities proposed under subsection (d) of this section in a timely and effective way and can continue to do so; and

''(ii) those activities and its certifications and has used amounts of the Government in the way required by law.

''(B) AUDITING PROCEDURES.—An audit of the use of amounts of the Government shall comply with the auditing procedures of the Comptroller General.

''(2) TRIENNIAL REVIEW.—At least once every 3 years, the Secretary shall review and evaluate completely the performance of a recipient in carrying out the recipient's program, specifically referring to compliance with statutory and administrative requirements and the extent to which actual program activities are consistent with the activities proposed under subsection (d) of this section and the planning process required under sections 5303, 5304, and 5305 of this title. To the extent practicable, the Secretary shall coordinate such reviews with any related State or local reviews.

''(3) ACTIONS RESULTING FROM REVIEW, AUDIT, OR EVALUATION.—The Secretary may take appropriate action consistent with a review, audit, and evaluation under this subsection, including making an appropriate adjustment in the amount of a grant or withdrawing the grant.

''(h) TREATMENT.—For purposes of this section, the United States Virgin Islands shall be treated as an urbanized area, as defined in section 5302.

''(i) PASSENGER FERRY GRANT PROGRAM.—

''(1) IN GENERAL.—The Secretary may make grants under this subsection to recipients for passenger ferry projects that are eligible for a grant under subsection (a).

''(2) GRANT REQUIREMENTS.—Except as otherwise provided in this subsection, a grant under this subsection shall be subject to the same terms and conditions as a grant under subsection (a).

''(3) COMPETITIVE PROCESS.—The Secretary shall solicit grant applications and make grants for eligible projects on a competitive basis.

''(4) GEOGRAPHICALLY CONSTRAINED AREAS.—Of the amounts made available to carry out this subsection, $10,000,000 shall be for capital grants relating to passenger ferries in areas with limited or no access to public transportation as a result of geographical constraints.''.

**SEC. 20009. CLEAN FUEL GRANT PROGRAM.**

Section 5308 of title 49, United States Code, is amended to read as follows:

**''§ 5308. Clean fuel grant program**

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

''(1) CLEAN FUEL BUS.—The term 'clean fuel bus' means a bus that is a clean fuel vehicle.

''(2) CLEAN FUEL VEHICLE.—The term 'clean fuel vehicle' means a passenger vehicle used to provide public transportation that the Administrator of the Environmental Protection Agency has certified sufficiently reduces energy consumption or reduces harmful emissions, including direct carbon emissions, when compared to a comparable standard vehicle.

''(3) DIRECT CARBON EMISSIONS.—The term 'direct carbon emissions' means the quantity of direct greenhouse gas emissions from a vehicle, as determined by the Administrator of the Environmental Protection Agency.

''(4) ELIGIBLE AREA.—The term 'eligible area' means an area that is—

''(A) 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

''(B) a maintenance area, as defined in section 5303, for ozone or carbon monoxide.

''(5) ELIGIBLE PROJECT.—The term 'eligible project' means a project or program of projects in an eligible area for—

''(A) acquiring or leasing clean fuel vehicles;

''(B) constructing or leasing facilities and related equipment for clean fuel vehicles;

''(C) constructing new public transportation facilities to accommodate clean fuel vehicles; or

''(D) rehabilitating or improving existing public transportation facilities to accommodate clean fuel vehicles.

''(6) RECIPIENT.—The term 'recipient' means—

''(A) for an eligible area that is an urbanized area with a population of fewer than 200,000 individuals, as determined by the Bureau of the Census, the State in which the eligible area is located; and

''(B) for an eligible area not described in subparagraph (A), the designated recipient for the eligible area.

''(b) AUTHORITY.—The Secretary may make grants to recipients to finance eligible projects under this section.

''(c) GRANT REQUIREMENTS.—

''(1) IN GENERAL.—A grant under this section shall be subject to the requirements of section 5307.

''(2) GOVERNMENT SHARE OF COSTS FOR CERTAIN PROJECTS.—Section 5323(j) applies to projects carried out under this section, unless the grant recipient requests a lower grant percentage.

''(d) MINIMUM AMOUNTS.—Of amounts made available by or appropriated under section 5338(a)(2)(D) in each fiscal year to carry out this section—

''(1) not less than 65 percent shall be made available to fund eligible projects relating to clean fuel buses; and

''(2) not less than 10 percent shall be made available for eligible projects relating to facilities and related equipment for clean fuel buses.

''(e) COMPETITIVE PROCESS.—The Secretary shall solicit grant applications and make grants for eligible projects on a competitive basis.

''(f) AVAILABILITY OF FUNDS.—Any amounts made available or appropriated to carry out this section—

''(1) shall remain available to an eligible project for 2 years after the fiscal year for which the amount is made available or appropriated; and

''(2) that remain unobligated at the end of the period described in paragraph (1) shall be added to the amount made available to an eligible project in the following fiscal year.''.

**SEC. 20010. FIXED GUIDEWAY CAPITAL INVESTMENT GRANTS.**

(a) IN GENERAL.—Section 5309 of title 49, United States Code, is amended to read as follows:

**''§ 5309. Fixed guideway capital investment grants**

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

''(1) APPLICANT.—The term 'applicant' means a State or local governmental authority that applies for a grant under this section.

''(2) BUS RAPID TRANSIT PROJECT.—The term 'bus rapid transit project' means a single route bus capital project—

''(A) a majority of which operates in a separated right-of-way dedicated for public transportation use during peak periods;

''(B) that represents a substantial investment in a single route in a defined corridor or subarea; and

''(C) that includes features that emulate the services provided by rail fixed guideway public transportation systems, including—

''(i) defined stations;

''(ii) traffic signal priority for public transportation vehicles;

''(iii) short headway bidirectional services for a substantial part of weekdays and weekend days; and

''(iv) any other features the Secretary may determine are necessary to produce high-quality public transportation services that emulate the services provided by rail fixed guideway public transportation systems.

''(3) CORE CAPACITY IMPROVEMENT PROJECT.—The term 'core capacity improvement project' means a substantial corridor-based capital investment in an existing fixed guideway system that adds capacity and functionality.

''(4) NEW FIXED GUIDEWAY CAPITAL PROJECT.—The term 'new fixed guideway capital project' means—

''(A) a new fixed guideway project that is a minimum operable segment or extension to an existing fixed guideway system; or

''(B) a bus rapid transit project that is a minimum operable segment or an extension to an existing bus rapid transit system.

''(5) PROGRAM OF INTERRELATED PROJECTS.—The term 'program of interrelated projects' means the simultaneous development of—

''(A) 2 or more new fixed guideway capital projects or core capacity improvement projects; or

''(B) 1 or more new fixed guideway capital projects and 1 or more core capacity improvement projects.

''(b) GENERAL AUTHORITY.—The Secretary may make grants under this section to State and local governmental authorities to assist in financing—

''(1) new fixed guideway capital projects, including the acquisition of real property, the initial acquisition of rolling stock for the system, the acquisition of rights-of-way, and relocation, for fixed guideway corridor development for projects in the advanced stages of project development or engineering; and

''(2) core capacity improvement projects, including the acquisition of real property, the acquisition of rights-of-way, double tracking, signalization improvements, electrification, expanding system platforms, acquisition of rolling stock, construction of infill stations, and such other capacity improvement projects as the Secretary determines are appropriate.

''(c) GRANT REQUIREMENTS.—

''(1) IN GENERAL.—The Secretary may make a grant under this section for new fixed guideway capital projects or core capacity improvement projects, if the Secretary determines that—

''(A) the project is part of an approved transportation plan required under sections 5303 and 5304; and

''(B) the applicant has, or will have—

''(i) the legal, financial, and technical capacity to carry out the project, including the safety and security aspects of the project;

''(ii) satisfactory continuing control over the use of the equipment or facilities; and

''(iii) the technical and financial capacity to maintain new and existing equipment and facilities.

''(2) CERTIFICATION.—An applicant that has submitted the certifications required under subparagraphs (A), (B), (C), and (H) of section 5307(d)(1) shall be deemed to have provided sufficient information upon which the Secretary may make the determinations required under this subsection.

''(3) TECHNICAL CAPACITY.—The Secretary shall use an expedited technical capacity review process for applicants that have recently and successfully completed at least 1 new bus rapid transit project, new fixed guideway capital project, or core capacity improvement project, if—

''(A) the applicant achieved budget, cost, and ridership outcomes for the project that are consistent with or better than projections; and

''(B) the applicant demonstrates that the applicant continues to have the staff expertise and other resources necessary to implement a new project.

''(4) RECIPIENT REQUIREMENTS.—A recipient of a grant awarded under this section shall be subject to all terms, conditions, requirements, and provisions that the Secretary determines to be necessary or appropriate for purposes of this section.

''(d) NEW FIXED GUIDEWAY GRANTS.—

''(1) PROJECT DEVELOPMENT PHASE.—

''(A) ENTRANCE INTO PROJECT DEVELOPMENT PHASE.—A new fixed guideway capital project shall enter into the project development phase when—

''(i) the applicant—

''(I) submits a letter to the Secretary describing the project and requesting entry into the project development phase; and

''(II) initiates activities required to be carried out under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to the project; and

''(ii) the Secretary responds in writing to the applicant within 45 days whether the information provided is sufficient to enter into the project development phase, including, when necessary, a detailed description of any information deemed insufficient.

''(B) ACTIVITIES DURING PROJECT DEVELOPMENT PHASE.—Concurrent with the analysis required to be made under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), each applicant shall develop sufficient information to enable the Secretary to make findings of project justification, policies and land use patterns that promote public transportation, and local financial commitment under this subsection.

''(C) COMPLETION OF PROJECT DEVELOPMENT ACTIVITIES REQUIRED.—

''(i) IN GENERAL.—Not later than 2 years after the date on which a project enters into the project development phase, the applicant shall complete the activities required to obtain a project rating under subsection (g)(2) and submit completed documentation to the Secretary.

''(ii) EXTENSION OF TIME.—Upon the request of an applicant, the Secretary may extend the time period under clause (i), if the applicant submits to the Secretary—

''(I) a reasonable plan for completing the activities required under this paragraph; and

''(II) an estimated time period within which the applicant will complete such activities.

''(2) ENGINEERING PHASE.—

''(A) IN GENERAL.—A new fixed guideway capital project may advance to the engineering phase upon completion of activities required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), as demonstrated by a record of decision with respect to the project, a finding that the project has no significant impact, or a determination that the project is categorically excluded, only if the Secretary determines that the project—

''(i) is selected as the locally preferred alternative at the completion of the process required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

''(ii) is adopted into the metropolitan transportation plan required under section 5303;

''(iii) is justified based on a comprehensive review of the project's mobility improvements, environmental benefits, and cost-effectiveness, as measured by cost per rider;

''(iv) is supported by policies and land use patterns that promote public transportation, including plans for future land use and rezoning, and economic development around public transportation stations; and

''(v) is supported by an acceptable degree of local financial commitment (including evidence of stable and dependable financing sources), as required under subsection (f).

''(B) DETERMINATION THAT PROJECT IS JUSTIFIED.—In making a determination under subparagraph (A)(iii), the Secretary shall evaluate, analyze, and consider—

''(i) the reliability of the forecasting methods used to estimate costs and utilization made by the recipient and the contractors to the recipient; and

''(ii) population density and current public transportation ridership in the transportation corridor.

''(e) CORE CAPACITY IMPROVEMENT PROJECTS.—

''(1) PROJECT DEVELOPMENT PHASE.—

''(A) ENTRANCE INTO PROJECT DEVELOPMENT PHASE.—A core capacity improvement project shall be deemed to have entered into the project development phase if—

''(i) the applicant—

''(I) submits a letter to the Secretary describing the project and requesting entry into the project development phase; and

''(II) initiates activities required to be carried out under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to the project; and

''(ii) the Secretary responds in writing to the applicant within 45 days whether the information provided is sufficient to enter into the project development phase, including when necessary a detailed description of any information deemed insufficient.

''(B) ACTIVITIES DURING PROJECT DEVELOPMENT PHASE.—Concurrent with the analysis required to be made under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), each applicant shall develop sufficient information to enable the Secretary to make findings of project justification and local financial commitment under this subsection.

''(C) COMPLETION OF PROJECT DEVELOPMENT ACTIVITIES REQUIRED.—

''(i) IN GENERAL.—Not later than 2 years after the date on which a project enters into the project development phase, the applicant shall complete the activities required to obtain a project rating under subsection (g)(2) and submit completed documentation to the Secretary.

''(ii) EXTENSION OF TIME.—Upon the request of an applicant, the Secretary may extend the time period under clause (i), if the applicant submits to the Secretary—

''(I) a reasonable plan for completing the activities required under this paragraph; and

''(II) an estimated time period within which the applicant will complete such activities.

''(2) ENGINEERING PHASE.—

''(A) IN GENERAL.—A core capacity improvement project may advance into the engineering phase upon completion of activities required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), as demonstrated by a record of decision with respect to the project, a finding that the project has no significant impact, or a determination that the project is categorically excluded, only if the Secretary determines that the project—

''(i) is selected as the locally preferred alternative at the completion of the process required under the National Environmental Policy Act of 1969;

''(ii) is adopted into the metropolitan transportation plan required under section 5303;

''(iii) is in a corridor that is—

''(I) at or over capacity; or

''(II) projected to be at or over capacity within the next 5 years;

''(iv) is justified based on a comprehensive review of the project's mobility improvements, environmental benefits, and cost-effectiveness, as measured by cost per rider; and

''(v) is supported by an acceptable degree of local financial commitment (including evidence of stable and dependable financing sources), as required under subsection (f).

''(B) DETERMINATION THAT PROJECT IS JUSTIFIED.—In making a determination under subparagraph (A)(iv), the Secretary shall evaluate, analyze, and consider—

''(i) the reliability of the forecasting methods used to estimate costs and utilization made by the recipient and the contractors to the recipient;

''(ii) whether the project will adequately address the capacity concerns in a corridor;

''(iii) whether the project will improve interconnectivity among existing systems; and

''(iv) whether the project will improve environmental outcomes.

''(f) FINANCING SOURCES.—

''(1) REQUIREMENTS.—In determining whether a project is supported by an acceptable degree of local financial commitment and shows evidence of stable and dependable financing sources for purposes of subsection (d)(2)(A)(v) or (e)(2)(A)(v), the Secretary shall require that—

''(A) the proposed project plan provides for the availability of contingency amounts that the Secretary determines to be reasonable to cover unanticipated cost increases or funding shortfalls;

''(B) each proposed local source of capital and operating financing is stable, reliable, and available within the proposed project timetable; and

''(C) local resources are available to recapitalize, maintain, and operate the overall existing and 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 or level of service to operate the project.

''(2) CONSIDERATIONS.—In assessing the stability, reliability, and availability of proposed sources of local financing for purposes of subsection (d)(2)(A)(v) or (e)(2)(A)(v), the Secretary shall consider—

''(A) the reliability of the forecasting methods used to estimate costs and revenues made by the recipient and the contractors to the recipient;

''(B) existing grant commitments;

''(C) the degree to which financing sources are dedicated to the proposed purposes;

''(D) any debt obligation that exists, or is proposed by the recipient, for the proposed project or other public transportation purpose; and

''(E) the extent to which the project has a local financial commitment that exceeds the required non-Government share of the cost of the project.

''(g) PROJECT ADVANCEMENT AND RATINGS.—

''(1) PROJECT ADVANCEMENT.—A new fixed guideway capital project or core capacity improvement project proposed to be carried out using a grant under this section may not advance from the project development phase to the engineering phase, or from the engineering phase to the construction phase, unless the Secretary determines that—

''(A) the project meets the applicable requirements under this section; and

''(B) there is a reasonable likelihood that the project will continue to meet the requirements under this section.

''(2) RATINGS.—

''(A) OVERALL RATING.—In making a determination under paragraph (1), the Secretary shall evaluate and rate a project as a whole on a 5-point scale (high, medium-high, medium, medium-low, or low) based on—

''(i) in the case of a new fixed guideway capital project, the project justification criteria under subsection (d)(2)(A)(iii), the policies and land use patterns that support public transportation, and the degree of local financial commitment; and

''(ii) in the case of a core capacity improvement project, the capacity needs of the corridor, the project justification criteria under subsection (e)(2)(A)(iv), and the degree of local financial commitment.

''(B) INDIVIDUAL RATINGS FOR EACH CRITERION.—In rating a project under this paragraph, the Secretary shall—

''(i) provide, in addition to the overall project rating under subparagraph (A), individual ratings for each of the criteria established under subsection (d)(2)(A)(iii) or (e)(2)(A)(iv), as applicable; and

''(ii) give comparable, but not necessarily equal, numerical weight to each of the criteria established under subsections (d)(2)(A)(iii) or (e)(2)(A)(iv), as applicable, in calculating the overall project rating under clause (i).

''(C) MEDIUM RATING NOT REQUIRED.—The Secretary shall not require that any single project justification criterion meet or exceed a 'medium' rating in order to advance the project from one phase to another.

''(3) WARRANTS.—The Secretary shall, to the maximum extent practicable, develop and use special warrants for making a project justification determination under subsection (d)(2) or (e)(2), as applicable, for a project proposed to be funded using a grant under this section, if—

''(A) the share of the cost of the project to be provided under this section does not exceed—

''(i) $100,000,000; or

''(ii) 50 percent of the total cost of the project;

''(B) the applicant requests the use of the warrants;

''(C) the applicant certifies that its existing public transportation system is in a state of good repair; and

''(D) the applicant meets any other requirements that the Secretary considers appropriate to carry out this subsection.

''(4) LETTERS OF INTENT AND EARLY SYSTEMS WORK AGREEMENTS.—In order to expedite a project under this subsection, the Secretary shall, to the maximum extent practicable, issue letters of intent and enter into early systems work agreements upon issuance of a record of decision for projects that receive an overall project rating of medium or better.

''(5) POLICY GUIDANCE.—The Secretary shall issue policy guidance regarding the review and evaluation process and criteria—

''(A) not later than 180 days after the date of enactment of the Federal Public Transportation Act of 2012; and

''(B) each time the Secretary makes significant changes to the process and criteria, but not less frequently than once every 2 years.

''(6) RULES.—Not later than 1 year after the date of enactment of the Federal Public Transportation Act of 2012, the Secretary shall issue rules establishing an evaluation and rating process for—

''(A) new fixed guideway capital projects that is based on the results of project justification, policies and land use patterns that promote public transportation, and local financial commitment, as required under this subsection; and

''(B) core capacity improvement projects that is based on the results of the capacity needs of the corridor, project justification, and local financial commitment.

''(7) APPLICABILITY.—This subsection shall not apply to a project for which the Secretary issued a letter of intent, entered into a full funding grant agreement, or entered into a project construction agreement before

the date of enactment of the Federal Public Transportation Act of 2012.

''(h) PROGRAMS OF INTERRELATED PROJECTS.—

''(1) PROJECT DEVELOPMENT PHASE.—A federally funded project in a program of interrelated projects shall advance through project development as provided in subsection (d) or (e), as applicable.

''(2) ENGINEERING PHASE.—A federally funded project in a program of interrelated projects may advance into the engineering phase upon completion of activities required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), as demonstrated by a record of decision with respect to the project, a finding that the project has no significant impact, or a determination that the project is categorically excluded, only if the Secretary determines that—

''(A) the project is selected as the locally preferred alternative at the completion of the process required under the National Environmental Policy Act of 1969;

''(B) the project is adopted into the metropolitan transportation plan required under section 5303;

''(C) the program of interrelated projects involves projects that have a logical connectivity to one another;

''(D) the program of interrelated projects, when evaluated as a whole, meets the requirements of subsection (d)(2) or (e)(2), as applicable;

''(E) the program of interrelated projects is supported by a program implementation plan demonstrating that construction will begin on each of the projects in the program of interrelated projects within a reasonable time frame; and

''(F) the program of interrelated projects is supported by an acceptable degree of local financial commitment, as described in subsection (f).

''(3) PROJECT ADVANCEMENT AND RATINGS.—

''(A) PROJECT ADVANCEMENT.—A project receiving a grant under this section that is part of a program of interrelated projects may not advance from the project development phase to the engineering phase, or from the engineering phase to the construction phase, unless the Secretary determines that the program of interrelated projects meets the applicable requirements of this section and there is a reasonable likelihood that the program will continue to meet such requirements.

''(B) RATINGS.—

''(i) OVERALL RATING.—In making a determination under subparagraph (A), the Secretary shall evaluate and rate a program of interrelated projects on a 5-point scale (high, medium-high, medium, medium-low, or low) based on the criteria described in paragraph (2).

''(ii) INDIVIDUAL RATING FOR EACH CRITERION.—In rating a program of interrelated projects, the Secretary shall provide, in addition to the overall program rating, individual ratings for each of the criteria described in paragraph (2) and shall give comparable, but not necessarily equal, numerical weight to each such criterion in calculating the overall program rating.

''(iii) MEDIUM RATING NOT REQUIRED.—The Secretary shall not require that any single criterion described in paragraph (2) meet or exceed a 'medium' rating in order to advance the program of interrelated projects from one phase to another.

''(4) ANNUAL REVIEW.—

''(A) REVIEW REQUIRED.—The Secretary shall annually review the program implementation plan required under paragraph (2)(E) to determine whether the program of interrelated projects is adhering to its schedule.

''(B) EXTENSION OF TIME.—If a program of interrelated projects is not adhering to its schedule, the Secretary may, upon the request of the applicant, grant an extension of time if the applicant submits a reasonable plan that includes—

''(i) evidence of continued adequate funding; and

''(ii) an estimated time frame for completing the program of interrelated projects.

''(C) SATISFACTORY PROGRESS REQUIRED.—If the Secretary determines that a program of interrelated projects is not making satisfactory progress, no Federal funds shall be provided for a project within the program of interrelated projects.

''(5) FAILURE TO CARRY OUT PROGRAM OF INTERRELATED PROJECTS.—

''(A) REPAYMENT REQUIRED.—If an applicant does not carry out the program of interrelated projects within a reasonable time, for reasons within the control of the applicant, the applicant shall repay all Federal funds provided for the program, and any reasonable interest and penalty charges that the Secretary may establish.

''(B) CREDITING OF FUNDS RECEIVED.—Any funds received by the Government under this paragraph, other than interest and penalty charges, shall be credited to the appropriation account from which the funds were originally derived.

''(6) NON-FEDERAL FUNDS.—Any non-Federal funds committed to a project in a program of interrelated projects may be used to meet a non-Government share requirement for any other project in the program of interrelated projects, if the Government share of the cost of each project within the program of interrelated projects does not exceed 80 percent.

''(7) PRIORITY.—In making grants under this section, the Secretary may give priority to programs of interrelated projects for which the non-Government share of the cost of the projects included in the programs of interrelated projects exceeds the non-Government share required under subsection (k).

''(8) NON-GOVERNMENT PROJECTS.—Including a project not financed by the Government in a program of interrelated projects does not impose Government requirements that would not otherwise apply to the project.

''(i) PREVIOUSLY ISSUED LETTER OF INTENT OR FULL FUNDING GRANT AGREEMENT.—Subsections (d) and (e) shall not apply to projects for which the Secretary has issued a letter of intent, entered into a full funding grant agreement, or entered into a project construction grant agreement before the date of enactment of the Federal Public Transportation Act of 2012.

''(j) 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 new fixed guideway capital project or core capacity improvement project, 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 a capital project under this section, 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), 1501, and 1502(a) of title 31, United States Code, or an administrative commitment.

''(2) FULL FUNDING GRANT AGREEMENTS.—

''(A) IN GENERAL.—A new fixed guideway capital project or core capacity improvement project shall be carried out through a full funding grant agreement.

''(B) CRITERIA.—The Secretary shall enter into a full funding grant agreement, based on the evaluations and ratings required under subsection (d), (e), or (h), as applicable, with each grantee receiving assistance for a new fixed guideway capital project or core capacity improvement project that has been rated as high, medium-high, or medium, in accordance with subsection (g)(2)(A) or (h)(3)(B), as applicable.

''(C) TERMS.—A full funding grant agreement shall—

''(i) establish the terms of participation by the Government in a new fixed guideway capital project or core capacity improvement project;

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

''(iii) include the period of time for completing the project, even if that period extends 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.

''(D) SPECIAL FINANCIAL RULES.—

''(i) IN GENERAL.—A full funding grant 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 new fixed guideway capital project shall be sufficient to complete at least an operable segment.

''(E) BEFORE AND AFTER STUDY.—

''(i) IN GENERAL.—A full funding grant agreement under this paragraph shall require the applicant to conduct a study that—

''(I) describes and analyzes the impacts of the new fixed guideway capital project or core capacity improvement project on public transportation services and public transportation ridership;

''(II) evaluates the consistency of predicted and actual project characteristics and performance; and

''(III) identifies reasons for differences between predicted and actual outcomes.

''(ii) INFORMATION COLLECTION AND ANALYSIS PLAN.—

''(I) SUBMISSION OF PLAN.—Applicants seeking a full funding grant agreement under this paragraph shall submit a complete plan for the collection and analysis of information to identify the impacts of the new fixed guideway capital project or core capacity improvement project and the accuracy of the forecasts prepared during the development of the project. Preparation of this plan shall be included in the full funding grant agreement as an eligible activity.

''(II) CONTENTS OF PLAN.—The plan submitted under subclause (I) shall provide for—

''(aa) collection of data on the current public transportation system regarding public transportation service levels and ridership patterns, including origins and destinations, access modes, trip purposes, and rider characteristics;

''(bb) documentation of the predicted scope, service levels, capital costs, operating costs, and ridership of the project;

''(cc) collection of data on the public transportation system 2 years after the opening of a new fixed guideway capital project or core capacity improvement project, including analogous information on public transportation service levels and ridership patterns and information on the as-built scope, capital, and financing costs of the project; and

''(dd) analysis of the consistency of predicted project characteristics with actual outcomes.

''(F) COLLECTION OF DATA ON CURRENT SYSTEM.—To be eligible for a full funding grant agreement under this paragraph, recipients shall have collected data on the current system, according to the plan required under subparagraph (E)(ii), before the beginning of construction of the proposed new fixed guideway capital project or core capacity improvement project. Collection of this data shall be included in the full funding grant agreement as an eligible activity.

''(3) EARLY SYSTEMS WORK AGREEMENTS.—

''(A) CONDITIONS.—The Secretary may enter into 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.—An early systems work agreement under this paragraph obligates budget authority available under this chapter and title 23 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) CONTINGENT COMMITMENT.—An early systems work agreement 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.

''(iii) PERIOD COVERED.—An early systems 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.

''(iv) INTEREST AND OTHER FINANCING COSTS.—Interest and other financing costs of efficiently carrying out the early systems 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.

''(v) 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 Federal grant funds awarded for the project from all Federal funding sources, for all project activities, facilities, and equipment, plus reasonable interest and penalty charges allowable by law or established by the Secretary in the early systems work agreement.

''(vi) CREDITING OF FUNDS RECEIVED.—Any funds received by the Government under this paragraph, other than interest and penalty charges, shall be credited to the appropriation account from which the funds were originally derived.

''(4) LIMITATION ON AMOUNTS.—

''(A) IN GENERAL.—The Secretary may enter into full funding grant agreements under this subsection for new fixed guideway capital projects and core capacity improvement projects that contain contingent commitments to incur obligations in such amounts as the Secretary determines are appropriate.

''(B) APPROPRIATION REQUIRED.—An obligation may be made under this subsection only when amounts are appropriated for the obligation.

''(5) NOTIFICATION TO CONGRESS.—At least 30 days before issuing a letter of intent, entering into a full funding grant agreement, or entering into an early systems work agreement under this section, the Secretary shall notify, in writing, the Committee on Banking, Housing, and Urban Affairs and the Committee on Appropriations of the Senate and the Committee on Transportation and Infrastructure and the Committee on Appropriations of the House of Representatives 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.

''(k) GOVERNMENT SHARE OF NET CAPITAL PROJECT COST.—

''(1) IN GENERAL.—Based on engineering studies, studies of economic feasibility, and information on the expected use of equipment or facilities, the Secretary shall estimate the net capital project cost. A grant for the project shall not exceed 80 percent of the net capital project cost.

''(2) ADJUSTMENT FOR COMPLETION UNDER BUDGET.—The Secretary may adjust the final net capital project cost of a new fixed guideway capital project or core capacity improvement project evaluated under subsection (d), (e), or (h) to include the cost of eligible activities not included in the originally defined project if the Secretary determines that the originally defined project has been completed at a cost that is significantly below the original estimate.

''(3) MAXIMUM GOVERNMENT SHARE.—The Secretary may provide a higher grant percentage than requested by the grant recipient if—

''(A) the Secretary determines that the net capital project cost of the project is not more than 10 percent higher than the net capital project cost estimated at the time the project was approved for advancement into the engineering phase; and

''(B) the ridership estimated for the project is not less than 90 percent of the ridership estimated for the project at the time the project was approved for advancement into the engineering phase.

''(4) REMAINDER OF NET CAPITAL PROJECT COST.—The remainder of the net capital project cost shall be provided from an undistributed cash surplus, a replacement or depreciation cash fund or reserve, or new capital.

''(5) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section 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.

''(6) 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 provided by 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.

''(7) LIMITATION ON APPLICABILITY.—This subsection shall not apply to projects for which the Secretary entered into a full funding grant agreement before the date of enactment of the Federal Public Transportation Act of 2012.

''(l) UNDERTAKING PROJECTS IN ADVANCE.—

''(1) IN GENERAL.—The Secretary may pay the Government 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 the State or local governmental authority carries 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 financing terms.

''(m) AVAILABILITY OF AMOUNTS.—

''(1) IN GENERAL.—An amount made available or appropriated for a new fixed guideway capital project or core capacity improvement project shall remain available to that project for 5 fiscal years, including the fiscal year in which the amount is made available or appropriated. Any amounts that are unobligated to the project at the end of the 5-fiscal-year period may be used by the Secretary for any purpose under this section.

''(2) USE OF DEOBLIGATED AMOUNTS.—An amount available under this section that is deobligated may be used for any purpose under this section.

''(n) REPORTS ON NEW FIXED GUIDEWAY AND CORE CAPACITY IMPROVEMENT PROJECTS.—

''(1) ANNUAL REPORT ON FUNDING RECOMMENDATIONS.—Not later than the first Monday in February of each year, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs and the Committee on Appropriations of the Senate and the Committee on Transportation and Infrastructure and the Committee on Appropriations of the House of Representatives a report that includes—

''(A) a proposal of allocations of amounts to be available to finance grants for projects under this section among applicants for these amounts;

''(B) evaluations and ratings, as required under subsections (d), (e), and (h), for each such project that is in project development, engineering, or has received a full funding grant agreement; 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 based on information currently available to the Secretary.

''(2) REPORTS ON BEFORE AND AFTER STUDIES.—Not later than the first Monday in August of each year, the Secretary shall submit to the committees described in paragraph (1) a report containing a summary of the results of any studies conducted under subsection (j)(2)(E).

''(3) ANNUAL GAO REVIEW.—The Comptroller General of the United States shall—

''(A) conduct an annual review of—

''(i) the processes and procedures for evaluating, rating, and recommending new fixed guideway capital projects and core capacity improvement 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.''.

(b) PILOT PROGRAM FOR EXPEDITED PROJECT DELIVERY.—

(1) DEFINITIONS.—In this subsection the following definitions shall apply:

(A) ELIGIBLE PROJECT.—The term ''eligible project'' means a new fixed guideway capital project or a core capacity improvement project, as those terms are defined in section 5309 of title 49, United States Code, as amended by this section, that has not entered into a full funding grant agreement with the Federal Transit Administration before the date of enactment of the Federal Public Transportation Act of 2012.

(B) PROGRAM.—The term ''program'' means the pilot program for expedited project delivery established under this subsection.

(C) RECIPIENT.—The term ''recipient'' means a recipient of funding under chapter 53 of title 49, United States Code.

(D) SECRETARY.—The term ''Secretary'' means the Secretary of Transportation.

(2) ESTABLISHMENT.—The Secretary shall establish and implement a pilot program to demonstrate whether innovative project development and delivery methods or innovative financing arrangements can expedite project delivery for certain meritorious new fixed guideway capital projects and core capacity improvement projects.

(3) LIMITATION ON NUMBER OF PROJECTS.—The Secretary shall select 3 eligible projects to participate in the program, of which—

(A) at least 1 shall be an eligible project requesting more than $100,000,000 in Federal financial assistance under section 5309 of title 49, United States Code; and

(B) at least 1 shall be an eligible project requesting less than $100,000,000 in Federal financial assistance under section 5309 of title 49, United States Code.

(4) GOVERNMENT SHARE.—The Government share of the total cost of an eligible project that participates in the program may not exceed 50 percent.

(5) ELIGIBILITY.—A recipient that desires to participate in the program shall submit to the Secretary an application that contains, at a minimum—

(A) identification of an eligible project;

(B) a schedule and finance plan for the construction and operation of the eligible project;

(C) an analysis of the efficiencies of the proposed project development and delivery methods or innovative financing arrangement for the eligible project; and

(D) a certification that the recipient's existing public transportation system is in a state of good repair.

(6) SELECTION CRITERIA.—The Secretary may award a full funding grant agreement under this subsection if the Secretary determines that—

(A) the recipient has completed planning and the activities required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(B) the recipient has the necessary legal, financial, and technical capacity to carry out the eligible project.

(7) BEFORE AND AFTER STUDY AND REPORT.—

(A) STUDY REQUIRED.—A full funding grant agreement under this paragraph shall require a recipient to conduct a study that—

(i) describes and analyzes the impacts of the eligible project on public transportation services and public transportation ridership;

(ii) describes and analyzes the consistency of predicted and actual benefits and costs of the innovative project development and delivery methods or innovative financing for the eligible project; and

(iii) identifies reasons for any differences between predicted and actual outcomes for the eligible project.

(B) SUBMISSION OF REPORT.—Not later than 9 months after an eligible project selected to participate in the program begins revenue operations, the recipient shall submit to the Secretary a report on the results of the study under subparagraph (A).

**SEC. 20011. FORMULA GRANTS FOR THE ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES.**

Section 5310 of title 49, United States Code, is amended to read as follows:

**''§ 5310. Formula grants for the enhanced mobility of seniors and individuals with disabilities**

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

''(1) RECIPIENT.—The term 'recipient' means a designated recipient or 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 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 recipients for—

''(A) public transportation capital projects planned, designed, and carried out to meet the special needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable;

''(B) public transportation projects that exceed the requirements of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);

''(C) public transportation projects that improve access to fixed route service and decrease reliance by individuals with disabilities on complementary paratransit; and

''(D) alternatives to public transportation that assist seniors and individuals with disabilities with transportation.

''(2) LIMITATIONS FOR CAPITAL PROJECTS.—

''(A) AMOUNT AVAILABLE.—The amount available for capital projects under paragraph (1)(A) shall be not less than 55 percent of the funds apportioned to the recipient under this section.

''(B) ALLOCATION TO SUBRECIPIENTS.—A recipient of a grant under paragraph (1)(A) may allocate the amounts provided under the grant to—

''(i) a nonprofit organization; or

''(ii) a State or local governmental authority that—

''(I) is approved by a State to coordinate services for seniors and individuals with disabilities; or

''(II) certifies that there are no nonprofit organizations readily available in the area to provide the services described in paragraph (1)(A).

''(3) ADMINISTRATIVE EXPENSES.—

''(A) IN GENERAL.—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.

''(B) GOVERNMENT SHARE OF COSTS.—The Government share of the costs of administering a program carried out using funds under this section shall be 100 percent.

''(4) ELIGIBLE CAPITAL EXPENSES.—The acquisition of public transportation services is an eligible capital expense under this section.

''(5) COORDINATION.—

''(A) DEPARTMENT OF TRANSPORTATION.—To the maximum extent feasible, the Secretary shall coordinate activities under this section with related activities under other Federal departments and agencies.

''(B) OTHER FEDERAL AGENCIES AND NONPROFIT ORGANIZATIONS.—A State or local governmental authority or nonprofit organization that receives assistance from Government sources (other than the Department of Transportation) for nonemergency transportation services shall—

''(i) participate and coordinate with recipients of assistance under this chapter in the design and delivery of transportation services; and

''(ii) participate in the planning for the transportation services described in clause (i).

''(6) PROGRAM OF PROJECTS.—

''(A) IN GENERAL.—Amounts made available to carry out this section may be used for transportation projects to assist in providing transportation services for seniors and individuals with disabilities, if such transportation projects are included in a program of projects.

''(B) SUBMISSION.—A recipient shall annually submit a program of projects to the Secretary.

''(C) ASSURANCE.—The program of projects submitted under subparagraph (B) shall contain an assurance that the program provides for the maximum feasible coordination of transportation services assisted under this section with transportation services assisted by other Government sources.

''(7) MEAL DELIVERY FOR HOMEBOUND INDIVIDUALS.—A public transportation service provider that receives assistance under this section or section 5311(c) may coordinate and assist in regularly providing meal delivery service for homebound individuals, if the delivery service does not conflict with providing public transportation service or reduce service to public transportation passengers.

''(c) APPORTIONMENT AND TRANSFERS.—

''(1) FORMULA.—The Secretary shall apportion amounts made available to carry out this section as follows:

''(A) LARGE URBANIZED AREAS.—Sixty percent of the funds shall be apportioned among designated recipients for urbanized areas with a population of 200,000 or more individuals, as determined by the Bureau of the Census, in the ratio that—

''(i) the number of seniors and individuals with disabilities in each such urbanized area; bears to

''(ii) the number of seniors and individuals with disabilities in all such urbanized areas.

''(B) SMALL URBANIZED AREAS.—Twenty percent of the funds shall be apportioned among the States in the ratio that—

''(i) the number of seniors and individuals with disabilities in urbanized areas with a population of fewer than 200,000 individuals, as determined by the Bureau of the Census, in each State; bears to

''(ii) the number of seniors and individuals with disabilities in urbanized areas with a population of fewer than 200,000 individuals,

as determined by the Bureau of the Census, in all States.

''(C) OTHER THAN URBANIZED AREAS.—Twenty percent of the funds shall be apportioned among the States in the ratio that—

''(i) the number of seniors and individuals with disabilities in other than urbanized areas in each State; bears to

''(ii) the number of seniors and individuals with disabilities in other than urbanized areas in all States.

''(2) AREAS SERVED BY PROJECTS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B)—

''(i) funds apportioned under paragraph (1)(A) shall be used for projects serving urbanized areas with a population of 200,000 or more individuals, as determined by the Bureau of the Census;

''(ii) funds apportioned under paragraph (1)(B) shall be used for projects serving urbanized areas with a population of fewer than 200,000 individuals, as determined by the Bureau of the Census; and

''(iii) funds apportioned under paragraph (1)(C) shall be used for projects serving other than urbanized areas.

''(B) EXCEPTIONS.—A State may use funds apportioned to the State under subparagraph (B) or (C) of paragraph (1)—

''(i) for a project serving an area other than an area specified in subparagraph (A)(ii) or (A)(iii), 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 area specified in subparagraph (A)(ii) or (A)(iii); or

''(ii) for a project anywhere in the State, if the State has established a statewide program for meeting the objectives of this section.

''(C) LIMITED TO ELIGIBLE PROJECTS.—Any funds transferred pursuant to subparagraph (B) shall be made available only for eligible projects selected under this section.

''(D) CONSULTATION.—A recipient may transfer an amount under subparagraph (B) only after consulting with responsible local officials, publicly owned operators of public transportation, and nonprofit providers in the area for which the amount was originally apportioned.

''(d) GOVERNMENT SHARE OF COSTS.—

''(1) CAPITAL PROJECTS.—A grant for a capital project under this section shall be in an amount equal to 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 an amount equal to 50 percent of the net operating costs of the project, as determined by the Secretary.

''(3) REMAINDER OF NET COSTS.—The remainder of the net costs of a project carried out under this section—

''(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 or otherwise made available—

''(i) to a department or agency of the Government (other than the Department of Transportation) that are eligible to be expended for transportation; or

''(ii) to carry out the Federal lands highways program under section 204 of title 23, United States Code.

''(4) USE OF CERTAIN FUNDS.—For purposes of paragraph (3)(B)(i), the prohibition under section 403(a)(5)(C)(vii) of the Social Security Act (42 U.S.C. 603(a)(5)(C)(vii)) on the use of grant funds for matching requirements shall not apply to Federal or State funds to be used for transportation purposes.

''(e) GRANT REQUIREMENTS.—

''(1) IN GENERAL.—A grant under this section shall be subject to the same requirements as a grant under section 5307, to the extent the Secretary determines appropriate.

''(2) CERTIFICATION REQUIREMENTS.—

''(A) PROJECT SELECTION AND PLAN DEVELOPMENT.—Before receiving a grant under this section, each recipient shall certify that—

''(i) the projects selected by the recipient are included in a locally developed, coordinated public transit-human services transportation plan;

''(ii) the plan described in clause (i) was developed and approved through a process that included participation by seniors, individuals with disabilities, representatives of public, private, and nonprofit transportation and human services providers, and other members of the public; and

''(iii) to the maximum extent feasible, the services funded under this section will be coordinated with transportation services assisted by other Federal departments and agencies.

''(B) ALLOCATIONS TO SUBRECIPIENTS.—If a recipient allocates funds received under this section to subrecipients, the recipient shall certify that the funds are allocated on a fair and equitable basis.

''(f) COMPETITIVE PROCESS FOR GRANTS TO SUBRECIPIENTS.—

''(1) AREAWIDE SOLICITATIONS.—A recipient of funds apportioned under subsection (c)(1)(A) may conduct, in cooperation with the appropriate metropolitan planning organization, an areawide solicitation for applications for grants under this section.

''(2) STATEWIDE SOLICITATIONS.—A recipient of funds apportioned under subparagraph (B) or (C) of subsection (c)(1) may conduct a statewide solicitation for applications for grants under this section.

''(3) APPLICATION.—If the recipient elects to engage in a competitive process, a recipient or subrecipient seeking to receive a grant from funds apportioned under subsection (c) shall submit to the recipient making the election an application in such form and in accordance with such requirements as the recipient making the election shall establish.

''(g) TRANSFERS OF FACILITIES AND EQUIPMENT.—A recipient may transfer a facility or equipment acquired using a grant under this section to any other recipient eligible to receive assistance under this chapter, if—

''(1) the recipient in possession of the facility or equipment consents to the transfer; and

''(2) the facility or equipment will continue to be used as required under this section.

''(h) PERFORMANCE MEASURES.—

''(1) IN GENERAL.—Not later than 1 year after the date of enactment of the Federal Public Transportation Act of 2012, the Secretary shall issue a final rule to establish performance measures for grants under this section.

''(2) TARGETS.—Not later than 3 months after the date on which the Secretary issues a final rule under paragraph (1), and each fiscal year thereafter, each recipient that receives Federal financial assistance under this section shall establish performance targets in relation to the performance measures established by the Secretary.

''(3) REPORTS.—Each recipient of Federal financial assistance under this section shall submit to the Secretary an annual report that describes—

''(A) the progress of the recipient toward meeting the performance targets established under paragraph (2) for that fiscal year; and

''(B) the performance targets established by the recipient for the subsequent fiscal year.''.

**SEC. 20012. FORMULA GRANTS FOR OTHER THAN URBANIZED AREAS.**

Section 5311 of title 49, United States Code, is amended to read as follows:

**''§ 5311. Formula grants for other than urbanized areas**

''(a) DEFINITIONS.—As used in this section, the following definitions shall apply:

''(1) RECIPIENT.—The term 'recipient' means a State or Indian tribe that receives a Federal transit program grant directly from the Government.

''(2) SUBRECIPIENT.—The term 'subrecipient' means a State or local governmental authority, a nonprofit organization, or an operator of public transportation or intercity bus service that receives Federal transit program grant funds indirectly through a recipient.

''(b) GENERAL AUTHORITY.—

''(1) GRANTS AUTHORIZED.—Except as provided by paragraph (2), the Secretary may award grants under this section to recipients located in areas other than urbanized areas for—

''(A) planning, provided that a grant under this section for planning activities shall be in addition to funding awarded to a State under section 5305 for planning activities that are directed specifically at the needs of other than urbanized areas in the State;

''(B) public transportation capital projects;

''(C) operating costs of equipment and facilities for use in public transportation; and

''(D) the acquisition of public transportation services, including service agreements with private providers of public transportation service.

''(2) STATE PROGRAM.—

''(A) IN GENERAL.—A project eligible for a grant under this section shall be included in a State program for public transportation service projects, including agreements with private providers of public transportation service.

''(B) SUBMISSION TO SECRETARY.—Each State shall submit to the Secretary annually the program described in subparagraph (A).

''(C) APPROVAL.—The Secretary may not approve the program unless the Secretary determines that—

''(i) the program provides a fair distribution of amounts in the State, including Indian reservations; and

''(ii) the program provides 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 under section 5338(a)(2)(F) 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.

''(4) DATA COLLECTION.—Each recipient under this section shall submit an annual report to the Secretary containing information on capital investment, operations, and service provided with funds received under this section, including—

''(A) total annual revenue;

''(B) sources of revenue;

''(C) total annual operating costs;

''(D) total annual capital costs;

''(E) fleet size and type, and related facilities;

''(F) vehicle revenue miles; and

''(G) ridership.

''(c) APPORTIONMENTS.—

''(1) PUBLIC TRANSPORTATION ON INDIAN RESERVATIONS.—Of the amounts made available or appropriated for each fiscal year pursuant to section 5338(a)(2)(F) to carry out this paragraph, the following amounts shall be apportioned each fiscal year for grants to Indian tribes for any purpose eligible under this section, under such terms and conditions as may be established by the Secretary:

''(A) $10,000,000 shall be distributed on a competitive basis by the Secretary.

''(B) $20,000,000 shall be apportioned as formula grants, as provided in subsection (k).

''(2) APPALACHIAN DEVELOPMENT PUBLIC TRANSPORTATION ASSISTANCE PROGRAM.—

''(A) DEFINITIONS.—In this paragraph—

''(i) the term 'Appalachian region' has the same meaning as in section 14102 of title 40; and

''(ii) the term 'eligible recipient' means a State that participates in a program established under subtitle IV of title 40.

''(B) IN GENERAL.—The Secretary shall carry out a public transportation assistance program in the Appalachian region.

''(C) APPORTIONMENT.—Of amounts made available or appropriated for each fiscal year under section 5338(a)(2)(F) to carry out this paragraph, the Secretary shall apportion funds to eligible recipients for any purpose eligible under this section, based on the guidelines established under section 9.5(b) of the Appalachian Regional Commission Code.

''(D) SPECIAL RULE.—An eligible recipient may use amounts that cannot be used for operating expenses under this paragraph for a highway project if—

''(i) that use is approved, in writing, by the eligible recipient after appropriate notice and an opportunity for comment and appeal are provided to affected public transportation providers; and

''(ii) the eligible recipient, in approving the use of amounts under this subparagraph, determines that the local transit needs are being addressed.

''(3) REMAINING AMOUNTS.—

''(A) IN GENERAL.—The amounts made available or appropriated for each fiscal year pursuant to section 5338(a)(2)(F) that are not apportioned under paragraph (1) or (2) shall be apportioned in accordance with this paragraph.

''(B) APPORTIONMENT BASED ON LAND AREA AND POPULATION IN NONURBANIZED AREAS.—

''(i) IN GENERAL.—83.15 percent of the amount described in subparagraph (A) shall be apportioned to the States in accordance with this subparagraph.

''(ii) LAND AREA.—

''(I) IN GENERAL.—Subject to subclause (II), each State shall receive an amount that is equal to 20 percent of the amount apportioned under clause (i), multiplied by the ratio of the land area in areas other than urbanized areas in that State and divided by the land area in all areas other than urbanized areas in the United States, as shown by the most recent decennial census of population.

''(II) MAXIMUM APPORTIONMENT.—No State shall receive more than 5 percent of the amount apportioned under subclause (I).

''(iii) POPULATION.—Each State shall receive an amount equal to 80 percent of the amount apportioned under clause (i), multiplied by the ratio of the population of areas other than urbanized areas in that State and divided by the population of all areas other than urbanized areas in the United States, as shown by the most recent decennial census of population.

''(C) APPORTIONMENT BASED ON LAND AREA, VEHICLE REVENUE MILES, AND LOW-INCOME INDIVIDUALS IN NONURBANIZED AREAS.—

''(i) IN GENERAL.—16.85 percent of the amount described in subparagraph (A) shall be apportioned to the States in accordance with this subparagraph.

''(ii) LAND AREA.—Subject to clause (v), each State shall receive an amount that is equal to 29.68 percent of the amount apportioned under clause (i), multiplied by the ratio of the land area in areas other than urbanized areas in that State and divided by the land area in all areas other than urbanized areas in the United States, as shown by the most recent decennial census of population.

''(iii) VEHICLE REVENUE MILES.—Subject to clause (v), each State shall receive an amount that is equal to 29.68 percent of the amount apportioned under clause (i), multiplied by the ratio of vehicle revenue miles in areas other than urbanized areas in that State and divided by the vehicle revenue miles in all areas other than urbanized areas in the United States, as determined by national transit database reporting.

''(iv) LOW-INCOME INDIVIDUALS.—Each State shall receive an amount that is equal to 40.64 percent of the amount apportioned under clause (i), multiplied by the ratio of low-income individuals in areas other than urbanized areas in that State and divided by the number of low-income individuals in all areas other than urbanized areas in the United States, as shown by the Bureau of the Census.

''(v) MAXIMUM APPORTIONMENT.—No State shall receive—

''(I) more than 5 percent of the amount apportioned under clause (ii); or

''(II) more than 5 percent of the amount apportioned under clause (iii).

''(d) USE FOR LOCAL TRANSPORTATION SERVICE.—A State may use an amount apportioned under this section for a project included in a program under subsection (b) of this section and eligible for assistance under this chapter if the project will provide local transportation service, as defined by the Secretary of Transportation, in an area other than an urbanized area.

''(e) USE FOR ADMINISTRATION, PLANNING, AND TECHNICAL ASSISTANCE.—The Secretary may allow a State to use not more than 15 percent of the amount apportioned under this section to administer this section and provide technical assistance to a subrecipient, including project planning, program and management development, coordination of public transportation programs, and research the State considers appropriate to promote effective delivery of public transportation to an area other than an urbanized area.

''(f) INTERCITY BUS TRANSPORTATION.—

''(1) IN GENERAL.—A State shall expend at least 15 percent of the amount made available in each fiscal year to carry out a program to develop and support intercity bus transportation. Eligible activities under the program include—

''(A) planning and marketing for intercity bus transportation;

''(B) capital grants for intercity bus shelters;

''(C) joint-use stops and depots;

''(D) operating grants through purchase-of-service agreements, user-side subsidies, and demonstration projects; and

''(E) coordinating rural connections between small public transportation operations and intercity bus carriers.

''(2) CERTIFICATION.—A State does not have to comply with paragraph (1) of this subsection in a fiscal year in which the Governor of the State certifies to the Secretary, after consultation with affected intercity bus service providers, that the intercity bus service needs of the State are being met adequately.

''(g) ACCESS TO JOBS PROJECTS.—

''(1) IN GENERAL.—Amounts made available under section 5338(a)(2)(F) may be used to carry out a program to develop and maintain job access projects. Eligible projects may include—

''(A) projects relating to the development and maintenance of public transportation services designed to transport eligible low-income individuals to and from jobs and activities related to their employment, including—

''(i) public transportation projects to finance planning, capital, and operating costs of providing access to jobs under this chapter;

''(ii) promoting public transportation by low-income workers, including the use of public transportation by workers with non-traditional work schedules;

''(iii) promoting the use of transit vouchers for welfare recipients and eligible low-income individuals; and

''(iv) promoting the use of employer-provided transportation, including the transit pass benefit program under section 132 of the Internal Revenue Code of 1986; and

''(B) transportation projects designed to support the use of public transportation including—

''(i) enhancements to existing public transportation service for workers with non-traditional hours or reverse commutes;

''(ii) guaranteed ride home programs;

''(iii) bicycle storage facilities; and

''(iv) projects that otherwise facilitate the provision of public transportation services to employment opportunities.

''(2) PROJECT SELECTION AND PLAN DEVELOPMENT.—Each grant recipient under this subsection shall certify that—

''(A) the projects selected were included in a locally developed, coordinated public transit-human services transportation plan;

''(B) the plan was developed and approved through a process that included participation by low-income individuals, representatives of public, private, and nonprofit transportation and human services providers, and the public;

''(C) to the maximum extent feasible, services funded under this subsection are coordinated with transportation services funded by other Federal departments and agencies; and

''(D) allocations of the grant to subrecipients, if any, are distributed on a fair and equitable basis.

''(3) COMPETITIVE PROCESS FOR GRANTS TO SUBRECIPIENTS.—

''(A) STATEWIDE SOLICITATIONS.—A State may conduct a statewide solicitation for applications for grants to recipients and subrecipients under this subsection.

''(B) APPLICATION.—If the State elects to engage in a competitive process, recipients and subrecipients seeking to receive a grant from apportioned funds shall submit to the State an application in the form and in accordance with such requirements as the State shall establish.

''(h) GOVERNMENT SHARE OF COSTS.—

''(1) CAPITAL PROJECTS.—

''(A) IN GENERAL.—Except as provided by subparagraph (B), a grant awarded under this section for a capital project or project administrative expenses shall be for 80 percent of the net costs of the project, as determined by the Secretary.

''(B) EXCEPTION.—A State described in section 120(b) of title 23 shall receive a Government share of the net costs in accordance with the formula under that section.

''(2) OPERATING ASSISTANCE.—

''(A) IN GENERAL.—Except as provided by subparagraph (B), 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.

''(B) EXCEPTION.—A State described in section 120(b) of title 23 shall receive a Government share of the net operating costs equal to 62.5 percent of the Government share provided for under paragraph (1)(B).

''(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;

''(B) may be derived from amounts appropriated or otherwise made available to a department or agency of the Government (other than the Department of Transportation) that are eligible to be expended for transportation; and

''(C) notwithstanding subparagraph (B), may be derived from amounts made available to carry out the Federal lands highway program established by section 204 of title 23.

''(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.

''(i) TRANSFER OF FACILITIES AND EQUIPMENT.—With the consent of the recipient currently having a facility or equipment acquired with assistance under this section, a State may transfer the facility or equipment to any recipient eligible to receive assistance under this chapter if the facility or equipment will continue to be used as required under this section.

''(j) RELATIONSHIP TO OTHER LAWS.—

''(1) IN GENERAL.—Section 5333(b) applies to this section if the Secretary of Labor utilizes a special warranty that provides a fair and equitable arrangement to protect the interests of employees.

''(2) RULE OF CONSTRUCTION.—This subsection does not affect or discharge a responsibility of the Secretary of Transportation under a law of the United States.

''(k) FORMULA GRANTS FOR PUBLIC TRANSPORTATION ON INDIAN RESERVATIONS.—

''(1) APPORTIONMENT.—

''(A) IN GENERAL.—Of the amounts described in subsection (c)(1)(B)—

''(i) 50 percent of the total amount shall be apportioned so that each Indian tribe providing public transportation service shall receive an amount equal to the total amount apportioned under this clause multiplied by the ratio of the number of vehicle revenue miles provided by an Indian tribe divided by the total number of vehicle revenue miles provided by all Indian tribes, as reported to the Secretary;

''(ii) 25 percent of the total amount shall be apportioned equally among each Indian tribe providing at least 200,000 vehicle revenue miles of public transportation service annually, as reported to the Secretary; and

''(iii) 25 percent of the total amount shall be apportioned among each Indian tribe providing public transportation on tribal lands on which more than 1,000 low-income individuals reside (as determined by the Bureau of the Census) so that each Indian tribe shall receive an amount equal to the total amount apportioned under this clause multiplied by the ratio of the number of low-income individuals residing on an Indian tribe's lands divided by the total number of low-income individuals on tribal lands on which more than 1,000 low-income individuals reside.

''(B) LIMITATION.—No recipient shall receive more than $300,000 of the amounts apportioned under subparagraph (A)(iii) in a fiscal year.

''(C) REMAINING AMOUNTS.—Of the amounts made available under subparagraph (A)(iii), any amounts not apportioned under that subparagraph shall be allocated among Indian tribes receiving less than $300,000 in a fiscal year according to the formula specified in that clause.

''(D) LOW-INCOME INDIVIDUALS.—For purposes of subparagraph (A)(iii), the term 'low-income individual' means an individual whose family income is at or below 100 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.

''(2) NON-TRIBAL SERVICE PROVIDERS.—A recipient that is an Indian tribe may use funds apportioned under this subsection to finance public transportation services provided by a non-tribal provider of public transportation that connects residents of tribal lands with surrounding communities, improves access to employment or healthcare, or otherwise addresses the mobility needs of tribal members.''.

**SEC. 20013. RESEARCH, DEVELOPMENT, DEMONSTRATION, AND DEPLOYMENT PROJECTS.**

Section 5312 of title 49, United States Code, is amended to read as follows:

**''§ 5312. Research, development, demonstration, and deployment projects**

''(a) RESEARCH, DEVELOPMENT, DEMONSTRATION, AND DEPLOYMENT PROJECTS.—

''(1) IN GENERAL.—The Secretary may make grants and enter into contracts, cooperative agreements, and other agreements for research, development, demonstration, and deployment projects, and evaluation of research and technology of national significance to public transportation, that the Secretary determines will improve public transportation.

''(2) AGREEMENTS.—In order to carry out paragraph (1), the Secretary may make grants to and enter into contracts, cooperative agreements, and other agreements with—

''(A) departments, agencies, and instrumentalities of the Government;

''(B) State and local governmental entities;

''(C) providers of public transportation;

''(D) private or non-profit organizations;

''(E) institutions of higher education; and

''(F) technical and community colleges.

''(3) APPLICATION.—

''(A) IN GENERAL.—To receive a grant, contract, cooperative agreement, or other agreement under this section, an entity described in paragraph (2) shall submit an application to the Secretary.

''(B) FORM AND CONTENTS.—An application under subparagraph (A) shall be in such form and contain such information as the Secretary may require, including—

''(i) a statement of purpose detailing the need being addressed;

''(ii) the short- and long-term goals of the project, including opportunities for future innovation and development, the potential for deployment, and benefits to riders and public transportation; and

''(iii) the short- and long-term funding requirements to complete the project and any future objectives of the project.

''(b) RESEARCH.—

''(1) IN GENERAL.—The Secretary may make a grant to or enter into a contract, cooperative agreement, or other agreement under this section with an entity described in subsection (a)(2) to carry out a public transportation research project that has as its ultimate goal the development and deployment of new and innovative ideas, practices, and approaches.

''(2) PROJECT ELIGIBILITY.—A public transportation research project that receives assistance under paragraph (1) shall focus on—

''(A) providing more effective and efficient public transportation service, including services to—

''(i) seniors;

''(ii) individuals with disabilities; and

''(iii) low-income individuals;

''(B) mobility management and improvements and travel management systems;

''(C) data and communication system advancements;

''(D) system capacity, including—

''(i) train control;

''(ii) capacity improvements; and

''(iii) performance management;

''(E) capital and operating efficiencies;

''(F) planning and forecasting modeling and simulation;

''(G) advanced vehicle design;

''(H) advancements in vehicle technology;

''(I) asset maintenance and repair systems advancement;

''(J) construction and project management;

''(K) alternative fuels;

''(L) the environment and energy efficiency;

''(M) safety improvements; or

''(N) any other area that the Secretary determines is important to advance the interests of public transportation.

''(c) INNOVATION AND DEVELOPMENT.—

''(1) IN GENERAL.—The Secretary may make a grant to or enter into a contract, cooperative agreement, or other agreement under this section with an entity described in subsection (a)(2) to carry out a public transportation innovation and development project that seeks to improve public transportation systems nationwide in order to provide more efficient and effective delivery of public transportation services, including through technology and technological capacity improvements.

''(2) PROJECT ELIGIBILITY.—A public transportation innovation and development project that receives assistance under paragraph (1) shall focus on—

''(A) the development of public transportation research projects that received assistance under subsection (b) that the Secretary determines were successful;

''(B) planning and forecasting modeling and simulation;

''(C) capital and operating efficiencies;

''(D) advanced vehicle design;

''(E) advancements in vehicle technology;

''(F) the environment and energy efficiency;

''(G) system capacity, including train control and capacity improvements; or

''(H) any other area that the Secretary determines is important to advance the interests of public transportation.

''(d) DEMONSTRATION, DEPLOYMENT, AND EVALUATION.—

''(1) IN GENERAL.—The Secretary may, under terms and conditions that the Secretary prescribes, make a grant to or enter into a contract, cooperative agreement, or other agreement with an entity described in paragraph (2) to promote the early deployment and demonstration of innovation in public transportation that has broad applicability.

''(2) PARTICIPANTS.—An entity described in this paragraph is—

''(A) an entity described in subsection (a)(2); or

''(B) a consortium of entities described in subsection (a)(2), including a provider of public transportation, that will share the costs, risks, and rewards of early deployment and demonstration of innovation.

''(3) PROJECT ELIGIBILITY.—A project that receives assistance under paragraph (1) shall seek to build on successful research, innovation, and development efforts to facilitate—

''(A) the deployment of research and technology development resulting from private efforts or federally funded efforts; and

''(B) the implementation of research and technology development to advance the interests of public transportation.

''(4) EVALUATION.—Not later than 2 years after the date on which a project receives assistance under paragraph (1), the Secretary shall conduct a comprehensive evaluation of the success or failure of the projects funded under this subsection and any plan for broad-based implementation of the innovation promoted by successful projects.

''(e) ANNUAL REPORT ON RESEARCH.—Not later than the first Monday in February of each year, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs and the Committee on Appropriations of the Senate and the Committee on Transportation and Infrastructure and the Committee on Appropriations of the House of Representatives a report that includes—

''(1) a description of each project that received assistance under this section during the preceding fiscal year;

''(2) an evaluation of each project described in paragraph (1), including any evaluation conducted under subsection (d)(4) for the preceding fiscal year; and

''(3) a proposal for allocations of amounts for assistance under this section for the subsequent fiscal year.

''(f) GOVERNMENT SHARE OF COSTS.—

''(1) IN GENERAL.—The Government share of the cost of a project carried out under this section shall not exceed 80 percent.

''(2) NON-GOVERNMENT SHARE.—The non-Government share of the cost of a project carried out under this section may be derived from in-kind contributions.

''(3) FINANCIAL BENEFIT.—If the Secretary determines that there would be a clear and direct financial benefit to an entity under a grant, contract, cooperative agreement, or other agreement under this section, the Secretary shall establish a Government share of the costs of the project to be carried out under the grant, contract, cooperative agreement, or other agreement that is consistent with the benefit.''.

**SEC. 20014. TECHNICAL ASSISTANCE AND STANDARDS DEVELOPMENT.**

Section 5314 of title 49, United States Code, is amended to read as follows:

**''§ 5314. Technical assistance and standards development**

''(a) TECHNICAL ASSISTANCE AND STANDARDS DEVELOPMENT.—

''(1) IN GENERAL.—The Secretary may make grants and enter into contracts, cooperative agreements, and other agreements (including agreements with departments, agencies, and instrumentalities of the Government) to carry out activities that the Secretary determines will assist recipients of assistance under this chapter to—

''(A) more effectively and efficiently provide public transportation service;

''(B) administer funds received under this chapter in compliance with Federal law; and

''(C) improve public transportation.

''(2) ELIGIBLE ACTIVITIES.—The activities carried out under paragraph (1) may include—

''(A) technical assistance; and

''(B) the development of standards and best practices by the public transportation industry.

''(b) TECHNICAL ASSISTANCE CENTERS.—

''(1) DEFINITION.—In this subsection, the term 'eligible entity' means a nonprofit organization, an institution of higher education, or a technical or community college.

''(2) IN GENERAL.—The Secretary may make grants to and enter into contracts, cooperative agreements, and other agreements with eligible entities to administer centers to provide technical assistance, including—

''(A) the development of tools and guidance; and

''(B) the dissemination of best practices.

''(3) COMPETITIVE PROCESS.—The Secretary may make grants and enter into contracts, cooperative agreements, and other agreements under paragraph (2) through a competitive process on a biennial basis for technical assistance in each of the following categories:

''(A) Human services transportation coordination, including—

''(i) transportation for seniors;

''(ii) transportation for individuals with disabilities; and

''(iii) coordination of local resources and programs to assist low-income individuals and veterans in gaining access to training and employment opportunities.

''(B) Transit-oriented development.

''(C) Transportation equity with regard to the impact that transportation planning, investment, and operations have on low-income and minority individuals.

''(D) Financing mechanisms, including—

''(i) public-private partnerships;

''(ii) bonding; and

''(iii) State and local capacity building.

''(E) Any other activity that the Secretary determines is important to advance the interests of public transportation.

''(4) EXPERTISE OF TECHNICAL ASSISTANCE CENTERS.—In selecting an eligible entity to administer a center under this subsection, the Secretary shall consider—

''(A) the demonstrated subject matter expertise of the eligible entity; and

''(B) the capacity of the eligible entity to deliver technical assistance on a regional or nationwide basis.

''(5) PARTNERSHIPS.—An eligible entity may partner with another eligible entity to provide technical assistance under this subsection.

''(c) GOVERNMENT SHARE OF COSTS.—

''(1) IN GENERAL.—The Government share of the cost of an activity under this section may not exceed 80 percent.

''(2) NON-GOVERNMENT SHARE.—The non-Government share of the cost of an activity under this section may be derived from in-kind contributions.''.

**SEC. 20015. BUS TESTING FACILITIES.**

Section 5318 of title 49, United States Code, is amended to read as follows:

**''§ 5318. Bus testing facilities**

''(a) FACILITIES.—The Secretary shall certify not more than 4 comprehensive facilities for testing new bus models for maintainability, reliability, safety, performance (including braking performance), structural integrity, fuel economy, emissions, and noise.

''(b) COOPERATIVE AGREEMENT.—The Secretary shall enter into a cooperative agreement with not more than 4 qualified entities to test public transportation vehicles under subsection (a).

''(c) FEES.—An entity that operates and maintains a facility certified under subsection (a) shall establish and collect reasonable fees for the testing of vehicles at the facility. The Secretary must approve the fees.

''(d) AVAILABILITY OF AMOUNTS TO PAY FOR TESTING.—

''(1) IN GENERAL.—The Secretary shall enter into a cooperative agreement with an entity that operates and maintains a facility certified under subsection (a), under which 80 percent of the fee for testing a vehicle at the facility may be available from amounts apportioned to a recipient under section 5336 or from amounts appropriated to carry out this section.

''(2) PROHIBITION.—An entity that operates and maintains a facility described in subsection (a) shall not have a financial interest in the outcome of the testing carried out at the facility.

''(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—

''(1) a bus of that model has been tested at a facility described in subsection (a); and

''(2) the bus tested under paragraph (1) met—

''(A) performance standards for maintainability, reliability, performance (including braking performance), structural integrity, fuel economy, emissions, and noise, as established by the Secretary by rule; and

''(B) the minimum safety performance standards established by the Secretary pursuant to section 5329(b).''.

**SEC. 20016. PUBLIC TRANSPORTATION WORKFORCE DEVELOPMENT AND HUMAN RESOURCE PROGRAMS.**

Section 5322 of title 49, United States Code, is amended to read as follows:

**''§ 5322. Public transportation workforce development and human resource programs**

''(a) IN GENERAL.—The Secretary may undertake, or make grants or enter into contracts for, activities that address human resource needs as the needs apply to public transportation activities, including activities that—

''(1) educate and train employees;

''(2) develop the public transportation workforce through career outreach and preparation;

''(3) develop a curriculum for workforce development;

''(4) conduct outreach programs to increase minority and female employment in public transportation;

''(5) conduct research on public transportation personnel and training needs;

''(6) provide training and assistance for minority business opportunities;

''(7) advance training relating to maintenance of alternative energy, energy efficiency, or zero emission vehicles and facilities used in public transportation; and

''(8) address a current or projected workforce shortage in an area that requires technical expertise.

''(b) FUNDING.—

''(1) URBANIZED AREA FORMULA GRANTS.—A recipient or subrecipient of funding under section 5307 shall expend not less than 0.5 percent of such funding for activities consistent with subsection (a).

''(2) WAIVER.—The Secretary may waive the requirement under paragraph (1) with respect to a recipient or subrecipient if the Secretary determines that the recipient or subrecipient—

''(A) has an adequate workforce development program; or

''(B) has partnered with a local educational institution in a manner that sufficiently promotes or addresses workforce development and human resource needs.

''(c) INNOVATIVE PUBLIC TRANSPORTATION WORKFORCE DEVELOPMENT PROGRAM.—

''(1) PROGRAM ESTABLISHED.—The Secretary shall establish a competitive grant program to assist the development of innovative activities eligible for assistance under subsection (a).

''(2) SELECTION OF RECIPIENTS.—To the maximum extent feasible, the Secretary shall select recipients that—

''(A) are geographically diverse;

''(B) address the workforce and human resources needs of large public transportation providers;

''(C) address the workforce and human resources needs of small public transportation providers;

''(D) address the workforce and human resources needs of urban public transportation providers;

''(E) address the workforce and human resources needs of rural public transportation providers;

''(F) advance training related to maintenance of alternative energy, energy efficiency, or zero emission vehicles and facilities used in public transportation;

''(G) target areas with high rates of unemployment; and

''(H) address current or projected workforce shortages in areas that require technical expertise.

''(d) GOVERNMENT'S SHARE OF COSTS.—The Government share of the cost of a project carried out using a grant under this section shall be 50 percent.

''(e) REPORT.—Not later than 2 years after the date of enactment of the Federal Public Transportation Act of 2012, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report concerning the measurable outcomes and impacts of the programs funded under this section.''.

**SEC. 20017. GENERAL PROVISIONS.**

Section 5323 of title 49, United States Code, is amended to read as follows:

**''§ 5323. General provisions**

''(a) INTERESTS IN PROPERTY.—

''(1) IN GENERAL.—Financial assistance provided under this chapter to a State or a local governmental authority may be used to acquire an interest in, or to buy property of, a private company engaged in public transportation, for a capital project for property acquired from a private company engaged in public transportation after July 9, 1964, or to operate a public transportation facility or equipment in competition with, or in addition to, transportation service provided by an existing public transportation company, only if—

''(A) the Secretary determines that such financial assistance is essential to a program of projects required under sections 5303 and 5304;

''(B) the Secretary determines that the program provides for the participation of private companies engaged in public transportation to the maximum extent feasible; and

''(C) just compensation under State or local law will be paid to the company for its franchise or property.

''(2) LIMITATION.—A governmental authority may not use financial assistance of the United States Government to acquire land, equipment, or a facility used in public transportation from another governmental authority in the same geographic area.

''(b) RELOCATION AND REAL PROPERTY REQUIREMENTS.—The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.) shall apply to financial assistance for capital projects under this chapter.

''(c) CONSIDERATION OF ECONOMIC, SOCIAL, AND ENVIRONMENTAL INTERESTS.—

''(1) COOPERATION AND CONSULTATION.—In carrying out the goal described in section 5301(c)(2), the Secretary shall cooperate and consult with the Secretary of the Interior and the Administrator of the Environmental Protection Agency on each project that may have a substantial impact on the environment.

''(2) COMPLIANCE WITH NEPA.—The National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall apply to financial assistance for capital projects under this chapter.

''(d) CORRIDOR PRESERVATION.—

''(1) IN GENERAL.—The Secretary may assist a recipient in acquiring right-of-way before the completion of the environmental reviews for any project that may use the right-of-way if the acquisition is otherwise permitted under Federal law. The Secretary may establish restrictions on such an acquisition as the Secretary determines to be necessary and appropriate.

''(2) ENVIRONMENTAL REVIEWS.—Right-of-way acquired under this subsection may not be developed in anticipation of the project until all required environmental reviews for the project have been completed.

''(e) CONDITION ON CHARTER BUS TRANSPORTATION SERVICE.—

''(1) AGREEMENTS.—Financial assistance under this chapter may be used to buy or operate a bus only if the applicant, governmental authority, or publicly owned operator that receives the assistance agrees that, except as provided in the agreement, the governmental authority or an operator of public transportation for the governmental authority will not provide charter bus transportation service outside the urban area in which it provides regularly scheduled public transportation service. An agreement shall provide for a fair arrangement the Secretary of Transportation considers appropriate to ensure that the assistance will not enable a governmental authority or an operator for a governmental authority to foreclose a private operator from providing intercity charter bus service if the private operator can provide the service.

''(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.

''(f) 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, 5309, or 5337 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 section 5304, 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 the recipient establishes pursuant to section 5302(3)(J) from amounts made available to the recipient under section 5309.

''(g) SCHOOLBUS TRANSPORTATION.—

''(1) AGREEMENTS.—Financial assistance under this chapter may be used for a capital project, or to operate public transportation equipment or a public transportation facility, only if the applicant agrees not to provide schoolbus transportation that exclusively transports students and school personnel in competition with a private schoolbus operator. This subsection does not apply—

''(A) to an applicant that operates a school system in the area to be served and a separate and exclusive schoolbus program for the school system; and

''(B) unless a private schoolbus operator can provide adequate transportation that complies with applicable safety standards at reasonable rates.

''(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.

''(h) BUYING BUSES UNDER OTHER LAWS.—Subsections (e) and (g) of this section apply to financial assistance to buy a bus under sections 133 and 142 of title 23.

''(i) GRANT AND LOAN PROHIBITIONS.—A grant or loan may not be used to—

''(1) pay ordinary governmental or nonproject operating expenses; or

''(2) support a procurement that uses an exclusionary or discriminatory specification.

''(j) GOVERNMENT SHARE OF COSTS FOR CERTAIN PROJECTS.—A grant for a project to be assisted under this chapter that involves acquiring vehicle-related equipment or facilities required by the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) or vehicle-related equipment or facilities (including clean fuel or alternative fuel vehicle-related equipment or facilities) for purposes of complying with or maintaining compliance with the Clean Air Act, is for 90 percent of the net project cost of such equipment or facilities attributable to compliance with those Acts. The Secretary shall have discretion to determine, through practicable administrative procedures, the costs of such equipment or facilities attributable to compliance with those Acts.

''(k) BUY AMERICA.—

''(1) IN GENERAL.—The Secretary may obligate an amount that may be appropriated to carry out this chapter for a project only if the steel, iron, and manufactured goods used in the project are produced in the United States.

''(2) WAIVER.—The Secretary may waive paragraph (1) of this subsection if the Secretary finds that—

''(A) applying paragraph (1) would be inconsistent with the public interest;

''(B) the steel, iron, and goods produced in the United States are not produced in a sufficient and reasonably available amount or are not of a satisfactory quality;

''(C) when procuring rolling stock (including train control, communication, and traction power equipment) under this chapter—

''(i) the cost of components and subcomponents produced in the United States is more than 60 percent of the cost of all components of the rolling stock; and

''(ii) final assembly of the rolling stock has occurred in the United States; or

''(D) including domestic material will increase the cost of the overall project by more than 25 percent.

''(3) WRITTEN WAIVER DETERMINATION AND ANNUAL REPORT.—

''(A) WRITTEN DETERMINATION.—Before issuing a waiver under paragraph (2), the Secretary shall—

''(i) publish in the Federal Register and make publicly available in an easily identifiable location on the website of the Department of Transportation a detailed written explanation of the waiver determination; and

''(ii) provide the public with a reasonable period of time for notice and comment.

''(B) ANNUAL REPORT.—Not later than 1 year after the date of enactment of the Federal Public Transportation Act of 2012, and annually thereafter, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report listing any waiver issued under paragraph (2) during the preceding year.

''(4) LABOR COSTS FOR FINAL ASSEMBLY.—In this subsection, labor costs involved in final assembly are not included in calculating the cost of components.

''(5) WAIVER PROHIBITED.—The Secretary may not make a waiver under paragraph (2) of this subsection for goods produced in a foreign country if the Secretary, in consultation with the United States Trade Representative, decides that the government of that foreign country—

''(A) has an agreement with the United States Government under which the Secretary has waived the requirement of this subsection; and

''(B) has violated the agreement by discriminating against goods to which this subsection applies that are produced in the United States and to which the agreement applies.

''(6) PENALTY FOR MISLABELING AND MISREPRESENTATION.—A person is ineligible under subpart 9.4 of the Federal Acquisition Regulation, or any successor thereto, to receive a contract or subcontract made with amounts authorized under the Federal Public Transportation Act of 2012 if a court or department, agency, or instrumentality of the Government decides the person intentionally—

''(A) affixed a 'Made in America' label, or a label with an inscription having the same meaning, to goods sold in or shipped to the United States that are used in a project to which this subsection applies but not produced in the United States; or

''(B) represented that goods described in subparagraph (A) of this paragraph were produced in the United States.

''(7) STATE REQUIREMENTS.—The Secretary may not impose any limitation on assistance provided under this chapter that restricts a State from imposing more stringent requirements than this subsection on the use of articles, materials, and supplies mined, produced, or manufactured in foreign countries in projects carried out with that assistance or restricts a recipient of that assistance from complying with those State-imposed requirements.

''(8) OPPORTUNITY TO CORRECT INADVERTENT ERROR.—The Secretary may allow a manufacturer or supplier of steel, iron, or manufactured goods to correct after bid opening any certification of noncompliance or failure to properly complete the certification (but not including failure to sign the certification) under this subsection if such manufacturer or supplier attests under penalty of perjury that such manufacturer or supplier submitted an incorrect certification as a result of an inadvertent or clerical error. The burden of establishing inadvertent or clerical error is on the manufacturer or supplier.

''(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.

''(l) PARTICIPATION OF GOVERNMENTAL AGENCIES IN DESIGN AND DELIVERY OF TRANSPORTATION SERVICES.—Governmental agencies and nonprofit organizations that receive assistance from Government sources (other than the Department of Transportation) for nonemergency transportation services shall—

''(1) participate and coordinate with recipients of assistance under this chapter in the design and delivery of transportation services; and

''(2) be included in the planning for those services.

''(m) RELATIONSHIP TO OTHER LAWS.—

''(1) FRAUD AND FALSE STATEMENTS.—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 if the Secretary determines that a recipient of such financial assistance has made a false or fraudulent statement or related act in connection with a Federal public transportation program.

''(2) POLITICAL ACTIVITIES OF NONSUPERVISORY EMPLOYEES.—The provision of assistance under this chapter shall not be construed to require the application of chapter 15 of title 5 to any nonsupervisory employee of a public transportation system (or any other agency or entity performing related functions) to whom such chapter does not otherwise apply.

''(n) PREAWARD AND POSTDELIVERY REVIEW OF ROLLING STOCK PURCHASES.—The Secretary shall prescribe regulations requiring a preaward and postdelivery review of a grant under this chapter to buy rolling stock to ensure compliance with Government motor vehicle safety requirements, subsection (k) of this section, and bid specifications requirements of grant recipients under this chapter. Under this subsection, independent inspections and review are required, and a manufacturer certification is not sufficient. Rolling stock procurements of 20 vehicles or fewer made for the purpose of serving other than urbanized areas and urbanized areas with populations of 200,000 or fewer shall be subject to the same requirements as established for procurements of 10 or fewer buses under the post-delivery purchaser's requirements certification process under section 663.37(c) of title 49, Code of Federal Regulations.

''(o) SUBMISSION OF CERTIFICATIONS.—A certification required under this chapter and any additional certification or assurance required by law or regulation to be submitted to the Secretary may be consolidated into a single document to be submitted annually as part of a grant application under this chapter. The Secretary shall publish annually a list of all certifications required under this chapter with the publication required under section 5336(d)(2).

''(p) GRANT REQUIREMENTS.—The grant requirements under sections 5307, 5309, and 5337 apply to any project under this chapter that receives any assistance or other financing under chapter 6 (other than section 609) of title 23.

''(q) ALTERNATIVE FUELING FACILITIES.—A recipient of assistance under this chapter may allow the incidental use of federally funded alternative fueling facilities and equipment by nontransit public entities and private entities if—

''(1) the incidental use does not interfere with the recipient's public transportation operations;

''(2) all costs related to the incidental use are fully recaptured by the recipient from the nontransit public entity or private entity;

''(3) the recipient uses revenues received from the incidental use in excess of costs for planning, capital, and operating expenses that are incurred in providing public transportation; and

''(4) private entities pay all applicable excise taxes on fuel.

''(r) FIXED GUIDEWAY CATEGORICAL EXCLUSION.—

''(1) STUDY.—Not later than 6 months after the date of enactment of the Federal Public Transportation Act of 2012, the Secretary shall conduct a study to determine the feasibility of providing a categorical exclusion for streetcar, bus rapid transit, and light rail projects located within an existing transportation right-of-way from the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) in accordance with the Council on Environmental Quality implementing regulations under parts 1500 through 1508 of title 40, Code of Federal Regulations, or any successor thereto.

''(2) FINDINGS AND RULES.—Not later than 1 year after the date of enactment of the Federal Public Transportation Act of 2012, the Secretary shall issue findings and, if appropriate, issue rules to provide categorical exclusions for suitable categories of projects.''.

**SEC. 20018. CONTRACT REQUIREMENTS.**

Section 5325 of title 49, United States Code, is amended—

(1) in subsection (h), by striking ''Federal Public Transportation Act of 2005'' and inserting ''Federal Public Transportation Act of 2012'';

(2) in subsection (j)(2)(C), by striking '', including the performance reported in the Contractor Performance Assessment Reports required under section 5309(l)(2)''; and

(3) by adding at the end the following:

''(k) VETERANS EMPLOYMENT.—Recipients and subrecipients of Federal financial assistance under this chapter shall ensure that contractors working on a capital project funded using such assistance give a hiring preference to veterans, as defined in section 2108 of title 5, who have the requisite skills and abilities to perform the construction work required under the contract.''.

**SEC. 20019. TRANSIT ASSET MANAGEMENT.**

Section 5326 of title 49, United States Code, is amended to read as follows:

**''§ 5326. Transit asset management**

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

''(1) CAPITAL ASSET.—The term 'capital asset' includes equipment, rolling stock, infrastructure, and facilities for use in public transportation and owned or leased by a recipient or subrecipient of Federal financial assistance under this chapter.

''(2) TRANSIT ASSET MANAGEMENT PLAN.—The term 'transit asset management plan' means a plan developed by a recipient of funding under this chapter that—

''(A) includes, at a minimum, capital asset inventories and condition assessments, decision support tools, and investment prioritization; and

''(B) the recipient certifies complies with the rule issued under this section.

''(3) TRANSIT ASSET MANAGEMENT SYSTEM.—The term 'transit asset management system' means a strategic and systematic process of operating, maintaining, and improving public transportation capital assets effectively throughout the life cycle of such assets.

''(b) TRANSIT ASSET MANAGEMENT SYSTEM.—The Secretary shall establish and implement a national transit asset management system, which shall include—

''(1) a definition of the term 'state of good repair' that includes objective standards for measuring the condition of capital assets of recipients, including equipment, rolling stock, infrastructure, and facilities;

''(2) a requirement that recipients and subrecipients of Federal financial assistance under this chapter develop a transit asset management plan;

''(3) a requirement that each recipient of Federal financial assistance under this chapter report on the condition of the system of the recipient and provide a description of any change in condition since the last report;

''(4) an analytical process or decision support tool for use by public transportation systems that—

''(A) allows for the estimation of capital investment needs of such systems over time; and

''(B) assists with asset investment prioritization by such systems; and

''(5) technical assistance to recipients of Federal financial assistance under this chapter.

''(c) PERFORMANCE MEASURES AND TARGETS.—

''(1) IN GENERAL.—Not later than 1 year after the date of enactment of the Federal Public Transportation Act of 2012, the Secretary shall issue a final rule to establish performance measures based on the state of good repair standards established under subsection (b)(1).

''(2) TARGETS.—Not later than 3 months after the date on which the Secretary issues a final rule under paragraph (1), and each fiscal year thereafter, each recipient of Federal financial assistance under this chapter shall establish performance targets in relation to the performance measures established by the Secretary.

''(3) REPORTS.—Each recipient of Federal financial assistance under this chapter shall submit to the Secretary an annual report that describes—

''(A) the progress of the recipient during the fiscal year to which the report relates toward meeting the performance targets established under paragraph (2) for that fiscal year; and

''(B) the performance targets established by the recipient for the subsequent fiscal year.

''(d) RULEMAKING.—Not later than 1 year after the date of enactment of the Federal Public Transportation Act of 2012, the Secretary shall issue a final rule to implement the transit asset management system described in subsection (b).''.

**SEC. 20020. PROJECT MANAGEMENT OVERSIGHT.**

Section 5327 of title 49, United States Code, is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking ''United States'' and all that follows through ''Secretary of Transportation'' and inserting the following: ''Federal financial assistance for a major capital project for public transportation under this chapter or any other provision of Federal law, a recipient must prepare a project management plan approved by the Secretary and carry out the project in accordance with the project management plan''; and

(B) in paragraph (12), by striking ''each month'' and inserting ''quarterly'';

(2) by striking subsections (c), (d), and (f);

(3) by inserting after subsection (b) the following:

''(c) ACCESS TO SITES AND RECORDS.—Each recipient of Federal financial assistance for public transportation under this chapter or any other provision of Federal law shall provide the Secretary and a contractor the Secretary chooses under section 5338(g) with access to the construction sites and records of the recipient when reasonably necessary.'';

(4) by redesignating subsection (e) as subsection (d); and

(5) in subsection (d), as so redesignated—

(A) in paragraph (1), by striking ''subsection (c) of this section'' and inserting ''section 5338(g)''; and

(B) in paragraph (2)—

(i) by striking ''preliminary engineering stage'' and inserting ''project development phase''; and

(ii) by striking ''another stage'' and inserting ''another phase''.

**SEC. 20021. PUBLIC TRANSPORTATION SAFETY.**

(a) PUBLIC TRANSPORTATION SAFETY PROGRAM.—Section 5329 of title 49, United States Code, is amended to read as follows:

**''§ 5329. Public transportation safety program**

''(a) DEFINITION.—In this section, the term 'recipient' means a State or local governmental authority, or any other operator of a public transportation system, that receives financial assistance under this chapter.

''(b) NATIONAL PUBLIC TRANSPORTATION SAFETY PLAN.—

''(1) IN GENERAL.—The Secretary shall create and implement a national public transportation safety plan to improve the safety of all public transportation systems that receive funding under this chapter.

''(2) CONTENTS OF PLAN.—The national public transportation safety plan under paragraph (1) shall include—

''(A) safety performance criteria for all modes of public transportation;

''(B) the definition of the term 'state of good repair' established under section 5326(b);

''(C) minimum safety performance standards for public transportation vehicles used in revenue operations that—

''(i) do not apply to rolling stock otherwise regulated by the Secretary or any other Federal agency; and

''(ii) to the extent practicable, take into consideration—

''(I) relevant recommendations of the National Transportation Safety Board; and

''(II) recommendations of, and best practices standards developed by, the public transportation industry; and

''(D) a public transportation safety certification training program, as described in subsection (c).

''(c) PUBLIC TRANSPORTATION SAFETY CERTIFICATION TRAINING PROGRAM.—

''(1) IN GENERAL.—The Secretary shall establish a public transportation safety certification training program for Federal and State employees, or other designated personnel, who conduct safety audits and examinations of public transportation systems and employees of public transportation agencies directly responsible for safety oversight.

''(2) INTERIM PROVISIONS.—Not later than 90 days after the date of enactment of the Federal Public Transportation Act of 2012, the Secretary shall establish interim provisions for the certification and training of the personnel described in paragraph (1), which shall be in effect until the effective date of the final rule issued by the Secretary to implement this subsection.

''(d) PUBLIC TRANSPORTATION AGENCY SAFETY PLAN.—

''(1) IN GENERAL.—Effective 1 year after the effective date of a final rule issued by the Secretary to carry out this subsection, each recipient shall certify that the recipient has established a comprehensive agency safety plan that includes, at a minimum—

''(A) a requirement that the board of directors (or equivalent entity) of the recipient approve the agency safety plan and any updates to the agency safety plan;

''(B) methods for identifying and evaluating safety risks throughout all elements of the public transportation system of the recipient;

''(C) strategies to minimize the exposure of the public, personnel, and property to hazards and unsafe conditions;

''(D) a process and timeline for conducting an annual review and update of the safety plan of the recipient;

''(E) performance targets based on the safety performance criteria and state of good repair standards established under subparagraphs (A) and (B), respectively, of subsection (b)(2);

''(F) assignment of an adequately trained safety officer who reports directly to the general manager, president, or equivalent officer of the recipient; and

''(G) a comprehensive staff training program for the operations personnel and personnel directly responsible for safety of the recipient that includes—

''(i) the completion of a safety training program; and

''(ii) continuing safety education and training.

''(2) INTERIM AGENCY SAFETY PLAN.—A system safety plan developed pursuant to part 659 of title 49, Code of Federal Regulations, as in effect on the date of enactment of the Federal Public Transportation Act of 2012, shall remain in effect until such time as this subsection takes effect.

''(e) STATE SAFETY OVERSIGHT PROGRAM.—

''(1) APPLICABILITY.—This subsection applies only to eligible States.

''(2) DEFINITION.—In this subsection, the term 'eligible State' means a State that has—

''(A) a rail fixed guideway public transportation system within the jurisdiction of the State that is not subject to regulation by the Federal Railroad Administration; or

''(B) a rail fixed guideway public transportation system in the engineering or construction phase of development within the jurisdiction of the State that will not be subject to regulation by the Federal Railroad Administration.

''(3) IN GENERAL.—In order to obligate funds apportioned under section 5338 to carry out this chapter, effective 3 years after the date on which a final rule under this subsection becomes effective, an eligible State shall have in effect a State safety oversight program approved by the Secretary under which the State—

''(A) assumes responsibility for overseeing rail fixed guideway public transportation safety;

''(B) adopts and enforces Federal law on rail fixed guideway public transportation safety;

''(C) establishes a State safety oversight agency;

''(D) determines, in consultation with the Secretary, an appropriate staffing level for the State safety oversight agency that is commensurate with the number, size, and complexity of the rail fixed guideway public transportation systems in the eligible State;

''(E) requires that employees and other designated personnel of the eligible State safety oversight agency who are responsible for rail fixed guideway public transportation safety oversight are qualified to perform such functions through appropriate training, including successful completion of the public transportation safety certification training program established under subsection (c); and

''(F) prohibits any public transportation agency from providing funds to the State safety oversight agency or an entity designated by the eligible State as the State safety oversight agency under paragraph (4).

''(4) STATE SAFETY OVERSIGHT AGENCY.—

''(A) IN GENERAL.—Each State safety oversight program shall establish a State safety oversight agency that—

''(i) is an independent legal entity responsible for the safety of rail fixed guideway public transportation systems;

''(ii) is financially and legally independent from any public transportation entity that the State safety oversight agency oversees;

''(iii) does not fund, promote, or provide public transportation services;

''(iv) does not employ any individual who is also responsible for the administration of public transportation programs;

''(v) has the authority to review, approve, oversee, and enforce the implementation by the rail fixed guideway public transportation agency of the public transportation agency safety plan required under subsection (d);

''(vi) has investigative and enforcement authority with respect to the safety of rail fixed guideway public transportation systems of the eligible State;

''(vii) audits, at least once triennially, the compliance of the rail fixed guideway public transportation systems in the eligible State subject to this subsection with the public transportation agency safety plan required under subsection (d); and

''(viii) provides, at least once annually, a status report on the safety of the rail fixed guideway public transportation systems the State safety oversight agency oversees to—

''(I) the Federal Transit Administration;

''(II) the Governor of the eligible State; and

''(III) the board of directors, or equivalent entity, of any rail fixed guideway public transportation system that the State safety oversight agency oversees.

''(B) WAIVER.—At the request of an eligible State, the Secretary may waive clauses (i) and (iii) of subparagraph (A) for eligible States with 1 or more rail fixed guideway systems in revenue operations, design, or construction, that—

''(i) have fewer than 1,000,000 combined actual and projected rail fixed guideway revenue miles per year; or

''(ii) provide fewer than 10,000,000 combined actual and projected unlinked passenger trips per year.

''(5) ENFORCEMENT.—Each State safety oversight agency shall have the authority to request that the Secretary take enforcement actions available under subsection (g) against a rail fixed guideway public transportation system that is not in compliance with Federal safety laws.

''(6) PROGRAMS FOR MULTI-STATE RAIL FIXED GUIDEWAY PUBLIC TRANSPORTATION SYSTEMS.—An eligible State that has within the jurisdiction of the eligible State a rail fixed guideway public transportation system that operates in more than 1 eligible State shall—

''(A) jointly with all other eligible States in which the rail fixed guideway public transportation system operates, ensure uniform safety standards and enforcement procedures that shall be in compliance with this section, and establish and implement a State safety oversight program approved by the Secretary; or

''(B) jointly with all other eligible States in which the rail fixed guideway public transportation system operates, designate an entity having characteristics consistent with the characteristics described in paragraph (3) to carry out the State safety oversight program approved by the Secretary.

''(7) GRANTS.—

''(A) IN GENERAL.—The Secretary may make a grant to an eligible State to develop or carry out a State safety oversight program, if the eligible State submits—

''(i) a proposal for the establishment of a State safety oversight program to the Secretary for review and written approval before implementing a State safety oversight program; and

''(ii) any amendment to the State safety oversight program of the eligible State to the Secretary for review not later than 60 days before the effective date of the amendment.

''(B) DETERMINATION BY SECRETARY.—

''(i) IN GENERAL.—The Secretary shall transmit written approval to an eligible State that submits a State safety oversight program, if the Secretary determines the State safety oversight program meets the requirements of this subsection and the State safety oversight program is adequate to promote the purposes of this section.

''(ii) AMENDMENT.—The Secretary shall transmit to an eligible State that submits an amendment under subparagraph (A)(ii) a written determination with respect to the amendment.

''(iii) NO WRITTEN DECISION.—If an eligible State does not receive a written decision from the Secretary with respect to an amendment submitted under subparagraph (A)(ii) before the end of the 60-day period beginning on the date on which the eligible State submits the amendment, the amendment shall be deemed to be approved.

''(iv) DISAPPROVAL.—If the Secretary determines that a State safety oversight program does not meet the requirements of this subsection, the Secretary shall transmit to the eligible State a written explanation and allow the eligible State to modify and resubmit the State safety oversight program for approval.

''(C) GOVERNMENT SHARE.—

''(i) IN GENERAL.—The Government share of the reasonable cost of a State safety oversight program developed or carried out using a grant under this paragraph shall be 80 percent.

''(ii) IN-KIND CONTRIBUTIONS.—Any calculation of the non-Government share of a State safety oversight program shall include in-kind contributions by an eligible State.

''(iii) NON-GOVERNMENT SHARE.—The non-Government share of the cost of a State safety oversight program developed or carried out using a grant under this paragraph may not be met by—

''(I) any Federal funds;

''(II) any funds received from a public transportation agency; or

''(III) any revenues earned by a public transportation agency.

''(iv) SAFETY TRAINING PROGRAM.—The Secretary may reimburse an eligible State or a recipient for the full costs of participation in the public transportation safety certification training program established under subsection (c) by an employee of a State safety oversight agency or a recipient who is directly responsible for safety oversight.

''(8) CONTINUAL EVALUATION OF PROGRAM.—The Secretary shall continually evaluate the implementation of a State safety oversight program by a State safety oversight agency, on the basis of—

''(A) reports submitted by the State safety oversight agency under paragraph (4)(A)(viii); and

''(B) audits carried out by the Secretary.

''(9) INADEQUATE PROGRAM.—

''(A) IN GENERAL.—If the Secretary finds that a State safety oversight program approved by the Secretary is not being carried out in accordance with this section or has become inadequate to ensure the enforcement of Federal safety regulations, the Secretary shall—

''(i) transmit to the eligible State a written explanation of the reason the program has become inadequate and inform the State of the intention to withhold funds, including the amount of funds proposed to be withheld under this section, or withdraw approval of the State safety oversight program; and

''(ii) allow the eligible State a reasonable period of time to modify the State safety oversight program or implementation of the program and submit an updated proposal for the State safety oversight program to the Secretary for approval.

''(B) FAILURE TO CORRECT.—If the Secretary determines that a modification by an eligible State of the State safety oversight program is not sufficient to ensure the enforcement of Federal safety regulations, the Secretary may—

''(i) withhold funds available under this section in an amount determined by the Secretary; or

''(ii) provide written notice of withdrawal of State safety oversight program approval.

''(C) TEMPORARY OVERSIGHT.—In the event the Secretary takes action under subparagraph (B)(ii), the Secretary shall provide oversight of the rail fixed guideway systems in an eligible State until the State submits a State safety oversight program approved by the Secretary.

''(D) RESTORATION.—

''(i) CORRECTION.—The eligible State shall address any inadequacy to the satisfaction of the Secretary prior to the Secretary restoring funds withheld under this paragraph.

''(ii) AVAILABILITY AND REALLOCATION.—Any funds withheld under this paragraph shall remain available for restoration to the eligible State until the end of the first fiscal year after the fiscal year in which the funds were withheld, after which time the funds shall be available to the Secretary for allocation to other eligible States under this section.

''(10) FEDERAL OVERSIGHT.—The Secretary shall—

''(A) oversee the implementation of each State safety oversight program under this subsection;

''(B) audit the operations of each State safety oversight agency at least once triennially; and

''(C) issue rules to carry out this subsection.

''(f) AUTHORITY OF SECRETARY.—In carrying out this section, the Secretary may—

''(1) conduct inspections, investigations, audits, examinations, and testing of the equipment, facilities, rolling stock, and operations of the public transportation system of a recipient;

''(2) make reports and issue directives with respect to the safety of the public transportation system of a recipient;

''(3) in conjunction with an accident investigation or an investigation into a pattern or practice of conduct that negatively affects public safety, issue a subpoena to, and take the deposition of, any employee of a recipient or a State safety oversight agency, if—

''(A) before the issuance of the subpoena, the Secretary requests a determination by the Attorney General of the United States as to whether the subpoena will interfere with an ongoing criminal investigation; and

''(B) the Attorney General—

''(i) determines that the subpoena will not interfere with an ongoing criminal investigation; or

''(ii) fails to make a determination under clause (i) before the date that is 30 days after the date on which the Secretary makes a request under subparagraph (A);

''(4) require the production of documents by, and prescribe recordkeeping and reporting requirements for, a recipient or a State safety oversight agency;

''(5) investigate public transportation accidents and incidents and provide guidance to recipients regarding prevention of accidents and incidents;

''(6) at reasonable times and in a reasonable manner, enter and inspect equipment, facilities, rolling stock, operations, and relevant records of the public transportation system of a recipient; and

''(7) issue rules to carry out this section.

''(g) ENFORCEMENT ACTIONS.—

''(1) TYPES OF ENFORCEMENT ACTIONS.—The Secretary may take enforcement action against a recipient that does not comply with Federal law with respect to the safety of the public transportation system, including—

''(A) issuing directives;

''(B) requiring more frequent oversight of the recipient by a State safety oversight agency or the Secretary;

''(C) imposing more frequent reporting requirements;

''(D) requiring that any Federal financial assistance provided under this chapter be spent on correcting safety deficiencies identified by the Secretary or the State safety oversight agency before such funds are spent on other projects;

''(E) subject to paragraph (2), withholding Federal financial assistance, in an amount to be determined by the Secretary, from the recipient, until such time as the recipient comes into compliance with this section; and

''(F) subject to paragraph (3), imposing a civil penalty, in an amount to be determined by the Secretary.

''(2) USE OR WITHHOLDING OF FUNDS.—

''(A) IN GENERAL.—The Secretary may require the use of funds in accordance with paragraph (1)(D), or withhold funds under paragraph (1)(E), only if the Secretary finds that a recipient is engaged in a pattern or practice of serious safety violations or has otherwise refused to comply with Federal law relating to the safety of the public transportation system.

''(B) NOTICE.—Before withholding funds from a recipient under paragraph (1)(E), the Secretary shall provide to the recipient—

''(i) written notice of a violation and the amount proposed to be withheld; and

''(ii) a reasonable period of time within which the recipient may address the violation or propose and initiate an alternative means of compliance that the Secretary determines is acceptable.

''(C) FAILURE TO ADDRESS.—If the recipient does not address the violation or propose an alternative means of compliance that the Secretary determines is acceptable within the period of time specified in the written notice, the Secretary may withhold funds under paragraph (1)(E).

''(D) RESTORATION.—

''(i) CORRECTION.—The recipient shall address any violation to the satisfaction of the Secretary prior to the Secretary restoring funds withheld under paragraph (1)(E).

''(ii) AVAILABILITY AND REALLOCATION.—Any funds withheld under paragraph (1)(E) shall remain available for restoration to the recipient until the end of the first fiscal year after the fiscal year in which the funds were withheld, after which time the funds shall be available to the Secretary for allocation to other eligible recipients.

''(E) NOTIFICATION.—Not later than 3 days before taking any action under subparagraph (C), the Secretary shall notify the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives of such action.

''(3) CIVIL PENALTIES.—

''(A) IMPOSITION OF CIVIL PENALTIES.—

''(i) IN GENERAL.—The Secretary may impose a civil penalty under paragraph (1)(F) only if—

''(I) the Secretary has exhausted the enforcement actions available under subparagraphs (A) through (E) of paragraph (1); and

''(II) the recipient continues to be in violation of Federal safety law.

''(ii) EXCEPTION.—The Secretary may waive the requirement under clause (i)(I) if the Secretary determines that such a waiver is in the public interest.

''(B) NOTICE.—Before imposing a civil penalty on a recipient under paragraph (1)(F), the Secretary shall provide to the recipient—

''(i) written notice of any violation and the penalty proposed to be imposed; and

''(ii) a reasonable period of time within which the recipient may address the violation or propose and initiate an alternative means of compliance that the Secretary determines is acceptable.

''(C) FAILURE TO ADDRESS.—If the recipient does not address the violation or propose an alternative means of compliance that the Secretary determines is acceptable within the period of time specified in the written notice, the Secretary may impose a civil penalty under paragraph (1)(F).

''(D) NOTIFICATION.—Not later than 3 days before taking any action under subparagraph (C), the Secretary shall notify the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives of such action.

''(E) DEPOSIT OF CIVIL PENALTIES.—Any amounts collected by the Secretary under this paragraph shall be deposited into the Mass Transit Account of the Highway Trust Fund.

''(4) ENFORCEMENT BY THE ATTORNEY GENERAL.—At the request of the Secretary, the Attorney General may bring a civil action—

''(A) for appropriate injunctive relief to ensure compliance with this section;

''(B) to collect a civil penalty imposed under paragraph (1)(F); and

''(C) to enforce a subpoena, request for admissions, request for production of documents or other tangible things, or request for testimony by deposition issued by the Secretary under this section.

''(h) COST-BENEFIT ANALYSIS.—

''(1) ANALYSIS REQUIRED.—In carrying out this section, the Secretary shall take into consideration the costs and benefits of each action the Secretary proposes to take under this section.

''(2) WAIVER.—The Secretary may waive the requirement under this subsection if the Secretary determines that such a waiver is in the public interest.

''(i) CONSULTATION BY THE SECRETARY OF HOMELAND SECURITY.—The Secretary of Homeland Security shall consult with the Secretary of Transportation before the Secretary of Homeland Security issues a rule or order that the Secretary of Transportation determines affects the safety of public transportation design, construction, or operations.

''(j) PREEMPTION OF STATE LAW.—

''(1) NATIONAL UNIFORMITY OF REGULATION.—Laws, regulations, and orders related to public transportation safety shall be nationally uniform to the extent practicable.

''(2) IN GENERAL.—A State may adopt or continue in force a law, regulation, or order related to the safety of public transportation until the Secretary issues a rule or order covering the subject matter of the State requirement.

''(3) MORE STRINGENT LAW.—A State may adopt or continue in force a law, regulation, or order related to the safety of public transportation that is consistent with, in addition to, or more stringent than a regulation or order of the Secretary if the Secretary determines that the law, regulation, or order—

''(A) has a safety benefit;

''(B) is not incompatible with a law, regulation, or order, or the terms and conditions of a financial assistance agreement of the United States Government; and

''(C) does not unreasonably burden interstate commerce.

''(4) ACTIONS UNDER STATE LAW.—

''(A) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to preempt an action under State law seeking damages for personal injury, death, or property damage alleging that a party has failed to comply with—

''(i) a Federal standard of care established by a regulation or order issued by the Secretary under this section;

''(ii) its own program, rule, or standard that it created pursuant to a rule or order issued by the Secretary; or

''(iii) a State law, regulation, or order that is not incompatible with paragraph (2).

''(B) EFFECTIVE DATE.—This paragraph shall apply to any cause of action under State law arising from an event or activity occurring on or after the date of enactment of the Federal Public Transportation Act of 2012.

''(5) JURISDICTION.—Nothing in this section shall be construed to create a cause of action under Federal law on behalf of an injured party or confer Federal question jurisdiction for a State law cause of action.

''(k) ANNUAL REPORT.—The Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives an annual report that—

''(1) analyzes public transportation safety trends among the States and documents the most effective safety programs implemented using grants under this section; and

''(2) describes the effect on public transportation safety of activities carried out using grants under this section.''.

(b) BUS SAFETY STUDY.—

(1) DEFINITION.—In this subsection, the term ''highway route'' means a route where 50 percent or more of the route is on roads having a speed limit of more than 45 miles per hour.

(2) STUDY.—Not later than 180 days after the date of enactment of this Act, the Secretary of Transportation shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that—

(A) examines the safety of public transportation buses that travel on highway routes;

(B) examines laws and regulations that apply to commercial over-the-road buses; and

(C) makes recommendations as to whether additional safety measures should be required for public transportation buses that travel on highway routes.

**SEC. 20022. ALCOHOL AND CONTROLLED SUBSTANCES TESTING.**

Section 5331(b)(2) of title 49, United States Code, 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) shall establish and implement an enforcement program that includes the imposition of penalties for failure to comply with this section;''.

**SEC. 20023. NONDISCRIMINATION.**

(a) AMENDMENTS.—Section 5332 of title 49, United States Code, is amended—

(1) in subsection (b)—

(A) by striking ''creed'' and inserting ''religion''; and

(B) by inserting ''disability,'' after ''sex,''; and

(2) in subsection (d)(3), by striking ''and'' and inserting ''or''.

(b) EVALUATION AND REPORT.—

(1) EVALUATION.—The Comptroller General of the United States shall evaluate the progress and effectiveness of the Federal Transit Administration in assisting recipients of assistance under chapter 53 of title

49, United States Code, to comply with section 5332(b) of title 49, including—

(A) by reviewing discrimination complaints, reports, and other relevant information collected or prepared by the Federal Transit Administration or recipients of assistance from the Federal Transit Administration pursuant to any applicable civil rights statute, regulation, or other requirement; and

(B) by reviewing the process that the Federal Transit Administration uses to resolve discrimination complaints filed by members of the public.

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report concerning the evaluation under paragraph (1) that includes—

(A) a description of the ability of the Federal Transit Administration to address discrimination and foster equal opportunities in federally funded public transportation projects, programs, and activities;

(B) recommendations for improvements if the Comptroller General determines that improvements are necessary; and

(C) information upon which the evaluation under paragraph (1) is based.

**SEC. 20024. LABOR STANDARDS.**

Section 5333(b) of title 49, United States Code, is amended—

(1) in paragraph (1), by striking ''sections 5307-5312, 5316, 5318, 5323(a)(1), 5323(b), 5323(d), 5328, 5337, and 5338(b)'' each place that term appears and inserting ''sections 5307, 5308, 5309, 5311, and 5337''; and

(2) in paragraph (5), by inserting ''of Labor'' after ''Secretary''.

**SEC. 20025. ADMINISTRATIVE PROVISIONS.**

Section 5334 of title 49, United States Code, is amended—

(1) in subsection (a)(1), by striking ''under sections 5307 and 5309-5311 of this title'' and inserting ''that receives Federal financial assistance under this chapter'';

(2) in subsection (b)(1)—

(A) by inserting after ''emergency,'' the following: ''or for purposes of establishing and enforcing a program to improve the safety of public transportation systems in the United States,''; and

(B) by striking ''chapter, nor may the Secretary'' and inserting ''chapter. The Secretary may not'';

(3) in subsection (c)(4), by striking ''section (except subsection (i)) and sections 5318(e), 5323(a)(2), 5325(a), 5325(b), and 5325(f)'' and inserting ''subsection'';

(4) in subsection (h)(3), by striking ''another'' and inserting ''any other'';

(5) in subsection (i)(1), by striking ''title 23 shall'' and inserting ''title 23 may'';

(6) by striking subsection (j); and

(7) by redesignating subsections (k) and (l) as subsections (j) and (k), respectively.

**SEC. 20026. NATIONAL TRANSIT DATABASE.**

Section 5335 of title 49, United States Code, is amended by adding at the end the following:

''(c) DATA REQUIRED TO BE REPORTED.—The recipient of a grant under this chapter shall report to the Secretary, for inclusion in the National Transit Database, any information relating to—

''(1) the causes of a reportable incident, as defined by the Secretary; and

''(2) a transit asset inventory or condition assessment conducted by the recipient.''.

**SEC. 20027. APPORTIONMENT OF APPROPRIATIONS FOR FORMULA GRANTS.**

Section 5336 of title 49, United States Code, is amended to read as follows:

**''§ 5336. Apportionment of appropriations for formula grants**

''(a) BASED ON URBANIZED AREA POPULATION.—Of the amount apportioned under subsection (h)(4) to carry out section 5307—

''(1) 9.32 percent shall be apportioned each fiscal year only in urbanized areas with a population of less than 200,000 so that each of those areas is entitled to receive an amount equal to—

''(A) 50 percent of the total amount apportioned multiplied by a ratio equal to the population of the area divided by the total population of all urbanized areas with populations of less than 200,000 as shown in the most recent decennial census; and

''(B) 50 percent of the total amount apportioned multiplied by a ratio for the area based on population weighted by a factor, established by the Secretary, of the number of inhabitants in each square mile; and

''(2) 90.68 percent shall be apportioned each fiscal year only in urbanized areas with populations of at least 200,000 as provided in subsections (b) and (c) of this section.

''(b) BASED ON FIXED GUIDEWAY VEHICLE REVENUE MILES, DIRECTIONAL ROUTE MILES, AND PASSENGER MILES.—(1) In this subsection, 'fixed guideway vehicle revenue miles' and 'fixed guideway directional route miles' include passenger ferry operations directly or under contract by the designated recipient.

''(2) Of the amount apportioned under subsection (a)(2) of this section, 33.29 percent shall be apportioned as follows:

''(A) 95.61 percent of the total amount apportioned under this subsection shall be apportioned so that each urbanized area with a population of at least 200,000 is entitled to receive an amount equal to—

''(i) 60 percent of the 95.61 percent apportioned under this subparagraph multiplied by a ratio equal to the number of fixed guideway vehicle revenue miles attributable to the area, as established by the Secretary, divided by the total number of all fixed guideway vehicle revenue miles attributable to all areas; and

''(ii) 40 percent of the 95.61 percent apportioned under this subparagraph multiplied by a ratio equal to the number of fixed guideway directional route miles attributable to the area, established by the Secretary, divided by the total number of all fixed guideway directional route miles attributable to all areas.

An urbanized area with a population of at least 750,000 in which commuter rail transportation is provided shall receive at least .75 percent of the total amount apportioned under this subparagraph.

''(B) 4.39 percent of the total amount apportioned under this subsection shall be apportioned so that each urbanized area with a population of at least 200,000 is entitled to receive an amount equal to—

''(i) the number of fixed guideway vehicle passenger miles traveled multiplied by the number of fixed guideway vehicle passenger miles traveled for each dollar of operating cost in an area; divided by

''(ii) the total number of fixed guideway vehicle passenger miles traveled multiplied by the total number of fixed guideway vehicle passenger miles traveled for each dollar of operating cost in all areas.

An urbanized area with a population of at least 750,000 in which commuter rail transportation is provided shall receive at least .75 percent of the total amount apportioned under this subparagraph.

''(C) Under subparagraph (A) of this paragraph, fixed guideway vehicle revenue or directional route miles, and passengers served on those miles, in an urbanized area with a population of less than 200,000, where the miles and passengers served otherwise would be attributable to an urbanized area with a population of at least 1,000,000 in an adjacent State, are attributable to the governmental authority in the State in which the urbanized area with a population of less than 200,000 is located. The authority is deemed an urbanized area with a population of at least 200,000 if the authority makes a contract for the service.

''(D) A recipient's apportionment under subparagraph (A)(i) of this paragraph may not be reduced if the recipient, after satisfying the Secretary that energy or operating efficiencies would be achieved, reduces vehicle revenue miles but provides the same frequency of revenue service to the same number of riders.

''(c) BASED ON BUS VEHICLE REVENUE MILES AND PASSENGER MILES.—Of the amount apportioned under subsection (a)(2) of this section, 66.71 percent shall be apportioned as follows:

''(1) 90.8 percent of the total amount apportioned under this subsection shall be apportioned as follows:

''(A) 73.39 percent of the 90.8 percent apportioned under this paragraph shall be apportioned so that each urbanized area with a population of at least 1,000,000 is entitled to receive an amount equal to—

''(i) 50 percent of the 73.39 percent apportioned under this subparagraph multiplied by a ratio equal to the total bus vehicle revenue miles operated in or directly serving the urbanized area divided by the total bus vehicle revenue miles attributable to all areas;

''(ii) 25 percent of the 73.39 percent apportioned under this subparagraph multiplied by a ratio equal to the population of the area divided by the total population of all areas, as shown in the most recent decennial census; and

''(iii) 25 percent of the 73.39 percent apportioned under this subparagraph multiplied by a ratio for the area based on population weighted by a factor, established by the Secretary, of the number of inhabitants in each square mile.

''(B) 26.61 percent of the 90.8 percent apportioned under this paragraph shall be apportioned so that each urbanized area with a population of at least 200,000 but not more than 999,999 is entitled to receive an amount equal to—

''(i) 50 percent of the 26.61 percent apportioned under this subparagraph multiplied by a ratio equal to the total bus vehicle revenue miles operated in or directly serving the urbanized area divided by the total bus vehicle revenue miles attributable to all areas;

''(ii) 25 percent of the 26.61 percent apportioned under this subparagraph multiplied by a ratio equal to the population of the area divided by the total population of all areas, as shown by the most recent decennial census; and

''(iii) 25 percent of the 26.61 percent apportioned under this subparagraph multiplied by a ratio for the area based on population weighted by a factor, established by the Secretary, of the number of inhabitants in each square mile.

''(2) 9.2 percent of the total amount apportioned under this subsection shall be apportioned so that each urbanized area with a population of at least 200,000 is entitled to receive an amount equal to—

''(A) the number of bus passenger miles traveled multiplied by the number of bus passenger miles traveled for each dollar of operating cost in an area; divided by

''(B) the total number of bus passenger miles traveled multiplied by the total number of bus passenger miles traveled for each dollar of operating cost in all areas.

''(d) DATE OF APPORTIONMENT.—The Secretary shall—

''(1) apportion amounts appropriated under section 5338(a)(2)(C) of this title to carry out section 5307 of this title not later than the 10th day after the date the amounts are appropriated or October 1 of the fiscal year for which the amounts are appropriated, whichever is later; and

''(2) publish apportionments of the amounts, including amounts attributable to each urbanized area with a population of more than 50,000 and amounts attributable to each State of a multistate urbanized area, on the apportionment date.

''(e) AMOUNTS NOT APPORTIONED TO DESIGNATED RECIPIENTS.—The Governor of a State may expend in an urbanized area with a population of less than 200,000 an amount apportioned under this section that is not apportioned to a designated recipient, as defined in section 5302(4).

''(f) TRANSFERS OF APPORTIONMENTS.—(1) The Governor of a State may transfer any part of the State's apportionment under subsection (a)(1) of this section to supplement amounts apportioned to the State under section 5311(c)(3). The Governor may make a transfer only after consulting with responsible local officials and publicly owned operators of public transportation in each area for which the amount originally was apportioned under this section.

''(2) The Governor of a State may transfer any part of the State's apportionment under section 5311(c)(3) to supplement amounts apportioned to the State under subsection (a)(1) of this section.

''(3) The Governor of a State may use throughout the State amounts of a State's apportionment remaining available for obligation at the beginning of the 90-day period before the period of the availability of the amounts expires.

''(4) A designated recipient for an urbanized area with a population of at least 200,000 may transfer a part of its apportionment under this section to the Governor of a State. The Governor shall distribute the transferred amounts to urbanized areas under this section.

''(5) Capital and operating assistance limitations applicable to the original apportionment apply to amounts transferred under this subsection.

''(g) PERIOD OF AVAILABILITY TO RECIPIENTS.—An amount apportioned under this section may be obligated by the recipient for 5 years after the fiscal year in which the amount is apportioned. Not later than 30 days after the end of the 5-year period, an amount that is not obligated at the end of that period shall be added to the amount that may be apportioned under this section in the next fiscal year.

''(h) APPORTIONMENTS.—Of the amounts made available for each fiscal year under section 5338(a)(2)(C)—

''(1) $35,000,000 shall be set aside to carry out section 5307(i);

''(2) 3.07 percent shall be apportioned to urbanized areas in accordance with subsection (j);

''(3) of amounts not apportioned under paragraphs (1) and (2), 1 percent shall be apportioned to urbanized areas with populations of less than 200,000 in accordance with subsection (i); and

''(4) any amount not apportioned under paragraphs (1), (2), and (3) shall be apportioned to urbanized areas in accordance with subsections (a) through (c).

''(i) SMALL TRANSIT INTENSIVE CITIES FORMULA.—

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

''(A) 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).

''(B) PERFORMANCE CATEGORY.—The term 'performance category' means each of the following:

''(i) Passenger miles traveled per vehicle revenue mile.

''(ii) Passenger miles traveled per vehicle revenue hour.

''(iii) Vehicle revenue miles per capita.

''(iv) Vehicle revenue hours per capita.

''(v) Passenger miles traveled per capita.

''(vi) Passengers per capita.

''(2) APPORTIONMENT.—

''(A) APPORTIONMENT FORMULA.—The amount to be apportioned under subsection (h)(3) shall be apportioned among eligible areas in the ratio that—

''(i) 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

''(ii) 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.

''(B) 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 this section.

''(j) APPORTIONMENT FORMULA.—The amounts apportioned under subsection (h)(2) shall be apportioned among urbanized areas as follows:

''(1) 75 percent of the funds shall be apportioned among designated recipients for urbanized areas with a population of 200,000 or more in the ratio that—

''(A) the number of eligible low-income individuals in each such urbanized area; bears to

''(B) the number of eligible low-income individuals in all such urbanized areas.

''(2) 25 percent of the funds shall be apportioned among designated recipients for urbanized areas with a population of less than 200,000 in the ratio that—

''(A) the number of eligible low-income individuals in each such urbanized area; bears to

''(B) the number of eligible low-income individuals in all such urbanized areas.''.

**SEC. 20028. STATE OF GOOD REPAIR GRANTS.**

Section 5337 of title 49, United States Code, is amended to read as follows:

**"§ 5337. State of good repair grants**

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

''(1) FIXED GUIDEWAY.—The term 'fixed guideway' means a public transportation facility—

''(A) using and occupying a separate right-of-way for the exclusive use of public transportation;

''(B) using rail;

''(C) using a fixed catenary system;

''(D) for a passenger ferry system; or

''(E) for a bus rapid transit system.

''(2) STATE.—The term 'State' means the 50 States, the District of Columbia, and Puerto Rico.

''(3) STATE OF GOOD REPAIR.—The term 'state of good repair' has the meaning given that term by the Secretary, by rule, under section 5326(b).

''(4) TRANSIT ASSET MANAGEMENT PLAN.—The term 'transit asset management plan' means a plan developed by a recipient of funding under this chapter that—

''(A) includes, at a minimum, capital asset inventories and condition assessments, decision support tools, and investment prioritization; and

''(B) the recipient certifies that the recipient complies with the rule issued under section 5326(d).

''(b) GENERAL AUTHORITY.—

''(1) ELIGIBLE PROJECTS.—The Secretary may make grants under this section to assist State and local governmental authorities in financing capital projects to maintain public transportation systems in a state of good repair, including projects to replace and rehabilitate—

''(A) rolling stock;

''(B) track;

''(C) line equipment and structures;

''(D) signals and communications;

''(E) power equipment and substations;

''(F) passenger stations and terminals;

''(G) security equipment and systems;

''(H) maintenance facilities and equipment;

''(I) operational support equipment, including computer hardware and software;

''(J) development and implementation of a transit asset management plan; and

''(K) other replacement and rehabilitation projects the Secretary determines appropriate.

''(2) INCLUSION IN PLAN.—A recipient shall include a project carried out under paragraph (1) in the transit asset management plan of the recipient upon completion of the plan.

''(c) HIGH INTENSITY FIXED GUIDEWAY STATE OF GOOD REPAIR FORMULA.—

''(1) IN GENERAL.—Of the amount authorized or made available under section 5338(a)(2)(M), $1,874,763,500 shall be apportioned to recipients in accordance with this subsection.

''(2) AREA SHARE.—

''(A) IN GENERAL.—50 percent of the amount described in paragraph (1) shall be apportioned for fixed guideway systems in accordance with this paragraph.

''(B) SHARE.—A recipient shall receive an amount equal to the amount described in subparagraph (A), multiplied by the amount the recipient would have received under this section, as in effect for fiscal year 2011, if the amount had been calculated in accordance with section 5336(b)(1) and using the definition of the term 'fixed guideway' under subsection (a) of this section, as such sections are in effect on the day after the date of enactment of the Federal Public Transportation Act of 2012, and divided by the total amount apportioned for all areas under this section for fiscal year 2011.

''(C) RECIPIENT.—For purposes of this paragraph, the term 'recipient' means an entity that received funding under this section, as in effect for fiscal year 2011.

''(3) VEHICLE REVENUE MILES AND DIRECTIONAL ROUTE MILES.—

''(A) IN GENERAL.—50 percent of the amount described in paragraph (1) shall be apportioned to recipients in accordance with this paragraph.

''(B) VEHICLE REVENUE MILES.—A recipient in an urbanized area shall receive an amount equal to 60 percent of the amount described in subparagraph (A), multiplied by the number of fixed guideway vehicle revenue miles attributable to the urbanized area, as established by the Secretary, divided by the total number of all fixed guideway vehicle revenue miles attributable to all urbanized areas.

''(C) DIRECTIONAL ROUTE MILES.—A recipient in an urbanized area shall receive an amount equal to 40 percent of the amount described in subparagraph (A), multiplied by the number of fixed guideway directional route miles attributable to the urbanized area, as established by the Secretary, divided

by the total number of all fixed guideway directional route miles attributable to all urbanized areas.

''(4) LIMITATION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the share of the total amount apportioned under this section that is apportioned to an area under this subsection shall not decrease by more than 0.25 percentage points compared to the share apportioned to the area under this subsection in the previous fiscal year.

''(B) SPECIAL RULE FOR FISCAL YEAR 2012.—In fiscal year 2012, the share of the total amount apportioned under this section that is apportioned to an area under this subsection shall not decrease by more than 0.25 percentage points compared to the share that would have been apportioned to the area under this section, as in effect for fiscal year 2011, if the share had been calculated using the definition of the term 'fixed guideway' under subsection (a) of this section, as in effect on the day after the date of enactment of the Federal Public Transportation Act of 2012.

''(5) USE OF FUNDS.—Amounts made available under this subsection shall be available for the exclusive use of fixed guideway projects.

''(6) RECEIVING APPORTIONMENT.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), for an area with a fixed guideway system, the amounts provided under this section shall be apportioned to the designated recipient for the urbanized area in which the system operates.

''(B) EXCEPTION.—An area described in the amendment made by section 3028(a) of the Transportation Equity Act for the 21st Century (Public Law 105 178; 112 Stat. 366) shall receive an individual apportionment under this subsection.

''(7) APPORTIONMENT REQUIREMENTS.—For purposes of determining the number of fixed guideway vehicle revenue miles or fixed guideway directional route miles attributable to an urbanized area for a fiscal year under this subsection, only segments of fixed guideway systems placed in revenue service not later than 7 years before the first day of the fiscal year shall be deemed to be attributable to an urbanized area.

''(d) FIXED GUIDEWAY STATE OF GOOD REPAIR GRANT PROGRAM.—

''(1) IN GENERAL.—The Secretary may make grants under this section to assist State and local governmental authorities in financing fixed guideway capital projects to maintain public transportation systems in a state of good repair.

''(2) COMPETITIVE PROCESS.—The Secretary shall solicit grant applications and make grants for eligible projects on a competitive basis.

''(3) PRIORITY CONSIDERATION.—In making grants under this subsection, the Secretary shall give priority to grant applications received from recipients receiving an amount under this section that is not less than 2 percent less than the amount the recipient would have received under this section, as in effect for fiscal year 2011, if the amount had been calculated using the definition of the term 'fixed guideway' under subsection (a) of this section, as in effect on the day after the date of enactment of the Federal Public Transportation Act of 2012.

''(e) HIGH INTENSITY MOTORBUS STATE OF GOOD REPAIR.—

''(1) DEFINITION.—For purposes of this subsection, the term 'fixed guideway motorbus' means public transportation that is provided on a facility with access for other high-occupancy vehicles.

''(2) APPORTIONMENT.—Of the amount authorized or made available under section 5338(a)(2)(M), $112,500,000 shall be apportioned to urbanized areas for high intensity motorbus state of good repair in accordance with this subsection.

''(3) VEHICLE REVENUE MILES AND DIRECTIONAL ROUTE MILES.—

''(A) IN GENERAL.—$60,000,000 of the amount described in paragraph (2) shall be apportioned to each area in accordance with this paragraph.

''(B) VEHICLE REVENUE MILES.—Each area shall receive an amount equal to 60 percent of the amount described in subparagraph (A), multiplied by the number of fixed guideway motorbus vehicle revenue miles attributable to the area, as established by the Secretary, divided by the total number of all fixed guideway motorbus vehicle revenue miles attributable to all areas.

''(C) DIRECTIONAL ROUTE MILES.—Each area shall receive an amount equal to 40 percent of the amount described in subparagraph (A), multiplied by the number of fixed guideway motorbus directional route miles attributable to the area, as established by the Secretary, divided by the total number of all fixed guideway motorbus directional route miles attributable to all areas.

''(4) SPECIAL RULE FOR FIXED GUIDEWAY MOTORBUS.—

''(A) IN GENERAL.—$52,500,000 of the amount described in paragraph (2) shall be apportioned—

''(i) in accordance with this paragraph; and

''(ii) among urbanized areas within a State in the same proportion as funds are apportioned within a State under section 5336, except subsection (b), and shall be added to such amounts.

''(B) TERRITORIES.—Of the amount described in subparagraph (A), $500,000 shall be distributed among the territories, as determined by the Secretary.

''(C) STATES.—Of the amount described in subparagraph (A), each State shall receive $1,000,000.

''(5) USE OF FUNDS.—A recipient may transfer any part of the apportionment under this subsection for use under subsection (c).

''(6) APPORTIONMENT REQUIREMENTS.—For purposes of determining the number of fixed guideway motorbus vehicle revenue miles or fixed guideway motorbus directional route miles attributable to an urbanized area for a fiscal year under this subsection, only segments of fixed guideway motorbus systems placed in revenue service not later than 7 years before the first day of the fiscal year shall be deemed to be attributable to an urbanized area.''.

**SEC. 20029. AUTHORIZATIONS.**

Section 5338 of title 49, United States Code, is amended to read as follows:

**''§ 5338. Authorizations**

''(a) FORMULA GRANTS.—

''(1) IN GENERAL.—There shall be available from the Mass Transit Account of the Highway Trust Fund to carry out sections 5305, 5307, 5308, 5310, 5311, 5312, 5313, 5314, 5315, 5322, 5335, and 5340, subsections (c) and (e) of section 5337, and section 20005(b) of the Federal Public Transportation Act of 2012, $8,360,565,000 for each of fiscal years 2012 and 2013.

''(2) ALLOCATION OF FUNDS.—Of the amounts made available under paragraph (1)—

''(A) $124,850,000 for each of fiscal years 2012 and 2013 shall be available to carry out section 5305;

''(B) $20,000,000 for each of fiscal years 2012 and 2013 shall be available to carry out section 20005(b) of the Federal Public Transportation Act of 2012;

''(C) $4,756,161,500 for each of fiscal years 2012 and 2013 shall be allocated in accordance with section 5336 to provide financial assistance for urbanized areas under section 5307;

''(D) $65,150,000 for each of fiscal years 2012 and 2013 shall be available to carry out section 5308, of which not less than $8,500,000 shall be used to carry out activities under section 5312;

''(E) $248,600,000 for each of fiscal years 2012 and 2013 shall be available to provide financial assistance for services for the enhanced mobility of seniors and individuals with disabilities under section 5310;

''(F) $591,190,000 for each of fiscal years 2012 and 2013 shall be available to provide financial assistance for other than urbanized areas under section 5311, of which not less than $30,000,000 shall be available to carry out section 5311(c)(1) and $20,000,000 shall be available to carry out section 5311(c)(2);

''(G) $34,000,000 for each of fiscal years 2012 and 2013 shall be available to carry out research, development, demonstration, and deployment projects under section 5312;

''(H) $6,500,000 for each of fiscal years 2012 and 2013 shall be available to carry out a transit cooperative research program under section 5313;

''(I) $4,500,000 for each of fiscal years 2012 and 2013 shall be available for technical assistance and standards development under section 5314;

''(J) $5,000,000 for each of fiscal years 2012 and 2013 shall be available for the National Transit Institute under section 5315;

''(K) $2,000,000 for each of fiscal years 2012 and 2013 shall be available for workforce development and human resource grants under section 5322;

''(L) $3,850,000 for each of fiscal years 2012 and 2013 shall be available to carry out section 5335;

''(M) $1,987,263,500 for each of fiscal years 2012 and 2013 shall be available to carry out subsections (c) and (e) of section 5337; and

''(N) $511,500,000 for each of fiscal years 2012 and 2013 shall be allocated in accordance with section 5340 to provide financial assistance for urbanized areas under section 5307 and other than urbanized areas under section 5311.

''(b) EMERGENCY RELIEF PROGRAM.—There are authorized to be appropriated such sums as are necessary to carry out section 5306.

''(c) CAPITAL INVESTMENT GRANTS.—There are authorized to be appropriated to carry out section 5309, $1,955,000,000 for each of fiscal years 2012 and 2013.

''(d) PAUL S. SARBANES TRANSIT IN THE PARKS.—There are authorized to be appropriated to carry out section 5320, $26,900,000 for each of fiscal years 2012 and 2013.

''(e) FIXED GUIDEWAY STATE OF GOOD REPAIR GRANT PROGRAM.—There are authorized to be appropriated to carry out section 5337(d), $7,463,000 for each of fiscal years 2012 and 2013.

''(f) ADMINISTRATION.—

''(1) IN GENERAL.—There are authorized to be appropriated to carry out section 5334, $108,350,000 for each of fiscal years 2012 and 2013.

''(2) SECTION 5329.—Of the amounts authorized to be appropriated under paragraph (1), not less than $10,000,000 shall be available to carry out section 5329.

''(3) SECTION 5326.—Of the amounts made available under paragraph (2), not less than $1,000,000 shall be available to carry out section 5326.

''(g) OVERSIGHT.—

''(1) IN GENERAL.—Of the amounts made available to carry out this chapter for a fiscal year, the Secretary may use not more than the following amounts for the activities described in paragraph (2):

''(A) 0.5 percent of amounts made available to carry out section 5305.

''(B) 0.75 percent of amounts made available to carry out section 5307.

''(C) 1 percent of amounts made available to carry out section 5309.

''(D) 1 percent of amounts made available to carry out section 601 of the Passenger Rail Investment and Improvement Act of 2008 (Public Law 110 432; 126 Stat. 4968).

''(E) 0.5 percent of amounts made available to carry out section 5310.

''(F) 0.5 percent of amounts made available to carry out section 5311.

''(G) 0.5 percent of amounts made available to carry out section 5320.

''(H) 0.75 percent of amounts made available to carry out section 5337(c).

''(2) ACTIVITIES.—The activities described in this paragraph are as follows:

''(A) Activities to oversee the construction of a major capital project.

''(B) Activities to review and audit the safety and security, procurement, management, and financial compliance of a recipient or subrecipient of funds under this chapter.

''(C) Activities to provide technical assistance generally, and to provide technical assistance to correct deficiencies identified in compliance reviews and audits carried out under this section.

''(3) GOVERNMENT SHARE OF COSTS.—The Government shall pay the entire cost of carrying out a contract under this subsection.

''(4) AVAILABILITY OF CERTAIN FUNDS.—Funds made available under paragraph (1)(C) shall be made available to the Secretary before allocating the funds appropriated to carry out any project under a full funding grant agreement.

''(h) GRANTS AS CONTRACTUAL OBLIGATIONS.—

''(1) GRANTS FINANCED FROM HIGHWAY TRUST FUND.—A grant or contract that is approved by the Secretary and financed with amounts made available from the Mass Transit Account of the Highway Trust Fund pursuant to this section is a contractual obligation of the Government to pay the Government share of the cost of the project.

''(2) GRANTS FINANCED FROM GENERAL FUND.—A grant or contract that is approved by the Secretary and financed with amounts appropriated in advance from the General Fund of the Treasury pursuant to this section is a contractual obligation of the Government to pay the Government share of the cost of the project only to the extent that amounts are appropriated for such purpose by an Act of Congress.

''(i) AVAILABILITY OF AMOUNTS.—Amounts made available by or appropriated under this section shall remain available until expended.''.

**SEC. 20030. APPORTIONMENTS BASED ON GROWING STATES AND HIGH DENSITY STATES FORMULA FACTORS.**

Section 5340 of title 49, United States Code, is amended to read as follows:

**''§ 5340. Apportionments based on growing States and high density States formula factors**

''(a) DEFINITION.—In this section, the term 'State' shall mean each of the 50 States of the United States.

''(b) ALLOCATION.—Of the amounts made available for each fiscal year under section 5338(a)(2)(N), the Secretary shall apportion—

''(1) 50 percent to States and urbanized areas in accordance with subsection (c); and

''(2) 50 percent to States and urbanized areas in accordance with subsection (d).

''(c) GROWING STATE APPORTIONMENTS.—

''(1) APPORTIONMENT AMONG STATES.—The amounts apportioned under subsection (b)(1) shall provide each State with an amount equal to the total amount apportioned multiplied by a ratio equal to the population of that State forecast for the year that is 15 years after the most recent decennial census, divided by the total population of all States forecast for the year that is 15 years after the most recent decennial census. Such forecast shall be based on the population trend for each State between the most recent decennial census and the most recent estimate of population made by the Secretary of Commerce.

''(2) APPORTIONMENTS BETWEEN URBANIZED AREAS AND OTHER THAN URBANIZED AREAS IN EACH STATE.—

''(A) IN GENERAL.—The Secretary shall apportion amounts to each State under paragraph (1) so that urbanized areas in that State receive an amount equal to the amount apportioned to that State multiplied by a ratio equal to the sum of the forecast population of all urbanized areas in that State divided by the total forecast population of that State. In making the apportionment under this subparagraph, the Secretary shall utilize any available forecasts made by the State. If no forecasts are available, the Secretary shall utilize data on urbanized areas and total population from the most recent decennial census.

''(B) REMAINING AMOUNTS.—Amounts remaining for each State after apportionment under subparagraph (A) shall be apportioned to that State and added to the amount made available for grants under section 5311.

''(3) APPORTIONMENTS AMONG URBANIZED AREAS IN EACH STATE.—The Secretary shall apportion amounts made available to urbanized areas in each State under paragraph (2)(A) so that each urbanized area receives an amount equal to the amount apportioned under paragraph (2)(A) multiplied by a ratio equal to the population of each urbanized area divided by the sum of populations of all urbanized areas in the State. Amounts apportioned to each urbanized area shall be added to amounts apportioned to that urbanized area under section 5336, and made available for grants under section 5307.

''(d) HIGH DENSITY STATE APPORTIONMENTS.—Amounts to be apportioned under subsection (b)(2) shall be apportioned as follows:

''(1) ELIGIBLE STATES.—The Secretary shall designate as eligible for an apportionment under this subsection all States with a population density in excess of 370 persons per square mile.

''(2) STATE URBANIZED LAND FACTOR.—For each State qualifying for an apportionment under paragraph (1), the Secretary shall calculate an amount equal to—

''(A) the total land area of the State (in square miles); multiplied by

''(B) 370; multiplied by

''(C)(i) the population of the State in urbanized areas; divided by

''(ii) the total population of the State.

''(3) STATE APPORTIONMENT FACTOR.—For each State qualifying for an apportionment under paragraph (1), the Secretary shall calculate an amount equal to the difference between the total population of the State less the amount calculated in paragraph (2).

''(4) STATE APPORTIONMENT.—Each State qualifying for an apportionment under paragraph (1) shall receive an amount equal to the amount to be apportioned under this subsection multiplied by the amount calculated for the State under paragraph (3) divided by the sum of the amounts calculated under paragraph (3) for all States qualifying for an apportionment under paragraph (1).

''(5) APPORTIONMENTS AMONG URBANIZED AREAS IN EACH STATE.—The Secretary shall apportion amounts made available to each State under paragraph (4) so that each urbanized area receives an amount equal to the amount apportioned under paragraph (4) multiplied by a ratio equal to the population of each urbanized area divided by the sum of populations of all urbanized areas in the State. For multistate urbanized areas, the Secretary shall suballocate funds made available under paragraph (4) to each State's part of the multistate urbanized area in proportion to the State's share of population of the multistate urbanized area. Amounts apportioned to each urbanized area shall be made available for grants under section 5307.''.

**SEC. 20031. TECHNICAL AND CONFORMING AMENDMENTS.**

(a) SECTION 5305.—Section 5305 of title 49, United States Code, is amended—

(1) in subsection (c), by striking ''sections 5303, 5304, and 5306'' and inserting ''sections 5303 and 5304'';

(2) in subsection (d), by striking ''sections 5303 and 5306'' each place that term appears and inserting ''section 5303'';

(3) in subsection (e)(1)(A), by striking ''sections 5304, 5306, 5315, and 5322'' and inserting ''section 5304'';

(4) in subsection (f)—

(A) in the heading, by striking ''GOVERNMENT'S'' and inserting ''GOVERNMENT''; and

(B) by striking ''Government's'' and inserting ''Government''; and

(5) in subsection (g), by striking ''section 5338(c) for fiscal years 2005 through 2011 and for the period beginning on October 1, 2011, and ending on March 31, 2012'' and inserting ''section 5338(a)(2)(A) for a fiscal year''.

(b) SECTION 5313.—Section 5313(a) of title 49, United States Code, is amended—

(1) in the first sentence, by striking ''subsections (a)(5)(C)(iii) and (d)(1) of section 5338'' and inserting section ''5338(a)(2)(H)''; and

(2) in the second sentence, by striking ''of Transportation''.

(c) SECTION 5319.—Section 5319 of title 49, United States Code, is amended, in the second sentence—

(1) by striking ''sections 5307(e), 5309(h), and 5311(g) of this title'' and inserting ''sections 5307(e), 5309(k), and 5311(h)''; and

(2) by striking ''of the United States'' and inserting ''made by the''.

(d) SECTION 5325.—Section 5325 of title 49, United States Code, is amended—

(1) in subsection (b)(2)(A), by striking ''title 48, Code of Federal Regulations (commonly known as the Federal Acquisition Regulation)'' and inserting ''the Federal Acquisition Regulation, or any successor thereto''; and

(2) in subsection (e), by striking ''Government financial assistance'' and inserting ''Federal financial assistance''.

(e) SECTION 5330.—Effective 3 years after the effective date of the final rules issued by the Secretary of Transportation under section 5329(e) of title 49, United States Code, as amended by this division, section 5330 of title 49, United States Code, is repealed.

(f) SECTION 5331.—Section 5331 of title 49, United States Code, is amended by striking ''Secretary of Transportation'' each place that term appears and inserting ''Secretary''.

(g) SECTION 5332.—Section 5332(c)(1) of title 49, United States Code, is amended by striking ''of Transportation''.

(h) SECTION 5333.—Section 5333(a) of title 49, United States Code, is amended by striking ''sections 3141-3144'' and inserting ''sections 3141 through 3144''.

(i) SECTION 5334.—Section 5334 of title 49, United States Code, is amended—

(1) in subsection (c)—

(A) by striking ''Secretary of Transportation'' each place that term appears and inserting ''Secretary''; and

(B) in paragraph (1), by striking ''Committees on Transportation and Infrastructure and Appropriations of the House of Representatives and the Committees on Banking, Housing, and Urban Affairs and Appropriations of the Senate'' and inserting ''Committee on Banking, Housing, and Urban Affairs and the Committee on Appropriations

of the Senate and the Committee on Transportation and Infrastructure and the Committee on Appropriations of the House of Representatives'';

(2) in subsection (d), by striking ''of Transportation'';

(3) in subsection (e), by striking ''of Transportation'';

(4) in subsection (f), by striking ''of Transportation'';

(5) in subsection (g), in the matter preceding paragraph (1)—

(A) by striking ''of Transportation''; and

(B) by striking ''subsection (a)(3) or (4) of this section'' and inserting ''paragraph (3) or (4) of subsection (a)'';

(6) in subsection (h)—

(A) in paragraph (1), in the matter preceding subparagraph (A), by striking ''of Transportation''; and

(B) in paragraph (2), by striking ''of this section'';

(7) in subsection (i)(1), by striking ''of Transportation''; and

(8) in subsection (j), as so redesignated by section 20025 of this division, by striking ''Committees on Banking, Housing, and Urban Affairs and Appropriations of the Senate and Committees on Transportation and Infrastructure and Appropriations of the House of Representatives'' and inserting ''Committee on Banking, Housing, and Urban Affairs and the Committee on Appropriations of the Senate and the Committee on Transportation and Infrastructure and the Committee on Appropriations of the House of Representatives''.

(j) SECTION 5335.—Section 5335(a) of title 49, United States Code, is amended by striking ''of Transportation''.

(k) TABLE OF SECTIONS.—The table of sections for chapter 53 of title 49, United States Code, is amended to read as follows:

''Sec.
''5301. Policies, purposes, and goals.
''5302. Definitions.
''5303. Metropolitan transportation planning.
''5304. Statewide and nonmetropolitan transportation planning.
''5305. Planning programs.
''5306. Public transportation emergency relief program.
''5307. Urbanized area formula grants.
''5308. Clean fuel grant program.
''5309. Fixed guideway capital investment grants.
''5310. Formula grants for the enhanced mobility of seniors and individuals with disabilities.
''5311. Formula grants for other than urbanized areas.
''5312. Research, development, demonstration, and deployment projects.
''5313. Transit cooperative research program.
''5314. Technical assistance and standards development.
''5315. National Transit Institute.
''[5316. Repealed.]
''[5317. Repealed.]
''5318. Bus testing facilities.
''5319. Bicycle facilities.
''5320. Alternative transportation in parks and public lands.
''[5321. Repealed.]
''5322. Public transportation workforce development and human resource programs.
''5323. General provisions.
''[5324. Repealed.]
''5325. Contract requirements.
''5326. Transit asset management.
''5327. Project management oversight.
''[5328. Repealed.]
''5329. Public transportation safety program.
''5330. State safety oversight.
''5331. Alcohol and controlled substances testing.
''5332. Nondiscrimination.
''5333. Labor standards.
''5334. Administrative provisions.
''5335. National transit database.
''5336. Apportionment of appropriations for formula grants.
''5337. State of good repair grants.
''5338. Authorizations.
''[5339. Repealed.]
''5340. Apportionments based on growing States and high density States formula factors.''.

## DIVISION C—TRANSPORTATION SAFETY AND SURFACE TRANSPORTATION POLICY

## TITLE I—MOTOR VEHICLE AND HIGHWAY SAFETY IMPROVEMENT ACT OF 2012

**SEC. 31001. SHORT TITLE.**

(a) SHORT TITLE.—This title may be cited as the ''Motor Vehicle and Highway Safety Improvement Act of 2012'' or ''Mariah's Act''.

(b) TABLE OF CONTENTS.—The table of contents for this division is as follows:

DIVISION C—TRANSPORTATION SAFETY AND SURFACE TRANSPORTATION POLICY

TITLE I—MOTOR VEHICLE AND HIGHWAY SAFETY IMPROVEMENT ACT OF 2012

Sec. 31001. Short title.
Sec. 31002. Definition.

Subtitle A—Highway Safety

Sec. 31101. Authorization of appropriations.
Sec. 31102. Highway safety programs.
Sec. 31103. Highway safety research and development.
Sec. 31104. National driver register.
Sec. 31105. Combined occupant protection grants.
Sec. 31106. State traffic safety information system improvements.
Sec. 31107. Impaired driving countermeasures.
Sec. 31108. Distracted driving grants.
Sec. 31109. High visibility enforcement program.
Sec. 31110. Motorcyclist safety.
Sec. 31111. Driver alcohol detection system for safety research.
Sec. 31112. State graduated driver licensing laws.
Sec. 31113. Agency accountability.
Sec. 31114. Emergency medical services.

Subtitle B—Enhanced Safety Authorities

Sec. 31201. Definition of motor vehicle equipment.
Sec. 31202. Permit reminder system for nonuse of safety belts.
Sec. 31203. Civil penalties.
Sec. 31204. Motor vehicle safety research and development.
Sec. 31205. Odometer requirements definition.
Sec. 31206. Electronic disclosures of odometer information.
Sec. 31207. Increased penalties and damages for odometer fraud.
Sec. 31208. Extend prohibitions on importing noncompliant vehicles and equipment to defective vehicles and equipment.
Sec. 31209. Financial responsibility requirements for importers.
Sec. 31210. Conditions on importation of vehicles and equipment.
Sec. 31211. Port inspections; samples for examination or testing.

Subtitle C—Transparency and Accountability

Sec. 31301. Improved National Highway Traffic Safety Administration vehicle safety database.
Sec. 31302. National Highway Traffic Safety Administration hotline for manufacturer, dealer, and mechanic personnel.
Sec. 31303. Consumer notice of software updates and other communications with dealers.
Sec. 31304. Public availability of early warning data.
Sec. 31305. Corporate responsibility for National Highway Traffic Safety Administration reports.
Sec. 31306. Passenger motor vehicle information program.
Sec. 31307. Promotion of vehicle defect reporting.
Sec. 31308. Whistleblower protections for motor vehicle manufacturers, part suppliers, and dealership employees.
Sec. 31309. Anti-revolving door.
Sec. 31310. Study of crash data collection.
Sec. 31311. Update means of providing notification; improving efficacy of recalls.
Sec. 31312. Expanding choices of remedy available to manufacturers of replacement equipment.
Sec. 31313. Recall obligations and bankruptcy of manufacturer.
Sec. 31314. Repeal of insurance reports and information provision.
Sec. 31315. Monroney sticker to permit additional safety rating categories.

Subtitle D—Vehicle Electronics and Safety Standards

Sec. 31401. National Highway Traffic Safety Administration electronics, software, and engineering expertise.
Sec. 31402. Vehicle stopping distance and brake override standard.
Sec. 31403. Pedal placement standard.
Sec. 31404. Electronic systems performance standard.
Sec. 31405. Pushbutton ignition systems standard.
Sec. 31406. Vehicle event data recorders.
Sec. 31407. Prohibition on electronic visual entertainment in driver's view.
Sec. 31408. Commercial motor vehicle rollover prevention and crash mitigation.

Subtitle E—Child Safety Standards

Sec. 31501. Child safety seats.
Sec. 31502. Child restraint anchorage systems.
Sec. 31503. Rear seat belt reminders.
Sec. 31504. Unattended passenger reminders.
Sec. 31505. New deadline.

Subtitle F—Improved Daytime and Nighttime Visibility of Agricultural Equipment

Sec. 31601. Rulemaking on visibility of agricultural equipment.

TITLE II—COMMERCIAL MOTOR VEHICLE SAFETY ENHANCEMENT ACT OF 2012

Sec. 32001. Short title.
Sec. 32002. References to title 49, United States Code.

Subtitle A—Commercial Motor Vehicle Registration

Sec. 32101. Registration of motor carriers.
Sec. 32102. Safety fitness of new operators.
Sec. 32103. Reincarnated carriers.
Sec. 32104. Financial responsibility requirements.
Sec. 32105. USDOT number registration requirement.
Sec. 32106. Registration fee system.
Sec. 32107. Registration update.
Sec. 32108. Increased penalties for operating without registration.
Sec. 32109. Revocation of registration for imminent hazard.
Sec. 32110. Revocation of registration and other penalties for failure to respond to subpoena.
Sec. 32111. Fleetwide out of service order for operating without required registration.
Sec. 32112. Motor carrier and officer patterns of safety violations.
Sec. 32113. Federal successor standard.

Subtitle B—Commercial Motor Vehicle Safety

Sec. 32201. Repeal of commercial jurisdiction exception for brokers of motor carriers of passengers.
Sec. 32202. Bus rentals and definition of employer.
Sec. 32203. Crashworthiness standards.
Sec. 32204. Canadian safety rating reciprocity.
Sec. 32205. State reporting of foreign commercial driver convictions.
Sec. 32206. Authority to disqualify foreign commercial drivers.
Sec. 32207. Revocation of foreign motor carrier operating authority for failure to pay civil penalties.

Subtitle C—Driver Safety

Sec. 32301. Electronic on-board recording devices.
Sec. 32302. Safety fitness.
Sec. 32303. Driver medical qualifications.
Sec. 32304. Commercial driver's license notification system.
Sec. 32305. Commercial motor vehicle operator training.
Sec. 32306. Commercial driver's license program.
Sec. 32307. Commercial driver's license requirements.
Sec. 32308. Commercial motor vehicle driver information systems.
Sec. 32309. Disqualifications based on noncommercial motor vehicle operations.
Sec. 32310. Federal driver disqualifications.
Sec. 32311. Employer responsibilities.

Subtitle D—Safe Roads Act of 2012

Sec. 32401. Short title.
Sec. 32402. National clearinghouse for controlled substance and alcohol test results of commercial motor vehicle operators.
Sec. 32403. Drug and alcohol violation sanctions.
Sec. 32404. Authorization of appropriations.

Subtitle E—Enforcement

Sec. 32501. Inspection demand and display of credentials.
Sec. 32502. Out of service penalty for denial of access to records.
Sec. 32503. Penalties for violation of operation out of service orders.
Sec. 32504. Minimum prohibition on operation for unfit carriers.
Sec. 32505. Minimum out of service penalties.
Sec. 32506. Impoundment and immobilization of commercial motor vehicles for imminent hazard.
Sec. 32507. Increased penalties for evasion of regulations.
Sec. 32508. Failure to pay civil penalty as a disqualifying offense.
Sec. 32509. Violations relating to commercial motor vehicle safety regulation and operators.
Sec. 32510. Emergency disqualification for imminent hazard.
Sec. 32511. Intrastate operations of interstate motor carriers.
Sec. 32512. Enforcement of safety laws and regulations.
Sec. 32513. Disclosure to State and local law enforcement agencies.

Subtitle F—Compliance, Safety, Accountability

Sec. 32601. Compliance, safety, accountability.
Sec. 32602. Performance and registration information systems management program.
Sec. 32603. Commercial motor vehicle defined.
Sec. 32604. Driver safety fitness ratings.
Sec. 32605. Uniform electronic clearance for commercial motor vehicle inspections.
Sec. 32606. Authorization of appropriations.
Sec. 32607. High risk carrier reviews.
Sec. 32608. Data and technology grants.
Sec. 32609. Driver safety grants.
Sec. 32610. Commercial vehicle information systems and networks.

Subtitle G—Motorcoach Enhanced Safety Act of 2012

Sec. 32701. Short title.
Sec. 32702. Definitions.
Sec. 32703. Regulations for improved occupant protection, passenger evacuation, and crash avoidance.
Sec. 32704. Standards for improved fire safety.
Sec. 32705. Occupant protection, collision avoidance, fire causation, and fire extinguisher research and testing.
Sec. 32706. Motorcoach registration.
Sec. 32707. Improved oversight of motorcoach service providers.
Sec. 32708. Report on feasibility, benefits, and costs of establishing a system of certification of training programs.
Sec. 32709. Report on driver's license requirements for 9- to 15-passenger vans.
Sec. 32710. Event data recorders.
Sec. 32711. Safety inspection program for commercial motor vehicles of passengers.
Sec. 32712. Distracted driving.
Sec. 32713. Regulations.

Subtitle H—Safe Highways and Infrastructure Preservation

Sec. 32801. Comprehensive truck size and weight limits study.
Sec. 32802. Compilation of existing State truck size and weight limit laws.

Subtitle I—Miscellaneous

PART I—MISCELLANEOUS

Sec. 32911. Detention time study.
Sec. 32912. Prohibition of coercion.
Sec. 32913. Motor carrier safety advisory committee.
Sec. 32914. Waivers, exemptions, and pilot programs.
Sec. 32915. Registration requirements.
Sec. 32916. Additional motor carrier registration requirements.
Sec. 32917. Registration of freight forwarders and brokers.
Sec. 32918. Effective periods of registration.
Sec. 32919. Financial security of brokers and freight forwarders.
Sec. 32920. Unlawful brokerage activities.

PART II—HOUSEHOLD GOODS TRANSPORTATION

Sec. 32921. Additional registration requirements for household goods motor carriers.
Sec. 32922. Failure to give up possession of household goods.
Sec. 32923. Settlement authority.
Sec. 32924. Household goods transportation assistance program.
Sec. 32925. Household goods consumer education program.

PART III—TECHNICAL AMENDMENTS

Sec. 32931. Update of obsolete text.
Sec. 32932. Correction of interstate commerce commission references.
Sec. 32933. Technical and conforming amendments.

TITLE III—SURFACE TRANSPORTATION AND FREIGHT POLICY ACT OF 2012

Sec. 33001. Short title.
Sec. 33002. Establishment of a national surface transportation and freight policy.
Sec. 33003. Surface transportation and freight strategic plan.
Sec. 33004. Transportation investment data and planning tools.
Sec. 33005. Port infrastructure development initiative.
Sec. 33006. Safety for motorized and nonmotorized users.

TITLE IV—HAZARDOUS MATERIALS TRANSPORTATION SAFETY IMPROVEMENT ACT OF 2012

Sec. 34001. Short title.
Sec. 34002. Definition.
Sec. 34003. References to title 49, United States Code.
Sec. 34004. Training for emergency responders.
Sec. 34005. Paperless Hazard Communications Pilot Program.
Sec. 34006. Improving data collection, analysis, and reporting.
Sec. 34007. Loading and unloading of hazardous materials.
Sec. 34008. Hazardous material technical assessment, research and development, and analysis program.
Sec. 34009. Hazardous Material Enforcement Training Program.
Sec. 34010. Inspections.
Sec. 34011. Civil penalties.
Sec. 34012. Reporting of fees.
Sec. 34013. Special permits, approvals, and exclusions.
Sec. 34014. Highway routing disclosures.
Sec. 34015. Authorization of appropriations.

TITLE V—RESEARCH AND INNOVATIVE TECHNOLOGY ADMINISTRATION REAUTHORIZATION ACT OF 2012

Sec. 35001. Short title.
Sec. 35002. National Cooperative Freight Research Program.
Sec. 35003. Bureau of Transportation Statistics.
Sec. 35004. 5.9 GHz vehicle-to-vehicle and vehicle-to-infrastructure communications systems deployment.
Sec. 35005. Administrative authority.
Sec. 35006. Prize authority.
Sec. 35007. Transportation research and development.
Sec. 35008. Use of funds for intelligent transportation systems activities.
Sec. 35009. Authorization of appropriations.

TITLE VI—NATIONAL RAIL SYSTEM PRESERVATION, EXPANSION, AND DEVELOPMENT ACT OF 2012

Sec. 36001. Short title.
Sec. 36002. References to title 49, United States Code.

Subtitle A—Federal and State Roles in Rail Planning and Development Tools

Sec. 36101. Rail plans.
Sec. 36102. Improved data on delay.
Sec. 36103. Data and modeling.
Sec. 36104. Shared-use corridor study.
Sec. 36105. Cooperative equipment pool.
Sec. 36106. Project management oversight and planning.
Sec. 36107. Improvements to the Capital Assistance Programs.
Sec. 36108. Liability.
Sec. 36109. Disadvantaged business enterprises.
Sec. 36110. Workforce development.
Sec. 36111. Veterans employment.

Subtitle B—Amtrak

Sec. 36201. State-supported routes.
Sec. 36202. Northeast corridor infrastructure and operations advisory commission.
Sec. 36203. Northeast corridor high-speed rail improvement plan.

Sec. 36204. Northeast corridor environmental review process.
Sec. 36205. Delegation authority.
Sec. 36206. Amtrak inspector general.
Sec. 36207. Compensation for private-sector use of Federally-funded assets.
Sec. 36208. On-time performance.
Sec. 36209. Board of directors.

Subtitle C—Rail Safety Improvements

Sec. 36301. Positive train control.
Sec. 36302. Additional eligibility for Railroad rehabilitation and improvement financing.
Sec. 36303. FCC study of spectrum availability.

Subtitle D—Freight Rail

Sec. 36401. Rail line relocation.
Sec. 36402. Compilation of complaints.
Sec. 36403. Maximum relief in certain rate cases.
Sec. 36404. Rate review timelines.
Sec. 36405. Revenue adequacy study.
Sec. 36406. Quarterly reports.
Sec. 36407. Workforce review.
Sec. 36408. Railroad rehabilitation and improvement financing.

Subtitle E—Technical Corrections

Sec. 36501. Technical corrections.
Sec. 36502. Condemnation authority.

Subtitle F—Licensing and Insurance Requirements for Passenger Rail Carriers

Sec. 36601. Certification of passenger rail carriers.

TITLE VII—SPORT FISH RESTORATION AND RECREATIONAL BOATING SAFETY ACT OF 2012

Sec. 37001. Short title.
Sec. 37002. Amendment of Federal Aid in Sport Fish Restoration Act.
Sec. 37003. Amendment of trust fund code.

**SEC. 31002. DEFINITION.**

In this title, the term ''Secretary'' means the Secretary of Transportation.

**Subtitle A—Highway Safety**

**SEC. 31101. 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—

(A) $243,000,000 for fiscal year 2012; and

(B) $243,000,000 for fiscal year 2013.

(2) HIGHWAY SAFETY RESEARCH AND DEVELOPMENT.—For carrying out section 403 of title 23, United States Code—

(A) $130,000,000 for fiscal year 2012; and

(B) $139,000,000 for fiscal year 2013.

(3) COMBINED OCCUPANT PROTECTION GRANTS.—For carrying out section 405 of title 23, United States Code—

(A) $44,000,000 for fiscal year 2012; and

(B) $44,000,000 for fiscal year 2013.

(4) STATE TRAFFIC SAFETY INFORMATION SYSTEM IMPROVEMENTS.—For carrying out section 408 of title 23, United States Code—

(A) $44,000,000 for fiscal year 2012; and

(B) $44,000,000 for fiscal year 2013.

(5) IMPAIRED DRIVING COUNTERMEASURES.—For carrying out section 410 of title 23, United States Code—

(A) $139,000,000 for fiscal year 2012; and

(B) $139,000,000 for fiscal year 2013.

(6) DISTRACTED DRIVING GRANTS.—For carrying out section 411 of title 23, United States Code—

(A) $39,000,000 for fiscal year 2012; and

(B) $39,000,000 for fiscal year 2013.

(7) NATIONAL DRIVER REGISTER.—For the National Highway Traffic Safety Administration to carry out chapter 303 of title 49, United States Code—

(A) $5,000,000 for fiscal year 2012; and

(B) $5,000,000 for fiscal year 2013.

(8) HIGH VISIBILITY ENFORCEMENT PROGRAM.—For carrying out section 2009 of SAFETEA LU (23 U.S.C. 402 note)—

(A) $37,000,000 for fiscal year 2012; and

(B) $37,000,000 for fiscal year 2013.

(9) MOTORCYCLIST SAFETY.—For carrying out section 2010 of SAFETEA LU (23 U.S.C. 402 note)—

(A) $6,000,000 for fiscal year 2012; and

(B) $6,000,000 for fiscal year 2013.

(10) ADMINISTRATIVE EXPENSES.—For administrative and related operating expenses of the National Highway Traffic Safety Administration in carrying out chapter 4 of title 23, United States Code, and this subtitle—

(A) $25,581,280 for fiscal year 2012; and

(B) $25,862,674 for fiscal year 2013.

(11) DRIVER ALCOHOL DETECTION SYSTEM FOR SAFETY RESEARCH.—For carrying out section 413 of title 23, United States Code—

(A) $12,000,000 for fiscal year 2012; and

(B) $12,000,000 for fiscal year 2013.

(12) STATE GRADUATED DRIVER LICENSING LAWS.—For carrying out section 414 of title 23, United States Code—

(A) $22,000,000 for fiscal year 2012; and

(B) $22,000,000 for fiscal year 2013.

(b) PROHIBITION ON OTHER USES.—Except as otherwise provided in chapter 4 of title 23, United States Code, in this subtitle, and in the amendments made by this subtitle, the amounts made available from the Highway Trust Fund (other than the Mass Transit Account) for a program under such chapter—

(1) shall only be used to carry out such program; and

(2) may not be used by a States or local governments for construction purposes.

(c) APPLICABILITY OF SUBTITLE 23.—Except as otherwise provided in chapter 4 of title 23, United States Code, and in this subtitle, amounts made available under subsection (a) for fiscal years 2012 and 2013 shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code.

(d) REGULATORY AUTHORITY.—Grants awarded under this subtitle shall be in accordance with regulations issued by the Secretary.

(e) STATE MATCHING REQUIREMENTS.—If a grant awarded under this subtitle requires a State to share in the cost, the aggregate of all expenditures for highway safety activities made during any fiscal year by the State and its political subdivisions (exclusive of Federal funds) for carrying out the grant (other than planning and administration) shall be available for the purpose of crediting the State during such fiscal year for the non-Federal share of the cost of any project under this subtitle (other than planning or administration) without regard to whether such expenditures were actually made in connection with such project.

(f) MAINTENANCE OF EFFORT.—

(1) REQUIREMENT.—No grant may be made to a State under section 405, 408, or 410 of title 23, United States Code, in any 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 State and local sources for programs described in such sections at or above the average level of such expenditures in its 2 fiscal years preceding the date of enactment of this Act.

(2) WAIVER.—Upon the request of a State, the Secretary may waive or modify the requirements under paragraph (1) for not more than 1 fiscal year if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances.

(g) TRANSFERS.—In each fiscal year, the Secretary may transfer any amounts remaining available under paragraphs (3), (4), (5), (6), (9), (11), and (12) of subsection (a) to the amounts made available under paragraph (1) or any other of such paragraphs in order to ensure, to the maximum extent possible, that all funds are obligated.

(h) GRANT APPLICATION AND DEADLINE.—To receive a grant under this subtitle, a State shall submit an application, and the Secretary shall establish a single deadline for such applications to enable the award of grants early in the next fiscal year.

(i) ALLOCATION TO SUPPORT STATE DISTRACTED DRIVING LAWS.—Of the amounts available under subsection (a)(6) for distracted driving grants, the Secretary may expend, in each fiscal year, up to $5,000,000 for the development and placement of broadcast media to support the enforcement of State distracted driving laws.

**SEC. 31102. HIGHWAY SAFETY PROGRAMS.**

(a) PROGRAMS INCLUDED.—Section 402(a) of title 23, United States Code, is amended to read as follows:

''(a) PROGRAM REQUIRED.—

''(1) IN GENERAL.—Each State shall have a highway safety program, approved by the Secretary, that is designed to reduce traffic accidents and the resulting deaths, injuries, and property damage.

''(2) UNIFORM GUIDELINES.—Programs required under paragraph (1) shall comply with uniform guidelines, promulgated by the Secretary and expressed in terms of performance criteria, that—

''(A) include programs—

''(i) to reduce injuries and deaths resulting from motor vehicles being driven in excess of posted speed limits;

''(ii) to encourage the proper use of occupant protection devices (including the use of safety belts and child restraint systems) by occupants of motor vehicles;

''(iii) to reduce injuries and deaths resulting from persons driving motor vehicles while impaired by alcohol or a controlled substance;

''(iv) to prevent accidents and reduce injuries and deaths resulting from accidents involving motor vehicles and motorcycles;

''(v) to reduce injuries and deaths resulting from accidents involving school buses;

''(vi) to reduce accidents resulting from unsafe driving behavior (including aggressive or fatigued driving and distracted driving arising from the use of electronic devices in vehicles); and

''(vii) to improve law enforcement services in motor vehicle accident prevention, traffic supervision, and post-accident procedures;

''(B) improve driver performance, including—

''(i) driver education;

''(ii) driver testing to determine proficiency to operate motor vehicles; and

''(iii) driver examinations (physical, mental, and driver licensing);

''(C) improve pedestrian performance and bicycle safety;

''(D) include provisions for—

''(i) an effective record system of accidents (including resulting injuries and deaths);

''(ii) accident investigations to determine the probable causes of accidents, injuries, and deaths;

''(iii) vehicle registration, operation, and inspection; and

''(iv) emergency services; and

''(E) to the extent determined appropriate by the Secretary, are applicable to federally administered areas where a Federal department or agency controls the highways or supervises traffic operations.''.

(b) ADMINISTRATION OF STATE PROGRAMS.—Section 402(b)(1) of title 23, United States Code, is amended—

(1) in subparagraph (D), by striking ''and'' at the end;

(2) by redesignating subparagraph (E) as subparagraph (F);

(3) by inserting after subparagraph (D) the following:

''(E) beginning on October 1, 2012, provide for a robust, data-driven traffic safety enforcement program to prevent traffic violations, crashes, and crash fatalities and injuries in areas most at risk for such incidents, to the satisfaction of the Secretary;''; and

(4) in subparagraph (F), as redesignated—

(A) in clause (i), by inserting ''and high-visibility law enforcement mobilizations coordinated by the Secretary'' after ''mobilizations'';

(B) in clause (iii), by striking ''and'' at the end;

(C) in clause (iv), by striking the period at the end and inserting ''; and''; and

(D) by adding at the end the following:

''(v) ensuring that the State will coordinate its highway safety plan, data collection, and information systems with the State strategic highway safety plan (as defined in section 148(a)).''.

(c) APPROVED HIGHWAY SAFETY PROGRAMS.—Section 402(c) of title 23, United States Code, is amended—

(1) by striking ''(c) Funds authorized'' and inserting the following:

''(c) USE OF FUNDS.—

''(1) IN GENERAL.—Funds authorized'';

(2) by striking ''Such funds'' and inserting the following:

''(2) APPORTIONMENT.—Except for amounts identified in subsection (l) and section 403(e), funds described in paragraph (1)'';

(3) by striking ''The Secretary shall not'' and all that follows through ''subsection, a highway safety program'' and inserting ''A highway safety program'';

(4) by inserting ''A State may use the funds apportioned under this section, in cooperation with neighboring States, for highway safety programs or related projects that may confer benefits on such neighboring States.'' after ''in every State.'';

(5) by striking ''50 per centum'' and inserting ''20 percent''; and

(6) by striking ''The Secretary shall promptly'' and all that follows and inserting the following:

''(3) REAPPORTIONMENT.—The Secretary shall promptly apportion the funds withheld from a State's apportionment to the State if the Secretary approves the State's highway safety program or determines that the State has begun implementing an approved program, as appropriate, not later than July 31st of the fiscal year for which the funds were withheld. If the Secretary determines that the State did not correct its failure within such period, the Secretary shall reapportion the withheld funds to the other States in accordance with the formula specified in paragraph (2) not later than the last day of the fiscal year.''.

(d) USE OF HIGHWAY SAFETY PROGRAM FUNDS.—Section 402(g) of title 23, United States Code, is amended to read as follows:

''(g) SAVINGS PROVISION.—

''(1) IN GENERAL.—Except as provided under paragraph (2), nothing in this section may be construed to authorize the appropriation or expenditure of funds for—

''(A) highway construction, maintenance, or design (other than design of safety features of highways to be incorporated into guidelines); or

''(B) any purpose for which funds are authorized by section 403.

''(2) DEMONSTRATION PROJECTS.—A State may use funds made available to carry out this section to assist in demonstration projects carried out by the Secretary under section 403.''.

(e) IN GENERAL.—Section 402 of title 23, United States Code, is amended—

(1) by striking subsections (k) and (m);

(2) by redesignating subsections (i) and (j) as subsections (h) and (i), respectively; and

(3) by redesignating subsection (*l*) as subsection (j).

(f) HIGHWAY SAFETY PLAN AND REPORTING REQUIREMENTS.—Section 402 of title 23, United States Code, as amended by this section, is further amended by adding at the end the following:

''(k) HIGHWAY SAFETY PLAN AND REPORTING REQUIREMENTS.—

''(1) IN GENERAL.—The Secretary shall require each State to develop and submit to the Secretary a highway safety plan that complies with the requirements under this subsection not later than July 1, 2012, and annually thereafter.

''(2) CONTENTS.—State highway safety plans submitted under paragraph (1) shall include—

''(A) performance measures required by the Secretary or otherwise necessary to support additional State safety goals, including—

''(i) documentation of current safety levels for each performance measure;

''(ii) quantifiable annual performance targets for each performance measure; and

''(iii) a justification for each performance target;

''(B) a strategy for programming funds apportioned to the State under this section on projects and activities that will allow the State to meet the performance targets described in subparagraph (A);

''(C) data and data analysis supporting the effectiveness of proposed countermeasures;

''(D) a description of any Federal, State, local, or private funds that the State plans to use, in addition to funds apportioned to the State under this section, to carry out the strategy described in subparagraph (B);

''(E) beginning with the plan submitted by July 1, 2013, a report on the State's success in meeting State safety goals set forth in the previous year's highway safety plan; and

''(F) an application for any additional grants available to the State under this chapter.

''(3) PERFORMANCE MEASURES.—For the first highway safety plan submitted under this subsection, the performance measures required by the Secretary under paragraph (2)(A) shall be limited to those developed by the National Highway Traffic Safety Administration and the Governor's Highway Safety Association and described in the report, 'Traffic Safety Performance Measures for States and Federal Agencies' (DOT HS 811 025). For subsequent highway safety plans, the Secretary shall consult with the Governor's Highway Safety Association and safety experts if the Secretary makes revisions to the set of required performance measures.

''(4) REVIEW OF HIGHWAY SAFETY PLANS.—

''(A) IN GENERAL.—Not later than 60 days after the date on which a State's highway safety plan is received by the Secretary, the Secretary shall review and approve or disapprove the plan.

''(B) APPROVALS AND DISAPPROVALS.—

''(i) APPROVALS.—The Secretary shall approve a State's highway safety plan if the Secretary determines that—

''(I) the plan is evidence-based and supported by data;

''(II) the performance targets are adequate; and

''(III) the plan, once implemented, will allow the State to meet such targets.

''(ii) DISAPPROVALS.—The Secretary shall disapprove a State's highway safety plan if the Secretary determines that the plan does not—

''(I) set appropriate performance targets; or

''(II) provide for evidence-based programming of funding in a manner sufficient to allow the State to meet such targets.

''(C) ACTIONS UPON DISAPPROVAL.—If the Secretary disapproves a State's highway safety plan, the Secretary shall—

''(i) inform the State of the reasons for such disapproval; and

''(ii) require the State to resubmit the plan with any modifications that the Secretary determines to be necessary.

''(D) REVIEW OF RESUBMITTED PLANS.—If the Secretary requires a State to resubmit a highway safety plan, with modifications, the Secretary shall review and approve or disapprove the modified plan not later than 30 days after the date on which the Secretary receives such plan.

''(E) REPROGRAMMING AUTHORITY.—If the Secretary determines that the modifications contained in a State's resubmitted highway safety plan do not provide for the programming of funding in a manner sufficient to meet the State's performance goals, the Secretary, in consultation with the State, shall take such action as may be necessary to bring the State's plan into compliance with the performance targets.

''(F) PUBLIC NOTICE.—A State shall make the State's highway safety plan, and decisions of the Secretary concerning approval or disapproval of a revised plan, available to the public.''.

(g) COOPERATIVE RESEARCH AND EVALUATION.—Section 402 of title 23, United States Code, as amended by this section, is further amended by adding at the end the following:

''(l) COOPERATIVE RESEARCH AND EVALUATION.—

''(1) ESTABLISHMENT AND FUNDING.—Notwithstanding the apportionment formula set forth in subsection (c)(2), $2,500,000 of the total amount available for apportionment to the States for highway safety programs under subsection (c) in each fiscal year shall be available for expenditure by the Secretary, acting through the Administrator of the National Highway Traffic Safety Administration, for a cooperative research and evaluation program to research and evaluate priority highway safety countermeasures.

''(2) ADMINISTRATION.—The program established under paragraph (1)—

''(A) shall be administered by the Administrator of the National Highway Traffic Safety Administration; and

''(B) shall be jointly managed by the Governors Highway Safety Association and the National Highway Traffic Safety Administration.''.

(h) TEEN TRAFFIC SAFETY PROGRAM.—Section 402 of title 23, United States Code, as amended by this section, is further amended by adding at the end the following:

''(m) TEEN TRAFFIC SAFETY PROGRAM.—

''(1) PROGRAM AUTHORIZED.—Subject to the requirements of a State's highway safety plan, as approved by the Secretary under subsection (k), a State may use a portion of the amounts received under this section to implement a statewide teen traffic safety program to improve traffic safety for teen drivers.

''(2) STRATEGIES.—The program implemented under paragraph (1)—

''(A) shall include peer-to-peer education and prevention strategies in schools and communities designed to—

''(i) increase safety belt use;

''(ii) reduce speeding;

''(iii) reduce impaired and distracted driving;

''(iv) reduce underage drinking; and

''(v) reduce other behaviors by teen drivers that lead to injuries and fatalities; and

''(B) may include—

''(i) working with student-led groups and school advisors to plan and implement teen traffic safety programs;

''(ii) providing subgrants to schools throughout the State to support the establishment and expansion of student groups focused on teen traffic safety;

''(iii) providing support, training, and technical assistance to establish and expand school and community safety programs for teen drivers;

''(iv) creating statewide or regional websites to publicize and circulate information on teen safety programs;

''(v) conducting outreach and providing educational resources for parents;

''(vi) establishing State or regional advisory councils comprised of teen drivers to provide input and recommendations to the governor and the governor's safety representative on issues related to the safety of teen drivers;

''(vii) collaborating with law enforcement;

''(viii) organizing and hosting State and regional conferences for teen drivers;

''(ix) establishing partnerships and promoting coordination among community stakeholders, including public, not-for-profit, and for profit entities; and

''(x) funding a coordinator position for the teen safety program in the State or region.''.

**SEC. 31103. HIGHWAY SAFETY RESEARCH AND DEVELOPMENT.**

Section 403 of title 23, United States Code, is amended to read as follows:

**''§ 403. Highway safety research and development**

''(a) DEFINED TERM.—In this section, the term 'Federal laboratory' includes—

''(1) a government-owned, government-operated laboratory; and

''(2) a government-owned, contractor-operated laboratory.

''(b) GENERAL AUTHORITY.—

''(1) RESEARCH AND DEVELOPMENT ACTIVITIES.—The Secretary may conduct research and development activities, including demonstration projects and the collection and analysis of highway and motor vehicle safety data and related information needed to carry out this section, with respect to—

''(A) all aspects of highway and traffic safety systems and conditions relating to—

''(i) vehicle, highway, driver, passenger, motorcyclist, bicyclist, and pedestrian characteristics;

''(ii) accident causation and investigations;

''(iii) communications;

''(iv) emergency medical services; and

''(v) transportation of the injured;

''(B) human behavioral factors and their effect on highway and traffic safety, including—

''(i) driver education;

''(ii) impaired driving;

''(iii) distracted driving; and

''(iv) new technologies installed in, or brought into, vehicles;

''(C) an evaluation of the effectiveness of countermeasures to increase highway and traffic safety, including occupant protection and alcohol- and drug-impaired driving technologies and initiatives; and

''(D) the effect of State laws on any aspects, activities, or programs described in subparagraphs (A) through (C).

''(2) COOPERATION, GRANTS, AND CONTRACTS.—The Secretary may carry out this section—

''(A) independently;

''(B) in cooperation with other Federal departments, agencies, and instrumentalities and Federal laboratories;

''(C) by entering into contracts, cooperative agreements, and other transactions with the National Academy of Sciences, any Federal laboratory, State or local agency, authority, association, institution, foreign country, or person (as defined in chapter 1 of title 1); or

''(D) by making grants to the National Academy of Sciences, any Federal laboratory, State or local agency, authority, association, institution, or person (as defined in chapter 1 of title 1).

''(c) COLLABORATIVE RESEARCH AND DEVELOPMENT.—

''(1) IN GENERAL.—To encourage innovative solutions to highway safety problems, stimulate voluntary improvements in highway safety, and stimulate the marketing of new highway safety related technology by private industry, the Secretary is authorized to carry out, on a cost-shared basis, collaborative research and development with—

''(A) non-Federal entities, including State and local governments, foreign countries, colleges, universities, corporations, partnerships, sole proprietorships, organizations serving the interests of children, people with disabilities, low-income populations, and older adults, and trade associations that are incorporated or established under the laws of any State or the United States; and

''(B) Federal laboratories.

''(2) 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)) in which the Secretary provides not more than 50 percent of the cost of any research or development project under this subsection.

''(3) USE OF TECHNOLOGY.—The research, development, or use of any technology pursuant to an agreement under this subsection, including the terms under which technology may be licensed and the resulting royalties may be distributed, shall be subject to the provisions of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.).

''(d) TITLE TO EQUIPMENT.—In furtherance of the purposes set forth in section 402, the Secretary may vest title to equipment purchased for demonstration projects with funds authorized under this section to State or local agencies on such terms and conditions as the Secretary determines to be appropriate.

''(e) TRAINING.—Notwithstanding the apportionment formula set forth in section 402(c)(2), 1 percent of the total amount available for apportionment to the States for highway safety programs under section 402(c) in each fiscal year shall be available, through the end of the succeeding fiscal year, to the Secretary, acting through the Administrator of the National Highway Traffic Safety Administration—

''(1) to provide training, conducted or developed by Federal or non-Federal entity or personnel, to Federal, State, and local highway safety personnel; and

''(2) to pay for any travel, administrative, and other expenses related to such training.

''(f) DRIVER LICENSING AND FITNESS TO DRIVE CLEARINGHOUSE.—From amounts made available under this section, the Secretary, acting through the Administrator of the National Highway Traffic Safety Administration, is authorized to expend $1,280,000 between the date of enactment of the Motor Vehicle and Highway Safety Improvement Act of 2012 and September 30, 2013, to establish an electronic clearinghouse and technical assistance service to collect and disseminate research and analysis of medical and technical information and best practices concerning drivers with medical issues that may be used by State driver licensing agencies in making licensing qualification decisions.

''(g) INTERNATIONAL HIGHWAY SAFETY INFORMATION AND COOPERATION.—

''(1) ESTABLISHMENT.—The Secretary, acting through the Administrator of the National Highway Traffic Safety Administration, may establish an international highway safety information and cooperation program to—

''(A) inform the United States highway safety community of laws, projects, programs, data, and technology in foreign countries that could be used to enhance highway safety in the United States;

''(B) permit the exchange of information with foreign countries about laws, projects, programs, data, and technology that could be used to enhance highway safety; and

''(C) allow the Secretary, represented by the Administrator, to participate and cooperate in international activities to enhance highway safety.

''(2) COOPERATION.—The Secretary may carry out this subsection in cooperation with any appropriate Federal agency, State or local agency or authority, foreign government, or multinational institution.

''(h) PROHIBITION ON CERTAIN DISCLOSURES.—Any report of the National Highway Traffic Safety Administration, or of any officer, employee, or contractor of the National Highway Traffic Safety Administration, relating to any highway traffic accident or the investigation of such accident conducted pursuant to this chapter or chapter 301 shall be made available to the public in a manner that does not identify individuals.

''(i) MODEL SPECIFICATIONS FOR DEVICES.—The Secretary, acting through the Administrator of the National Highway Traffic Safety Administration, may—

''(1) develop model specifications and testing procedures for devices, including devices designed to measure the concentration of alcohol in the body;

''(2) conduct periodic tests of such devices;

''(3) publish a Conforming Products List of such devices that have met the model specifications; and

''(4) may require that any necessary tests of such devices are conducted by a Federal laboratory and paid for by the device manufacturers.''.

**SEC. 31104. NATIONAL DRIVER REGISTER.**

Section 30302(b) of title 49, United States Code, is amended by adding at the end the following: ''The Secretary shall make continual improvements to modernize the Register's data processing system.''.

**SEC. 31105. COMBINED OCCUPANT PROTECTION GRANTS.**

(a) IN GENERAL.—Section 405 of title 23, United States Code, is amended to read as follows:

**''§ 405. Combined occupant protection grants**

''(a) GENERAL AUTHORITY.—Subject to the requirements of this section, the Secretary of Transportation shall award grants to States that adopt and implement effective occupant protection programs to reduce highway deaths and injuries resulting from individuals riding unrestrained or improperly restrained in motor vehicles.

''(b) FEDERAL SHARE.—The Federal share of the costs of activities funded using amounts from grants awarded under this section may not exceed 80 percent for each fiscal year for which a State receives a grant.

''(c) ELIGIBILITY.—

''(1) HIGH SEAT BELT USE RATE.—A State with an observed seat belt use rate of 90 percent or higher, based on the most recent data from a survey that conforms with national criteria established by the National Highway Traffic Safety Administration, shall be eligible for a grant in a fiscal year if the State—

''(A) submits an occupant protection plan during the first fiscal year;

''(B) participates in the Click It or Ticket national mobilization;

''(C) has an active network of child restraint inspection stations; and

''(D) has a plan to recruit, train, and maintain a sufficient number of child passenger safety technicians.

''(2) LOWER SEAT BELT USE RATE.—A State with an observed seat belt use rate below 90 percent, based on the most recent data from a survey that conforms with national criteria established by the National Highway Traffic Safety Administration, shall be eligible for a grant in a fiscal year if—

''(A) the State meets all of the requirements under subparagraphs (A) through (D) of paragraph (1); and

''(B) the Secretary determines that the State meets at least 3 of the following criteria:

''(i) The State conducts sustained (ongoing and periodic) seat belt enforcement at a defined level of participation during the year.

''(ii) The State has enacted and enforces a primary enforcement seat belt use law.

''(iii) The State has implemented countermeasure programs for high-risk populations, such as drivers on rural roadways, unrestrained nighttime drivers, or teenage drivers.

''(iv) The State has enacted and enforces occupant protection laws requiring front and rear occupant protection use by all occupants in an age-appropriate restraint.

''(v) The State has implemented a comprehensive occupant protection program in which the State has—

''(I) conducted a program assessment;

''(II) developed a statewide strategic plan;

''(III) designated an occupant protection coordinator; and

''(IV) established a statewide occupant protection task force.

''(vi) The State—

''(I) completed an assessment of its occupant protection program during the 3-year period preceding the grant year; or

''(II) will conduct such an assessment during the first year of the grant.

''(d) USE OF GRANT AMOUNTS.—Grant funds received pursuant to this section may be used to—

''(1) carry out a program to support high-visibility enforcement mobilizations, including paid media that emphasizes publicity for the program, and law enforcement;

''(2) carry out a program to train occupant protection safety professionals, police officers, fire and emergency medical personnel, educators, and parents concerning all aspects of the use of child restraints and occupant protection;

''(3) carry out a program to educate the public concerning the proper use and installation of child restraints, including related equipment and information systems;

''(4) carry out a program to provide community child passenger safety services, including programs about proper seating positions for children and how to reduce the improper use of child restraints;

''(5) purchase and distribute child restraints to low-income families if not more than 5 percent of the funds received in a fiscal year are used for this purpose;

''(6) establish and maintain information systems containing data concerning occupant protection, including the collection and administration of child passenger safety and occupant protection surveys; and

''(7) carry out a program to educate the public concerning the dangers of leaving children unattended in vehicles.

''(e) GRANT AMOUNT.—The allocation of grant funds under this section to a State for a fiscal year shall be in proportion to the State's apportionment under section 402 for fiscal year 2009.

''(f) REPORT.—A State that receives a grant under this section shall submit a report to the Secretary that documents the manner in which the grant amounts were obligated and expended and identifies the specific programs carried out with the grant funds. The report shall be in a form prescribed by the Secretary and may be combined with other State grant reporting requirements under chapter 4 of title 23, United States Code.

''(g) DEFINITIONS.—In this section:

''(1) CHILD RESTRAINT.—The term 'child restraint' means any device (including child safety seat, booster seat, harness, and excepting seat belts) designed for use in a motor vehicle to restrain, seat, or position children who weigh 65 pounds (30 kilograms) or less, and certified to the Federal motor vehicle safety standard prescribed by the National Highway Traffic Safety Administration for child restraints.

''(2) SEAT BELT.—The term 'seat belt' means—

''(A) with respect to open-body motor vehicles, including convertibles, an occupant restraint system consisting of a lap belt or a lap belt and a detachable shoulder belt; and

''(B) with respect to other motor vehicles, an occupant restraint system consisting of integrated lap and shoulder belts.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 4 of title 23, United States Code, is amended by striking the item relating to section 405 and inserting the following:

''405. Combined occupant protection grants.''.

**SEC. 31106. STATE TRAFFIC SAFETY INFORMATION SYSTEM IMPROVEMENTS.**

Section 408 of title 23, United States Code, is amended to read as follows:

**''§ 408. State traffic safety information system improvements**

''(a) GENERAL AUTHORITY.—Subject to the requirements of this section, the Secretary of Transportation shall award grants to States to support the development and implementation of effective State programs that—

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

''(2) evaluate the effectiveness of efforts to make such improvements;

''(3) link the State data systems, including traffic records, with other data systems within the State, such as systems that contain medical, roadway, and economic data;

''(4) improve the compatibility and interoperability of the data systems of the State with national data systems and data systems of other States; and

''(5) enhance the ability of the Secretary to observe and analyze national trends in crash occurrences, rates, outcomes, and circumstances.

''(b) FEDERAL SHARE.—The Federal share of the cost of adopting and implementing in a fiscal year a State program described in this section may not exceed 80 percent.

''(c) ELIGIBILITY.—A State is not eligible for a grant under this section in a fiscal year unless the State demonstrates, to the satisfaction of the Secretary, that the State—

''(1) has a functioning traffic records coordinating committee (referred to in this subsection as 'TRCC') that meets at least 3 times a year;

''(2) has designated a TRCC coordinator;

''(3) has established a State traffic record strategic plan that has been approved by the TRCC and describes specific quantifiable and measurable improvements anticipated in the State's core safety databases, including crash, citation or adjudication, driver, emergency medical services or injury surveillance system, roadway, and vehicle databases;

''(4) has demonstrated quantitative progress in relation to the significant data program attribute of—

''(A) accuracy;

''(B) completeness;

''(C) timeliness;

''(D) uniformity;

''(E) accessibility; or

''(F) integration of a core highway safety database; and

''(5) has certified to the Secretary that an assessment of the State's highway safety data and traffic records system was conducted or updated during the preceding 5 years.

''(d) USE OF GRANT AMOUNTS.—Grant funds received by a State under this section shall be used for making data program improvements to core highway safety databases related to quantifiable, measurable progress in any of the 6 significant data program attributes set forth in subsection (c)(4).

''(e) GRANT AMOUNT.—The allocation of grant funds under this section to a State for a fiscal year shall be in proportion to the State's apportionment under section 402 for fiscal year 2009.''.

**SEC. 31107. IMPAIRED DRIVING COUNTERMEASURES.**

(a) IN GENERAL.—Section 410 of title 23, United States Code, is amended to read as follows:

**''§ 410. Impaired driving countermeasures**

''(a) GRANTS AUTHORIZED.—Subject to the requirements of this section, the Secretary of Transportation shall award grants to States that adopt and implement—

''(1) effective programs to reduce driving under the influence of alcohol, drugs, or the combination of alcohol and drugs; or

''(2) alcohol-ignition interlock laws.

''(b) FEDERAL SHARE.—The Federal share of the costs of activities funded using amounts from grants under this section may not exceed 80 percent in any fiscal year in which the State receives a grant.

''(c) ELIGIBILITY.—

''(1) LOW-RANGE STATES.—Low-range States shall be eligible for a grant under this section.

''(2) MID-RANGE STATES.—A mid-range State shall be eligible for a grant under this section if—

''(A) a statewide impaired driving task force in the State developed a statewide plan during the most recent 3 calendar years to address the problem of impaired driving; or

''(B) the State will convene a statewide impaired driving task force to develop such a plan during the first year of the grant.

''(3) HIGH-RANGE STATES.—A high-range State shall be eligible for a grant under this section if the State—

''(A)(i) conducted an assessment of the State's impaired driving program during the most recent 3 calendar years; or

''(ii) will conduct such an assessment during the first year of the grant;

''(B) convenes, during the first year of the grant, a statewide impaired driving task force to develop a statewide plan that—

''(i) addresses any recommendations from the assessment conducted under subparagraph (A);

''(ii) includes a detailed plan for spending any grant funds provided under this section; and

''(iii) describes how such spending supports the statewide program;

''(C)(i) submits the statewide plan to the National Highway Traffic Safety Administration during the first year of the grant for the agency's review and approval;

''(ii) annually updates the statewide plan in each subsequent year of the grant; and

''(iii) submits each updated statewide plan for the agency's review and comment; and

''(D) appoints a full or part-time impaired driving coordinator—

''(i) to coordinate the State's activities to address enforcement and adjudication of laws to address driving while impaired by alcohol; and

''(ii) to oversee the implementation of the statewide plan.

''(d) USE OF GRANT AMOUNTS.—

''(1) REQUIRED PROGRAMS.—High-range States shall use grant funds for—

''(A) high visibility enforcement efforts; and

''(B) any of the activities described in paragraph (2) if—

''(i) the activity is described in the statewide plan; and

''(ii) the Secretary approves the use of funding for such activity.

''(2) AUTHORIZED PROGRAMS.—Medium-range and low-range States may use grant funds for—

''(A) any of the purposes described in paragraph (1);

''(B) paid and earned media in support of high visibility enforcement efforts;

''(C) hiring a full-time or part-time impaired driving coordinator of the State's activities to address the enforcement and adjudication of laws regarding driving while impaired by alcohol;

''(D) court support of high visibility enforcement efforts;

''(E) alcohol ignition interlock programs;

''(F) improving blood-alcohol concentration testing and reporting;

''(G) establishing driving while intoxicated courts;

''(H) conducting—

''(i) standardized field sobriety training;

''(ii) advanced roadside impaired driving evaluation training; and

''(iii) drug recognition expert training for law enforcement;

''(I) training and education of criminal justice professionals (including law enforcement, prosecutors, judges and probation officers) to assist such professionals in handling impaired driving cases;

''(J) traffic safety resource prosecutors;

''(K) judicial outreach liaisons;

''(L) equipment and related expenditures used in connection with impaired driving enforcement in accordance with criteria established by the National Highway Traffic Safety Administration;

''(M) training on the use of alcohol screening and brief intervention;

''(N) developing impaired driving information systems; and

''(O) costs associated with a '24-7 sobriety program'.

''(3) OTHER PROGRAMS.—Low-range States may use grant funds for any expenditure designed to reduce impaired driving based on problem identification. Medium and high-range States may use funds for such expenditures upon approval by the Secretary.

''(e) GRANT AMOUNT.—Subject to subsection (f), the allocation of grant funds to a State under this section for a fiscal year shall be in proportion to the State's apportionment under section 402(c) for fiscal year 2009.

''(f) GRANTS TO STATES THAT ADOPT AND ENFORCE MANDATORY ALCOHOL-IGNITION INTERLOCK LAWS.—

''(1) IN GENERAL.—The Secretary shall make a separate grant under this section to each State that adopts and is enforcing a mandatory alcohol-ignition interlock law for all individuals convicted of driving under the influence of alcohol or of driving while intoxicated.

''(2) USE OF FUNDS.—Such grants may be used by recipient States only for costs associated with the State's alcohol-ignition interlock program, including screening, assessment, and program and offender oversight.

''(3) ALLOCATION.—Funds made available under this subsection shall be allocated among States described in paragraph (1) on the basis of the apportionment formula under section 402(c).

''(4) FUNDING.—Not more than 15 percent of the amounts made available to carry out this section in a fiscal year shall be made available by the Secretary for making grants under this subsection.

''(g) DEFINITIONS.—In this section:

''(1) 24-7 SOBRIETY PROGRAM.—The term '24-7 sobriety program' means a State law or program that authorizes a State court or a State agency, as a condition of sentence, probation, parole, or work permit, to—

''(A) require an individual who plead guilty or was convicted of driving under the influence of alcohol or drugs to totally abstain from alcohol or drugs for a period of time; and

''(B) require the individual to be subject to testing for alcohol or drugs—

''(i) at least twice a day;

''(ii) by continuous transdermal alcohol monitoring via an electronic monitoring device; or

''(iii) by an alternate method with the concurrence of the Secretary.

''(2) AVERAGE IMPAIRED DRIVING FATALITY RATE.—The term 'average impaired driving fatality rate' means the number of fatalities in motor vehicle crashes involving a driver with a blood alcohol concentration of at least 0.08 for every 100,000,000 vehicle miles traveled, based on the most recently reported 3 calendar years of final data from the Fatality Analysis Reporting System, as calculated in accordance with regulations prescribed by the Administrator of the National Highway Traffic Safety Administration.

''(3) HIGH-RANGE STATE.—The term 'high-range State' means a State that has an average impaired driving fatality rate of 0.60 or higher.

''(4) LOW-RANGE STATE.—The term 'low-range State' means a State that has an average impaired driving fatality rate of 0.30 or lower.

''(5) MID-RANGE STATE.—The term 'mid-range State' means a State that has an average impaired driving fatality rate that is higher than 0.30 and lower than 0.60.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 4 of title 23, United States Code, is amended by striking the item relating to section 410 and inserting the following:

''410. Impaired driving countermeasures.''.

**SEC. 31108. DISTRACTED DRIVING GRANTS.**

(a) IN GENERAL.—Section 411 of title 23, United States Code, is amended to read as follows:

**''§ 411. Distracted driving grants**

''(a) IN GENERAL.—The Secretary shall award a grant under this section to any State that enacts and enforces a statute that meets the requirements set forth in subsections (b) and (c).

''(b) PROHIBITION ON TEXTING WHILE DRIVING.—A State statute meets the requirements set forth in this subsection if the statute—

''(1) prohibits drivers from texting through a personal wireless communications device while driving;

''(2) makes violation of the statute a primary offense;

''(3) establishes—

''(A) a minimum fine for a first violation of the statute; and

''(B) increased fines for repeat violations; and

''(4) provides increased civil and criminal penalties than would otherwise apply if a vehicle accident is caused by a driver who is using such a device in violation of the statute.

''(c) PROHIBITION ON YOUTH CELL PHONE USE WHILE DRIVING.—A State statute meets the requirements set forth in this subsection if the statute—

''(1) prohibits a driver who is younger than 18 years of age from using a personal wireless communications device while driving;

''(2) makes violation of the statute a primary offense;

''(3) requires distracted driving issues to be tested as part of the State driver's license examination;

''(4) establishes—

''(A) a minimum fine for a first violation of the statute; and

''(B) increased fines for repeat violations; and

''(5) provides increased civil and criminal penalties than would otherwise apply if a vehicle accident is caused by a driver who is using such a device in violation of the statute.

''(d) PERMITTED EXCEPTIONS.—A statute that meets the requirements set forth in subsections (b) and (c) may provide exceptions for—

''(1) a driver who uses a personal wireless communications device to contact emergency services;

''(2) emergency services personnel who use a personal wireless communications device while—

''(A) operating an emergency services vehicle; and

''(B) engaged in the performance of their duties as emergency services personnel; and

''(3) an individual employed as a commercial motor vehicle driver or a school bus driver who uses a personal wireless communications device within the scope of such individual's employment if such use is permitted under the regulations promulgated pursuant to section 31152 of title 49.

''(e) USE OF GRANT FUNDS.—Of the grant funds received by a State under this section—

''(1) at least 50 percent shall be used—

''(A) to educate the public through advertising containing information about the dangers of texting or using a cell phone while driving;

''(B) for traffic signs that notify drivers about the distracted driving law of the State; or

''(C) for law enforcement costs related to the enforcement of the distracted driving law; and

''(2) up to 50 percent may be used for other projects that—

''(A) improve traffic safety; and

''(B) are consistent with the criteria set forth in section 402(a).

''(f) ADDITIONAL GRANTS.—In fiscal year 2012, the Secretary may use up to 25 percent of the funding available for grants under this section to award grants to States that—

''(1) enacted statutes before July 1, 2011, which meet the requirements under paragraphs (1) and (2) of subsection (b); and

''(2) are otherwise ineligible for a grant under this section.

''(g) DISTRACTED DRIVING STUDY.—

''(1) IN GENERAL.—The Secretary shall conduct a study of all forms of distracted driving.

''(2) COMPONENTS.—The study conducted under paragraph (1) shall—

''(A) examine the effect of distractions other than the use of personal wireless communications on motor vehicle safety;

''(B) identify metrics to determine the nature and scope of the distracted driving problem;

''(C) identify the most effective methods to enhance education and awareness; and

''(D) identify the most effective method of reducing deaths and injuries caused by all forms of distracted driving.

''(3) REPORT.—Not later than 1 year after the date of enactment of the Motor Vehicle and Highway Safety Improvement Act of 2012, the Secretary shall submit a report containing the results of the study conducted under this subsection to—

''(A) the Committee on Commerce, Science, and Transportation of the Senate; and

''(B) the Committee on Transportation and Infrastructure of the House of Representatives.

''(h) DEFINITIONS.—In this section:

''(1) DRIVING.—The term 'driving'—

''(A) means operating a motor vehicle on a public road, including operation while temporarily stationary because of traffic, a traffic light or stop sign, or otherwise; and

''(B) does not include operating a motor vehicle when the vehicle has pulled over to the side of, or off, an active roadway and has stopped in a location where it can safely remain stationary.

''(2) PERSONAL WIRELESS COMMUNICATIONS DEVICE.—The term 'personal wireless communications device'—

''(A) means a device through which personal wireless services (as defined in section 332(c)(7)(C)(i) of the Communications Act of 1934 (47 U.S.C. 332(c)(7)(C)(i))) are transmitted; and

''(B) does not include a global navigation satellite system receiver used for positioning, emergency notification, or navigation purposes.

''(3) PRIMARY OFFENSE.—The term 'primary offense' means an offense for which a law enforcement officer may stop a vehicle solely for the purpose of issuing a citation in the absence of evidence of another offense.

''(4) PUBLIC ROAD.—The term 'public road' has the meaning given that term in section 402(c).

''(5) TEXTING.—The term 'texting' means reading from or manually entering data into a personal wireless communications device, including doing so for the purpose of SMS texting, e-mailing, instant messaging, or engaging in any other form of electronic data retrieval or electronic data communication.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 4 of title 23, United States Code, is amended by striking the item relating to section 411 and inserting the following:

''411. Distracted driving grants.''.

**SEC. 31109. HIGH VISIBILITY ENFORCEMENT PROGRAM.**

Section 2009 of SAFETEA LU (23 U.S.C. 402 note) is amended—

(1) in subsection (a)—

(A) by striking ''at least 2'' and inserting ''at least 3''; and

(B) by striking ''years 2006 through 2012.'' and inserting ''fiscal years 2012 and 2013. The Administrator may also initiate and support additional campaigns in each of fiscal years 2012 and 2013 for the purposes specified in subsection (b).'';

(2) in subsection (b) by striking ''either or both'' and inserting ''outcomes related to at least 1'';

(3) in subsection (c), by inserting ''and Internet-based outreach'' after ''print media advertising'';

(4) in subsection (e), by striking ''subsections (a), (c), and (f)'' and inserting ''subsection (c)'';

(5) by striking subsection (f); and

(6) by redesignating subsection (g) as subsection (f).

**SEC. 31110. MOTORCYCLIST SAFETY.**

Section 2010 of SAFETEA LU (23 U.S.C. 402 note) is amended—

(1) by striking subsections (b) and (g);

(2) by redesignating subsections (c), (d), (e), and (f) as subsections (b), (c), (d), and (e), respectively; and

(3) in subsection (c)(1), as redesignated, by striking ''to the satisfaction of the Secretary—'' and all that follows and inserting '', to the satisfaction of the Secretary, at least 2 of the 6 criteria listed in paragraph (2).''.

**SEC. 31111. DRIVER ALCOHOL DETECTION SYSTEM FOR SAFETY RESEARCH.**

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

**''§ 413. In-vehicle alcohol detection device research**

''(a) IN GENERAL.—The Administrator of the National Highway Traffic Safety Administration shall carry out a collaborative research effort under chapter 301 of title 49, United States Code, to continue to explore the feasibility and the potential benefits of, and the public policy challenges associated with, more widespread deployment of in-vehicle technology to prevent alcohol-impaired driving.

''(b) REPORTS.—The Administrator shall submit a report annually to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure—

''(1) describing progress in carrying out the collaborative research effort; and

''(2) including an accounting for the use of Federal funds obligated or expended in carrying out that effort.

''(c) DEFINITIONS.—In this title:

''(1) ALCOHOL-IMPAIRED DRIVING.—The term 'alcohol-impaired driving' means operation of a motor vehicle (as defined in section 30102(a)(6) of title 49, United States Code) by an individual whose blood alcohol content is at or above the legal limit.

''(2) LEGAL LIMIT.—The term 'legal limit' means a blood alcohol concentration of 0.08 percent or greater (as specified by chapter 163 of title 23, United States Code) or such other percentage limitation as may be established by applicable Federal, State, or local law.''.

(b) CLERICAL AMENDMENT.—The analysis for chapter 4 of title 23, United States Code, is amended by inserting after the item relating to section 412 the following:

''413. In-vehicle alcohol detection device research.''.

**SEC. 31112. STATE GRADUATED DRIVER LICENSING LAWS.**

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

**''§ 414. State Graduated Driver Licensing Incentive Grant**

''(a) GRANTS AUTHORIZED.—Subject to the requirements of this section, the Secretary shall award grants to States that adopt and implement graduated driver licensing laws in accordance with the requirements set forth in subsection (b).

''(b) MINIMUM REQUIREMENTS.—

''(1) IN GENERAL.—A State meets the requirements set forth in this subsection if the State has a graduated driver licensing law that requires novice drivers younger than 21 years of age to comply with the 2-stage licensing process described in paragraph (2) before receiving an unrestricted driver's license.

''(2) LICENSING PROCESS.—A State is in compliance with the 2-stage licensing process described in this paragraph if the State's driver's license laws include—

''(A) a learner's permit stage that—

''(i) is at least 6 months in duration;

''(ii) prohibits the driver from using a cellular telephone or any communications device in a nonemergency situation; and

''(iii) remains in effect until the driver—

''(I) reaches 16 years of age and enters the intermediate stage; or

''(II) reaches 18 years of age;

''(B) an intermediate stage that—

''(i) commences immediately after the expiration of the learner's permit stage;

''(ii) is at least 6 months in duration;

''(iii) prohibits the driver from using a cellular telephone or any communications device in a nonemergency situation;

''(iv) restricts driving at night;

''(v) prohibits the driver from operating a motor vehicle with more than 1 nonfamilial passenger younger than 21 years of age unless a licensed driver who is at least 21 years of age is in the motor vehicle; and

''(vi) remains in effect until the driver reaches 18 years of age; and

''(C) any other requirement prescribed by the Secretary of Transportation, including—

''(i) in the learner's permit stage—

''(I) at least 40 hours of behind-the-wheel training with a licensed driver who is at least 21 years of age;

''(II) a driver training course; and

''(III) a requirement that the driver be accompanied and supervised by a licensed driver, who is at least 21 years of age, at all times while such driver is operating a motor vehicle; and

''(ii) in the learner's permit or intermediate stage, a requirement, in addition to any other penalties imposed by State law, that the grant of an unrestricted driver's license be automatically delayed for any individual who, during the learner's permit or intermediate stage, is convicted of a driving-related offense, including—

''(I) driving while intoxicated;

''(II) misrepresentation of his or her true age;

''(III) reckless driving;

''(IV) driving without wearing a seat belt;

''(V) speeding; or

''(VI) any other driving-related offense, as determined by the Secretary.

''(c) RULEMAKING.—

''(1) IN GENERAL.—The Secretary shall promulgate regulations necessary to implement the requirements under subsection (b), in accordance with the notice and comment provisions under section 553 of title 5, United States Code.

''(2) EXCEPTION.—A State that otherwise meets the minimum requirements set forth in subsection (b) shall be deemed by the Secretary to be in compliance with the requirement set forth in subsection (b) if the State enacted a law before January 1, 2011, establishing a class of license that permits licensees or applicants younger than 18 years of age to drive a motor vehicle—

''(A) in connection with work performed on, or for the operation of, a farm owned by family members who are directly related to the applicant or licensee; or

''(B) if demonstrable hardship would result from the denial of a license to the licensees or applicants.

''(d) ALLOCATION.—Grant funds allocated to a State under this section for a fiscal year shall be in proportion to a State's apportionment under section 402 for such fiscal year.

''(e) USE OF FUNDS.—Grant funds received by a State under this section may be used for—

''(1) enforcing a 2-stage licensing process that complies with subsection (b)(2);

''(2) training for law enforcement personnel and other relevant State agency personnel relating to the enforcement described in paragraph (1);

''(3) publishing relevant educational materials that pertain directly or indirectly to the State graduated driver licensing law;

''(4) carrying out other administrative activities that the Secretary considers relevant to the State's 2-stage licensing process; and

''(5) carrying out a teen traffic safety program described in section 402(m).''.

**SEC. 31113. AGENCY ACCOUNTABILITY.**

Section 412 of title 23, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

''(a) TRIENNIAL STATE MANAGEMENT REVIEWS.—

''(1) IN GENERAL.—Except as provided under paragraph (2), the Secretary shall conduct a review of each State highway safety program at least once every 3 years.

''(2) EXCEPTIONS.—The Secretary may conduct reviews of the highway safety programs of the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands as often as the Secretary determines to be appropriate.

''(3) COMPONENTS.—Reviews under this subsection shall include—

''(A) a management evaluation of all grant programs funded under this chapter;

''(B) an assessment of State data collection and evaluation relating to performance measures established by the Secretary;

''(C) a comparison of State efforts under subparagraphs (A) and (B) to best practices and programs that have been evaluated for effectiveness; and

''(D) the development of recommendations on how each State could—

''(i) improve the management and oversight of its grant activities; and

''(ii) provide a management and oversight plan for such grant programs.''; and

(2) by striking subsection (f).

**SEC. 31114. EMERGENCY MEDICAL SERVICES.**

Section 10202 of Public Law 109 59 (42 U.S.C. 300d 4), is amended by adding at the end the following:

''(b) NATIONAL EMERGENCY MEDICAL SERVICES ADVISORY COUNCIL.—

''(1) ESTABLISHMENT.—The Secretary of Transportation, in coordination with the Secretary of Health and Human Services and the Secretary of Homeland Security, shall establish a National Emergency Medical Services Advisory Council (referred to in this subsection as the 'Advisory Council').

''(2) MEMBERSHIP.—The Advisory Council shall be composed of 25 members, who—

''(A) shall be appointed by the Secretary of Transportation; and

''(B) shall collectively be representative of all sectors of the emergency medical services community.

''(3) PURPOSES.—The purposes of the Advisory Council are to advise and consult with—

''(A) the Federal Interagency Committee on Emergency Medical Services on matters relating to emergency medical services issues; and

''(B) the Secretary of Transportation on matters relating to emergency medical services issues affecting the Department of Transportation.

''(4) ADMINISTRATION.—The Administrator of the National Highway Traffic Safety Administration shall provide administrative support to the Advisory Council, including scheduling meetings, setting agendas, keeping minutes and records, and producing reports.

''(5) LEADERSHIP.—The members of the Advisory Council shall annually select a chairperson of the Council.

''(6) MEETINGS.—The Advisory Council shall meet as frequently as is determined necessary by the chairperson of the Council.

''(7) ANNUAL REPORTS.—The Advisory Council shall prepare an annual report to the Secretary of Transportation regarding the Council's actions and recommendations.''.

**Subtitle B—Enhanced Safety Authorities**

**SEC. 31201. DEFINITION OF MOTOR VEHICLE EQUIPMENT.**

Section 30102(a)(7)(C) of title 49, United States Code, is amended to read as follows:

''(C) any device or an article or apparel, including a motorcycle helmet and excluding medicine or eyeglasses prescribed by a licensed practitioner, that—

''(i) is not a system, part, or component of a motor vehicle; and

''(ii) is manufactured, sold, delivered, or offered to be sold for use on public streets, roads, and highways with the apparent purpose of safeguarding motor vehicles and highway users against risk of accident, injury, or death.''.

**SEC. 31202. PERMIT REMINDER SYSTEM FOR NON-USE OF SAFETY BELTS.**

(a) IN GENERAL.—Chapter 301 of title 49, United States Code, is amended—

(1) in section 30122, by striking subsection (d); and

(2) by amending section 30124 to read as follows:

**''§ 30124. Nonuse of safety belts**

''A motor vehicle safety standard prescribed under this chapter may not require a manufacturer to comply with the standard by using a safety belt interlock designed to prevent starting or operating a motor vehicle if an occupant is not using a safety belt.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 301 of title 49, United States Code, is amended by striking the item relating to section 30124 and inserting the following:

''Sec. 30124. Nonuse of safety belts.''.

**SEC. 31203. CIVIL PENALTIES.**

(a) IN GENERAL.—Section 30165 of title 49, United States Code, is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking ''30123(d)'' and inserting ''30123(a)''; and

(ii) by striking ''$15,000,000'' and inserting ''$250,000,000''; and

(B) in paragraph (3), by striking ''$15,000,000'' and inserting ''$250,000,000''; and

(2) by amending subsection (c) to read as follows:

''(c) RELEVANT FACTORS IN DETERMINING AMOUNT OF PENALTY OR COMPROMISE.—In determining the amount of a civil penalty or compromise under this section, the Secretary of Transportation shall consider the nature, circumstances, extent, and gravity of the violation. Such determination shall include, as appropriate—

''(1) the nature of the defect or noncompliance;

''(2) knowledge by the person charged of its obligation to recall or notify the public;

''(3) the severity of the risk of injury;

''(4) the occurrence or absence of injury;

''(5) the number of motor vehicles or items of motor vehicle equipment distributed with the defect or noncompliance;

''(6) the existence of an imminent hazard;

''(7) actions taken by the person charged to identify, investigate, or mitigate the condition;

''(8) the appropriateness of such penalty in relation to the size of the business of the person charged, including the potential for undue adverse economic impacts;

''(9) whether the person has previously been assessed civil penalties under this section during the most recent 5 years; and

''(10) other appropriate factors.''.

(b) CIVIL PENALTY CRITERIA.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall issue a final rule, in accordance with the procedures of section 553 of title 5, United States Code, which provides an interpretation of the penalty factors described in section 30165(c) of title 49, United States Code.

(c) CONSTRUCTION.—Nothing in this section may be construed as preventing the imposition of penalties under section 30165 of title 49, United States Code, before the issuance of a final rule under subsection (b).

**SEC. 31204. MOTOR VEHICLE SAFETY RESEARCH AND DEVELOPMENT.**

(a) IN GENERAL.—Chapter 301 of title 49, United States Code, is amended by adding at the end the following:

''SUBCHAPTER V—MOTOR VEHICLE SAFETY RESEARCH AND DEVELOPMENT

**''§ 30181. Policy**

''The Secretary of Transportation shall conduct research, development, and testing on any area or aspect of motor vehicle safety necessary to carry out this chapter.

**''§ 30182. Powers and duties**

''(a) IN GENERAL.—The Secretary of Transportation shall—

''(1) conduct motor vehicle safety research, development, and testing programs and activities, including new and emerging technologies that impact or may impact motor vehicle safety;

''(2) collect and analyze all types of motor vehicle and highway safety data and related information to determine the relationship between motor vehicle or motor vehicle equipment performance characteristics and—

''(A) accidents involving motor vehicles; and

''(B) deaths or personal injuries resulting from those accidents;

''(3) promote, support, and advance the education and training of motor vehicle safety staff of the National Highway Traffic Safety Administration, including using program funds for—

''(A) planning, implementing, conducting, and presenting results of program activities; and

''(B) travel and related expenses;

''(4) obtain experimental and other motor vehicles and motor vehicle equipment for research or testing;

''(5)(A) use any test motor vehicles and motor vehicle equipment suitable for continued use, as determined by the Secretary to assist in carrying out this chapter or any other chapter of this title; or

''(B) sell or otherwise dispose of test motor vehicles and motor vehicle equipment and use the resulting proceeds to carry out this chapter;

''(6) award grants to States and local governments, interstate authorities, and nonprofit institutions; and

''(7) enter into cooperative agreements, collaborative research, or contracts with Federal agencies, interstate authorities, State and local governments, other public entities, private organizations and persons, nonprofit institutions, colleges and universities, consumer advocacy groups, corporations, partnerships, sole proprietorships, trade associations, Federal laboratories (including government-owned, government-operated laboratories and government-owned, contractor-operated laboratories), and foreign governments and research organizations.

''(b) USE OF PUBLIC AGENCIES.—In carrying out this subchapter, the Secretary shall avoid duplication by using the services, research, and testing facilities of public agencies, as appropriate.

''(c) FACILITIES.—The Secretary may plan, design, and build a new facility or modify an

existing facility to conduct research, development, and testing in traffic safety, highway safety, and motor vehicle safety.

''(d) AVAILABILITY OF INFORMATION, PATENTS, AND DEVELOPMENTS.—When the United States Government makes more than a minimal contribution to a research or development activity under this chapter, the Secretary shall include in the arrangement for the activity a provision to ensure that all information, patents, and developments related to the activity are available to the public without charge. The owner of a background patent may not be deprived of a right under the patent.

**''§ 30183. Prohibition on certain disclosures.**

''Any report of the National Highway Traffic Safety Administration, or of any officer, employee, or contractor of the National Highway Traffic Safety Administration, relating to any highway traffic accident or the investigation of such accident conducted pursuant to this chapter or section 403 of title 23, shall be made available to the public in a manner that does not identify individuals.''.

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENT OF CHAPTER ANALYSIS.—The chapter analysis for chapter 301 of title 49, United States Code, is amended by adding at the end the following:

''SUBCHAPTER V—MOTOR VEHICLE SAFETY RESEARCH AND DEVELOPMENT

''30181. Policy.
''30182. Powers and duties.
''30183. Prohibition on certain disclosures.''.

(2) DELETION OF REDUNDANT MATERIAL.—Chapter 301 of title 49, United States Code, is amended—

(A) in the chapter analysis, by striking the item relating to section 30168; and

(B) by striking section 30168.

**SEC. 31205. ODOMETER REQUIREMENTS DEFINITION.**

Section 32702(5) of title 49, United States Code, is amended by inserting ''or system of components'' after ''instrument''.

**SEC. 31206. ELECTRONIC DISCLOSURES OF ODOMETER INFORMATION.**

Section 32705 of title 49, United States Code, is amended by adding at the end the following:

''(g) ELECTRONIC DISCLOSURES.—Not later than 18 months after the date of enactment of the Motor Vehicle and Highway Safety Improvement Act of 2012, in carrying out this section, the Secretary shall prescribe regulations permitting any written disclosures or notices and related matters to be provided electronically.''.

**SEC. 31207. INCREASED PENALTIES AND DAMAGES FOR ODOMETER FRAUD.**

Chapter 327 of title 49, United States Code, is amended—

(1) in section 32709(a)(1)—

(A) by striking ''$2,000'' and inserting ''$10,000''; and

(B) by striking ''$100,000'' and inserting ''$1,000,000''; and

(2) in section 32710(a), by striking ''$1,500'' and inserting ''$10,000''.

**SEC. 31208. EXTEND PROHIBITIONS ON IMPORTING NONCOMPLIANT VEHICLES AND EQUIPMENT TO DEFECTIVE VEHICLES AND EQUIPMENT.**

Section 30112 of title 49, United States Code, is amended—

(1) in subsection (a), by adding at the end the following:

''(3) Except as provided in this section, section 30114, subsections (i) and (j) of section 30120, and subchapter III, a person may not sell, offer for sale, introduce or deliver for introduction in interstate commerce, or import into the United States any motor vehicle or motor vehicle equipment if the vehicle or equipment contains a defect related to motor vehicle safety about which notice was given under section 30118(c) or an order was issued under section 30118(b). Nothing in this paragraph may be construed to prohibit the importation of a new motor vehicle that receives a required recall remedy before being sold to a consumer in the United States.''; and

(2) in subsection (b)(2)—

(A) in subparagraph (A), by striking ''or'' at the end;

(B) in subparagraph (B), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(C) having no reason to know, despite exercising reasonable care, that a motor vehicle or motor vehicle equipment contains a defect related to motor vehicle safety about which notice was given under section 30118(c) or an order was issued under section 30118(b);''.

**SEC. 31209. FINANCIAL RESPONSIBILITY REQUIREMENTS FOR IMPORTERS.**

Chapter 301 of title 49, United States Code, is amended—

(1) in the chapter analysis, by striking the item relating to subchapter III and inserting the following:

''SUBCHAPTER III—IMPORTING MOTOR VEHICLES AND EQUIPMENT'';

(2) in the heading for subchapter III, by striking ''NONCOMPLYING''; and

(3) in section 30147, by amending subsection (b) to read as follows:

''(b) FINANCIAL RESPONSIBILITY REQUIREMENT.—

''(1) RULEMAKING.—The Secretary of Transportation may issue regulations requiring each person that imports a motor vehicle or motor vehicle equipment into the customs territory of the United States, including a registered importer (or any successor in interest), provide and maintain evidence, satisfactory to the Secretary, of sufficient financial responsibility to meet its obligations under section 30117(b), sections 30118 through 30121, and section 30166(f). In making a determination of sufficient financial responsibility under this Rule, the Secretary, to avoid duplicative requirements, shall first, to the extent practicable, rely on existing reporting and recordkeeping requirements and other information available to the Secretary, and shall coordinate with other Federal agencies, including the Securities and Exchange Commission, to access information collected and made publicly available under existing reporting and recordkeeping requirements.

''(2) REFUSAL OF ADMISSION.—If the Secretary of Transportation believes that a person described in paragraph (1) has not provided and maintained evidence of sufficient financial responsibility to meet the obligations referred to in paragraph (1), the Secretary of Homeland Security shall first offer the person an opportunity to remedy the deficiency within 30 days, and if not remedied thereafter may refuse the admission into the customs territory of the United States of any motor vehicle or motor vehicle equipment imported by the person.

''(3) EXCEPTION.—This subsection shall not apply to original manufacturers (or wholly owned subsidiaries) of motor vehicles that, prior to the date of enactment of the—

''(A) have imported motor vehicles into the United States that are certified to comply with all applicable Federal motor vehicle safety standards;

''(B) have submitted to the Secretary appropriate manufacturer identification information under part 566 of title 49, Code of Federal Regulations; and

''(C) if applicable, have identified a current agent for service of process in accordance with part 551 of title 49, Code of Federal Regulations.''.

**SEC. 31210. CONDITIONS ON IMPORTATION OF VEHICLES AND EQUIPMENT.**

Chapter 301 of title 49, United States Code, is amended—

(1) in the chapter analysis, by striking the item relating to section 30164 and inserting the following:

''30164. Service of process; conditions on importation of vehicles and equipment.'';

and

(2) in section 30164—

(A) in the section heading, by adding ''**; CONDITIONS ON IMPORTATION OF VEHICLES AND EQUIPMENT**'' at the end; and

(B) by adding at the end the following:

''(c) IDENTIFYING INFORMATION.—A manufacturer (including an importer) offering a motor vehicle or motor vehicle equipment for import shall provide such information as the Secretary may, by rule, request including—

''(1) the product by name and the manufacturer's address; and

''(2) each retailer or distributor to which the manufacturer directly supplied motor vehicles or motor vehicle equipment over which the Secretary has jurisdiction under this chapter.

''(d) RULEMAKING.—In issuing a rulemaking, the Secretary shall seek to reduce duplicative requirements by coordinating with Department of Homeland Security. The Secretary may issue regulations that—

''(1) condition the import of a motor vehicle or motor vehicle equipment on the manufacturer's compliance with—

''(A) the requirements under this section;

''(B) any rules issued with respect to such requirements; or

''(C) any other requirements under this chapter or rules issued with respect to such requirements;

''(2) provide an opportunity for the manufacturer to present information before the Secretary's determination as to whether the manufacturer's imports should be restricted; and

''(3) establish a process by which a manufacturer may petition for reinstatement of its ability to import motor vehicles or motor vehicle equipment.

''(e) EXCEPTION.—The requirements of subsections (c) and (d) shall not apply to original manufacturers (or wholly owned subsidiaries) of motor vehicles that, prior to the date of enactment of the—

''(1) have imported motor vehicles into the United States that are certified to comply with all applicable Federal motor vehicle safety standards,

''(2) have submitted to the Secretary appropriate manufacturer identification information under part 566 of title 49, Code of Federal Regulations; and

''(3) if applicable, have identified a current agent for service of process in accordance with part 551 of title 49, Code of Federal Regulations.''.

**SEC. 31211. PORT INSPECTIONS; SAMPLES FOR EXAMINATION OR TESTING.**

Section 30166(c) of title 49, United States Code, is amended—

(1) in paragraph (2), by striking ''and'' at the end;

(2) in paragraph (3)—

(A) in subparagraph (A), by inserting ''(including at United States ports of entry)'' after ''held for introduction in interstate commerce''; and

(B) in subparagraph (D), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

''(4) shall enter into a memorandum of understanding with the Secretary of Homeland

Security for inspections and sampling of motor vehicle equipment being offered for import to determine compliance with this chapter or a regulation or order issued under this chapter.''.

**Subtitle C—Transparency and Accountability**

**SEC. 31301. IMPROVED NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION VEHICLE SAFETY DATABASE.**

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary shall improve public accessibility to information on the National Highway Traffic Safety Administration's publicly accessible vehicle safety databases by—

(1) improving organization and functionality, including modern web design features, and allowing for data to be searched, aggregated, and downloaded;

(2) providing greater consistency in presentation of vehicle safety issues; and

(3) improving searchability about specific vehicles and issues through standardization of commonly used search terms.

(b) VEHICLE RECALL INFORMATION.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall require that motor vehicle safety recall information—

(A) is available to the public on the Internet;

(B) is searchable by vehicle make and model and vehicle identification number;

(C) is in a format that preserves consumer privacy; and

(D) includes information about each recall that has not been completed for each vehicle.

(2) RULEMAKING.—The Secretary may initiate a rulemaking proceeding to require each manufacturer to provide the information described in paragraph (1), with respect to that manufacturer's motor vehicles, at no cost on a publicly accessible Internet website.

(3) DATABASE AWARENESS PROMOTION ACTIVITIES.—The Secretary, in consultation with the heads of other relevant agencies, shall promote consumer awareness of the information made available to the public pursuant to this subsection.

**SEC. 31302. NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION HOTLINE FOR MANUFACTURER, DEALER, AND MECHANIC PERSONNEL.**

The Secretary shall—

(1) establish a means by which mechanics, passenger motor vehicle dealership personnel, and passenger motor vehicle manufacturer personnel may directly and confidentially contact the National Highway Traffic Safety Administration to report potential passenger motor vehicle safety defects; and

(2) publicize the means for contacting the National Highway Traffic Safety Administration in a manner that targets mechanics, passenger motor vehicle dealership personnel, and manufacturer personnel.

**SEC. 31303. CONSUMER NOTICE OF SOFTWARE UPDATES AND OTHER COMMUNICATIONS WITH DEALERS.**

(a) INTERNET ACCESSIBILITY.—Section 30166(f) of title 49, United States Code, is amended—

(1) by striking ''A manufacturer shall give the Secretary of Transportation'' and inserting the following:

''(1) IN GENERAL.—A manufacturer shall give the Secretary of Transportation, and make available on a publicly accessible Internet website,''; and

(2) by adding at the end the following:

''(2) NOTICES.—Communications required to be submitted to the Secretary and made available on a publicly accessible Internet website under this subsection shall include all notices to dealerships of software upgrades and modifications recommended by a manufacturer for all previously sold vehicles. Notice is required even if the software upgrade or modification is not related to a safety defect or noncompliance with a motor vehicle safety standard. The notice shall include a plain language description of the purpose of the update and that description shall be prominently placed at the beginning of the notice.

''(3) INDEX.—Communications required to be submitted to the Secretary under this subsection shall be accompanied by an index to each communication, which—

''(A) identifies the make, model, and model year of the affected vehicles;

''(B) includes a concise summary of the subject matter of the communication; and

''(C) shall be made available by the Secretary to the public on the Internet in a searchable format.''.

**SEC. 31304. PUBLIC AVAILABILITY OF EARLY WARNING DATA.**

Section 30166(m) of title 49, United States Code, is amended in paragraph (4), by amending subparagraph (C) to read as follows:

''(C) DISCLOSURE.—

''(i) IN GENERAL.—The information provided to the Secretary pursuant to this subsection shall be disclosed publicly unless exempt from disclosure under section 552(b) of title 5.

''(ii) PRESUMPTION.—In administering this subparagraph, the Secretary shall presume in favor of maximum public availability of information.''.

**SEC. 31305. CORPORATE RESPONSIBILITY FOR NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION REPORTS.**

(a) IN GENERAL.—Section 30166 of title 49, United States Code, is amended by adding at the end the following:

''(o) CORPORATE RESPONSIBILITY FOR REPORTS.—

''(1) IN GENERAL.—The Secretary shall require a senior official responsible for safety in each company submitting information to the Secretary in response to a request for information in a safety defect or compliance investigation under this chapter to certify that—

''(A) the signing official has reviewed the submission; and

''(B) based on the official's knowledge, the submission does not—

''(i) contain any untrue statement of a material fact; or

''(ii) omit to state a material fact necessary in order to make the statements made not misleading, in light of the circumstances under which such statements were made.

''(2) NOTICE.—The certification requirements of this section shall be clearly stated on any request for information under paragraph (1).''.

(b) CIVIL PENALTY.—Section 30165(a) of title 49, United States Code, is amended—

(1) in paragraph (3), by striking ''A person'' and inserting ''Except as provided in paragraph (4), a person''; and

(2) by adding at the end the following:

''(4) FALSE, MISLEADING, OR INCOMPLETE REPORTS.—A person who knowingly and willfully submits materially false, misleading, or incomplete information to the Secretary, after certifying the same information as accurate and complete under the certification process established pursuant to section 30166(o), shall be subject to a civil penalty of not more than $5,000 per day. The maximum penalty under this paragraph for a related series of daily violations is $5,000,000.''.

**SEC. 31306. PASSENGER MOTOR VEHICLE INFORMATION PROGRAM.**

(a) DEFINITION.—Section 32301 of title 49, United States Code, is amended—

(1) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively;

(2) by inserting before paragraph (2), as redesignated, the following:

''(1) 'crash avoidance' means preventing or mitigating a crash;''; and

(3) in paragraph (2), as redesignated, by striking the period at the end and inserting ''; and''.

(b) INFORMATION INCLUDED.—Section 32302(a) of title 49, United States Code, is amended—

(1) in paragraph (2), by inserting '', crash avoidance, and any other areas the Secretary determines will improve the safety of passenger motor vehicles'' after ''crashworthiness''; and

(2) by striking paragraph (4).

**SEC. 31307. PROMOTION OF VEHICLE DEFECT REPORTING.**

Section 32302 of title 49, United States Code, is amended by adding at the end the following:

''(d) MOTOR VEHICLE DEFECT REPORTING INFORMATION.—

''(1) RULEMAKING REQUIRED.—Not later than 1 year after the date of the enactment of the , the Secretary shall prescribe regulations that require passenger motor vehicle manufacturers—

''(A) to affix, in the glove compartment or in another readily accessible location on the vehicle, a sticker, decal, or other device that provides, in simple and understandable language, information about how to submit a safety-related motor vehicle defect complaint to the National Highway Traffic Safety Administration;

''(B) to prominently print the information described in subparagraph (A) on a separate page within the owner's manual; and

''(C) to not place such information on the label required under section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232).

''(2) APPLICATION.—The requirements under paragraph (1) shall apply to passenger motor vehicles manufactured in any model year beginning more than 1 year after the date on which a final rule is published under paragraph (1).''.

**SEC. 31308. WHISTLEBLOWER PROTECTIONS FOR MOTOR VEHICLE MANUFACTURERS, PART SUPPLIERS, AND DEALERSHIP EMPLOYEES.**

(a) IN GENERAL.—Subchapter IV of chapter 301 of title 49, United States Code, is amended by adding at the end the following:

**''§ 30171. Protection of employees providing motor vehicle safety information**

''(a) DISCRIMINATION AGAINST EMPLOYEES OF MANUFACTURERS, PART SUPPLIERS, AND DEALERSHIPS.—No motor vehicle manufacturer, part supplier, or dealership may discharge an employee or otherwise discriminate against an employee with respect to compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to a request of the employee)—

''(1) provided, caused to be provided, or is about to provide (with any knowledge of the employer) or cause to be provided to the employer or the Secretary of Transportation information relating to any motor vehicle defect, noncompliance, or any violation or alleged violation of any notification or reporting requirement of this chapter;

''(2) has filed, caused to be filed, or is about to file (with any knowledge of the employer) or cause to be filed a proceeding relating to any violation or alleged violation of any motor vehicle defect, noncompliance, or any violation or alleged violation of any notification or reporting requirement of this chapter;

''(3) testified or is about to testify in such a proceeding;

''(4) assisted or participated or is about to assist or participate in such a proceeding; or

''(5) objected to, or refused to participate in, any activity that the employee reasonably believed to be in violation of any provision of any Act enforced by the Secretary of Transportation, or any order, rule, regulation, standard, or ban under any such Act.

''(b) COMPLAINT PROCEDURE.—

''(1) FILING AND NOTIFICATION.—A person who believes that he or she has been discharged or otherwise discriminated against by any person in violation of subsection (a) may, not later than 180 days after the date on which such violation occurs, file (or have any person file on his or her behalf) a complaint with the Secretary of Labor (hereinafter in this section referred to as the 'Secretary') alleging such discharge or discrimination. Upon receipt of such a complaint, the Secretary shall notify, in writing, the person named in the complaint of the filing of the complaint, of the allegations contained in the complaint, of the substance of evidence supporting the complaint, and of the opportunities that will be afforded to such person under paragraph (2).

''(2) INVESTIGATION; PRELIMINARY ORDER.—

''(A) IN GENERAL.—Not later than 60 days after the date of receipt of a complaint filed under paragraph (1) and after affording the person named in the complaint an opportunity to submit to the Secretary a written response to the complaint and an opportunity to meet with a representative of the Secretary to present statements from witnesses, the Secretary shall conduct an investigation and determine whether there is reasonable cause to believe that the complaint has merit and notify, in writing, the complainant and the person alleged to have committed a violation of subsection (a) of the Secretary's findings. If the Secretary concludes that there is a reasonable cause to believe that a violation of subsection (a) has occurred, the Secretary shall accompany the Secretary's findings with a preliminary order providing the relief prescribed by paragraph (3)(B). Not later than 30 days after the date of notification of findings under this paragraph, either the person alleged to have committed the violation or the complainant may file objections to the findings or preliminary order, or both, and request a hearing on the record. The filing of such objections shall not operate to stay any reinstatement remedy contained in the preliminary order. Such hearings shall be conducted expeditiously. If a hearing is not requested in such 30-day period, the preliminary order shall be deemed a final order that is not subject to judicial review.

''(B) REQUIREMENTS.—

''(i) REQUIRED SHOWING BY COMPLAINANT.—The Secretary shall dismiss a complaint filed under this subsection and shall not conduct an investigation otherwise required under subparagraph (A) unless the complainant makes a prima facie showing that any behavior described in paragraphs (1) through (5) of subsection (a) was a contributing factor in the unfavorable personnel action alleged in the complaint.

''(ii) SHOWING BY EMPLOYER.—Notwithstanding a finding by the Secretary that the complainant has made the showing required under clause (i), no investigation otherwise required under subparagraph (A) shall be conducted if the employer demonstrates, by clear and convincing evidence, that the employer would have taken the same unfavorable personnel action in the absence of that behavior.

''(iii) CRITERIA FOR DETERMINATION BY SECRETARY.—The Secretary may determine that a violation of subsection (a) has occurred only if the complainant demonstrates that any behavior described in paragraphs (1) through (5) of subsection (a) was a contributing factor in the unfavorable personnel action alleged in the complaint.

''(iv) PROHIBITION.—Relief may not be ordered under subparagraph (A) if the employer demonstrates, by clear and convincing evidence, that the employer would have taken the same unfavorable personnel action in the absence of that behavior.

''(3) FINAL ORDER.—

''(A) DEADLINE FOR ISSUANCE; SETTLEMENT AGREEMENTS.—Not later than 120 days after the date of conclusion of a hearing under paragraph (2), the Secretary shall issue a final order providing the relief prescribed by this paragraph or denying the complaint. At any time before issuance of a final order, a proceeding under this subsection may be terminated on the basis of a settlement agreement entered into by the Secretary, the complainant, and the person alleged to have committed the violation.

''(B) REMEDY.—If, in response to a complaint filed under paragraph (1), the Secretary determines that a violation of subsection (a) has occurred, the Secretary shall order the person who committed such violation—

''(i) to take affirmative action to abate the violation;

''(ii) to reinstate the complainant to his or her former position together with the compensation (including back pay) and restore the terms, conditions, and privileges associated with his or her employment; and

''(iii) to provide compensatory damages to the complainant.

''(C) ATTORNEYS' FEES.—If such an order is issued under this paragraph, the Secretary, at the request of the complainant, shall assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorneys' and expert witness fees) reasonably incurred, as determined by the Secretary, by the complainant for, or in connection with, bringing the complaint upon which the order was issued.

''(D) FRIVOLOUS COMPLAINTS.—If the Secretary determines that a complaint under paragraph (1) is frivolous or has been brought in bad faith, the Secretary may award to the prevailing employer a reasonable attorney's fee not exceeding $1,000.

''(E) DE NOVO REVIEW.—With respect to a complaint under paragraph (1), if the Secretary of Labor has not issued a final decision within 210 days after the filing of the complaint and if the delay is not due to the bad faith of the employee, the employee may bring an original action at law or equity for de novo review in the appropriate district court of the United States, which shall have jurisdiction over such an action without regard to the amount in controversy, and which action shall, at the request of either party to the action, be tried by the court with a jury. The action shall be governed by the same legal burdens of proof specified in paragraph (2)(B) for review by the Secretary of Labor.

''(4) REVIEW.—

''(A) APPEAL TO COURT OF APPEALS.—Any person adversely affected or aggrieved by an order issued under paragraph (3) may obtain review of the order in the United States Court of Appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred or the circuit in which the complainant resided on the date of such violation. The petition for review shall be filed not later than 60 days after the date of the issuance of the final order of the Secretary. Review shall conform to chapter 7 of title 5. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the order.

''(B) LIMITATION ON COLLATERAL ATTACK.—An order of the Secretary with respect to which review could have been obtained under subparagraph (A) shall not be subject to judicial review in any criminal or other civil proceeding.

''(5) ENFORCEMENT OF ORDER BY SECRETARY.—Whenever any person fails to comply with an order issued under paragraph (3), the Secretary may file a civil action in the United States district court for the district in which the violation was found to occur to enforce such order. In actions brought under this paragraph, the district courts shall have jurisdiction to grant all appropriate relief, including injunctive relief and compensatory damages.

''(6) ENFORCEMENT OF ORDER BY PARTIES.—

''(A) COMMENCEMENT OF ACTION.—A person on whose behalf an order was issued under paragraph (3) may commence a civil action against the person to whom such order was issued to require compliance with such order. The appropriate United States district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such order.

''(B) ATTORNEY FEES.—The court, in issuing any final order under this paragraph, may award costs of litigation (including reasonable attorney and expert witness fees) to any party whenever the court determines such award is appropriate.

''(c) MANDAMUS.—Any nondiscretionary duty imposed under this section shall be enforceable in a mandamus proceeding brought under section 1361 of title 28.

''(d) NONAPPLICABILITY TO DELIBERATE VIOLATIONS.—Subsection (a) shall not apply with respect to an employee of a motor vehicle manufacturer, part supplier, or dealership who, acting without direction from such motor vehicle manufacturer, part supplier, or dealership (or such person's agent), deliberately causes a violation of any requirement relating to motor vehicle safety under this chapter.''.

(b) CONFORMING AMENDMENT.—The table of sections for chapter 301 of title 49, United States Code, is amended by inserting after the item relating to section 30170 the following:

''30171. Protection of employees providing motor vehicle safety information.''.

**SEC. 31309. ANTI-REVOLVING DOOR.**

(a) AMENDMENT.—Subchapter I of chapter 301 of title 49, United States Code, is amended by adding at the end the following:

**''§ 30107. Restriction on covered motor vehicle safety officials**

''(a) IN GENERAL.—During the 2-year period after the termination of his or her service or employment, a covered vehicle safety official may not knowingly make, with the intent to influence, any communication to or appearance before any officer or employee of the National Highway Traffic Safety Administration on behalf of any manufacturer subject to regulation under this chapter in connection with any matter involving motor vehicle safety on which such person seeks official action by any officer or employee of the National Highway Traffic Safety Administration.

''(b) MANUFACTURERS.—It is unlawful for any manufacturer or other person subject to regulation under this chapter to employ or contract for the services of an individual to whom subsection (a) applies during the 2-year period commencing on the individual's termination of employment with the National Highway Traffic Safety Administration in a capacity in which the individual is prohibited from serving during that period.

''(c) SPECIAL RULE FOR DETAILEES.—For purposes of this section, a person who is detailed from 1 department, agency, or other

entity to another department, agency, or other entity shall, during the period such person is detailed, be deemed to be an officer or employee of both departments, agencies, or such entities.

''(d) SAVINGS PROVISION.—Nothing in this section may be construed to expand, contract, or otherwise affect the application of any waiver or criminal penalties under section 207 of title 18.

''(e) EXCEPTION FOR TESTIMONY.—Nothing in this section may be construed to prevent an individual from giving testimony under oath, or from making statements required to be made under penalty of perjury.

''(f) DEFINED TERM.—In this section, the term 'covered vehicle safety official' means any officer or employee of the National Highway Traffic Safety Administration—

''(1) who, during the final 12 months of his or her service or employment with the agency, serves or served in a technical or legal capacity, and whose job responsibilities include or included vehicle safety defect investigation, vehicle safety compliance, vehicle safety rulemaking, or vehicle safety research; and

''(2) who serves in a supervisory or management capacity over an officer or employee described in paragraph (1).

''(g) EFFECTIVE DATE.—This section shall apply to covered vehicle safety officials who terminate service or employment with the National Highway Traffic Safety Administration after the date of enactment of the .''.

(b) CIVIL PENALTY.—Section 30165(a) of title 49, United States Code, as amended by this subtitle, is further amended by adding at the end the following:

''(5) IMPROPER INFLUENCE.—An individual who violates section 30107(a) is liable to the United States Government for a civil penalty, as determined under section 216(b) of title 18, for an offense under section 207 of that title. A manufacturer or other person subject to regulation under this chapter who violates section 30107(b) is liable to the United States Government for a civil penalty equal to the sum of—

''(A) an amount equal to not less than $100,000; and

''(B) an amount equal to 90 percent of the annual compensation or fee paid or payable to the individual with respect to whom the violation occurred.''.

(c) STUDY OF DEPARTMENT OF TRANSPORTATION POLICIES ON OFFICIAL COMMUNICATION WITH FORMER MOTOR VEHICLE SAFETY ISSUE EMPLOYEES.—Not later than 1 year after the date of the enactment of this Act, the Inspector General of the Department of Transportation shall—

(1) review the Department of Transportation's policies and procedures applicable to official communication with former employees concerning motor vehicle safety compliance matters for which they had responsibility during the last 12 months of their tenure at the Department, including any limitations on the ability of such employees to submit comments, or otherwise communicate directly with the Department, on motor vehicle safety issues; and

(2) submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives that contains the Inspector General's findings, conclusions, and recommendations for strengthening those policies and procedures to minimize the risk of undue influence without compromising the ability of the Department to employ and retain highly qualified individuals for such responsibilities.

(d) POST-EMPLOYMENT POLICY STUDY.—

(1) IN GENERAL.—The Inspector General of the Department of Transportation shall conduct a study of the Department's policies relating to post-employment restrictions on employees who perform functions related to transportation safety.

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Inspector General shall submit a report containing the results of the study conducted under paragraph (1) to—

(A) the Committee on Commerce, Science, and Transportation of the Senate;

(B) the Committee on Energy and Commerce of the House of Representatives; and

(C) the Secretary of Transportation.

(3) USE OF RESULTS.—The Secretary of Transportation shall review the results of the study conducted under paragraph (1) and take whatever action the Secretary determines to be appropriate.

(e) CONFORMING AMENDMENT.—The table of contents for chapter 301 of title 49, United States Code, is amended by inserting after the item relating to section 30106 the following:

''30107. Restriction on covered motor vehicle safety officials.''.

**SEC. 31310. STUDY OF CRASH DATA COLLECTION.**

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate the Committee on Energy and Commerce of the House of Representatives regarding the quality of data collected through the National Automotive Sampling System, including the Special Crash Investigations Program.

(b) REVIEW.—The Administrator of the National Highway Traffic Safety Administration (referred to in this section as the ''Administration'') shall conduct a comprehensive review of the data elements collected from each crash to determine if additional data should be collected. The review under this subsection shall include input from interested parties, including suppliers, automakers, safety advocates, the medical community, and research organizations.

(c) CONTENTS.—The report issued under this section shall include—

(1) the analysis and conclusions the Administration can reach from the amount of motor vehicle crash data collected in a given year;

(2) the additional analysis and conclusions the Administration could reach if more crash investigations were conducted each year;

(3) the number of investigations per year that would allow for optimal data analysis and crash information;

(4) the results of the comprehensive review conducted pursuant to subsection (b);

(5) recommendations for improvements to the Administration's data collection program; and

(6) the resources needed by the Administration to implement such recommendations.

**SEC. 31311. UPDATE MEANS OF PROVIDING NOTIFICATION; IMPROVING EFFICACY OF RECALLS.**

(a) UPDATE OF MEANS OF PROVIDING NOTIFICATION.—Section 30119(d) of title 49, United States Code, is amended—

(1) by striking, in paragraph (1), ''by first class mail'' and inserting ''in the manner prescribed by the Secretary, by regulation'';

(2) in paragraph (2)—

(A) by striking ''(except a tire) shall be sent by first class mail'' and inserting ''shall be sent in the manner prescribed by the Secretary, by regulation,''; and

(B) by striking the second sentence;

(3) in paragraph (3)—

(A) by striking the first sentence;

(B) by inserting ''to the notification required under paragraphs (1) and (2)'' after ''addition''; and

(C) by inserting ''by the manufacturer'' after ''given''; and

(4) in paragraph (4), by striking ''by certified mail or quicker means if available'' and inserting ''in the manner prescribed by the Secretary, by regulation''.

(b) IMPROVING EFFICACY OF RECALLS.—Section 30119(e) of title 49, United States Code, is amended—

(1) in the subsection heading, by striking ''SECOND'' and inserting ''ADDITIONAL'';

(2) by striking ''If the Secretary'' and inserting the following:

''(1) SECOND NOTIFICATION.—If the Secretary''; and

(3) by adding at the end the following:

''(2) ADDITIONAL NOTIFICATIONS.—If the Secretary determines, after considering the severity of the defect or noncompliance, that the second notification by a manufacturer does not result in an adequate number of motor vehicles or items of replacement equipment being returned for remedy, the Secretary may order the manufacturer—

''(A) to send additional notifications in the manner prescribed by the Secretary, by regulation;

''(B) to take additional steps to locate and notify each person registered under State law as the owner or lessee or the most recent purchaser or lessee, as appropriate; and

''(C) to emphasize the magnitude of the safety risk caused by the defect or noncompliance in such notification.''.

**SEC. 31312. EXPANDING CHOICES OF REMEDY AVAILABLE TO MANUFACTURERS OF REPLACEMENT EQUIPMENT.**

Section 30120 of title 49, United States Code, is amended—

(1) in subsection (a)(1), by amending subparagraph (B) to read as follows:

''(B) if replacement equipment, by repairing the equipment, replacing the equipment with identical or reasonably equivalent equipment, or by refunding the purchase price.'';

(2) in the heading of subsection (i), by adding ''OF NEW VEHICLES OR EQUIPMENT'' at the end; and

(3) in the heading of subsection (j), by striking ''REPLACED'' and inserting ''REPLACEMENT''.

**SEC. 31313. RECALL OBLIGATIONS AND BANKRUPTCY OF MANUFACTURER.**

(a) IN GENERAL.—Chapter 301 of title 49, United States Code, is amended by inserting the following after section 30120:

**''SEC. 30120A. RECALL OBLIGATIONS AND BANKRUPTCY OF A MANUFACTURER.**

''A manufacturer's filing of a petition in bankruptcy under chapter 11 of title 11, does not negate the manufacturer's duty to comply with section 30112 or sections 30115 through 30120 of this title. In any bankruptcy proceeding, the manufacturer's obligations under such sections shall be treated as a claim of the United States Government against such manufacturer, subject to subchapter II of chapter 37 of title 31, United States Code, and given priority pursuant to section 3713(a)(1)(A) of such chapter, notwithstanding section 3713(a)(2), to ensure that consumers are adequately protected from any safety defect or noncompliance determined to exist in the manufacturer's products. This section shall apply equally to actions of a manufacturer taken before or after the filing of a petition in bankruptcy.''.

(b) CONFORMING AMENDMENT.—The chapter analysis of chapter 301 of title 49, United States Code, is amended by inserting after the item relating to section 30120 the following:

''30120a. Recall obligations and bankruptcy of a manufacturer.''.

**SEC. 31314. REPEAL OF INSURANCE REPORTS AND INFORMATION PROVISION.**

Chapter 331 of title 49, United States Code, is amended—

(1) in the chapter analysis, by striking the item relating to section 33112; and

(2) by striking section 33112.

**SEC. 31315. MONRONEY STICKER TO PERMIT ADDITIONAL SAFETY RATING CATEGORIES.**

Section 3(g)(2) of the Automobile Information Disclosure Act (15 U.S.C. 1232(g)(2)), is amended by inserting ''safety rating categories that may include'' after ''refers to''.

**Subtitle D—Vehicle Electronics and Safety Standards**

**SEC. 31401. NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION ELECTRONICS, SOFTWARE, AND ENGINEERING EXPERTISE.**

(a) COUNCIL FOR VEHICLE ELECTRONICS, VEHICLE SOFTWARE, AND EMERGING TECHNOLOGIES.—

(1) IN GENERAL.—The Secretary shall establish, within the National Highway Traffic Safety Administration, a Council for Vehicle Electronics, Vehicle Software, and Emerging Technologies (referred to in this section as the ''Council'') to build, integrate, and aggregate the Administration's expertise in passenger motor vehicle electronics and other new and emerging technologies.

(2) IMPLEMENTATION OF ROADMAP.—The Council shall research the inclusion of emerging lightweight plastic and composite technologies in motor vehicles to increase fuel efficiency, lower emissions, meet fuel economy standards, and enhance passenger motor vehicle safety through continued utilization of the Administration's Plastic and Composite Intensive Vehicle Safety Roadmap (Report No. DOT HS 810 863).

(3) INTRA-AGENCY COORDINATION.—The Council shall coordinate with all components of the Administration responsible for vehicle safety, including research and development, rulemaking, and defects investigation.

(b) HONORS RECRUITMENT PROGRAM.—

(1) ESTABLISHMENT.—The Secretary shall establish, within the National Highway Traffic Safety Administration, an honors program for engineering students, computer science students, and other students interested in vehicle safety that will enable such students to train with engineers and other safety officials for a career in vehicle safety.

(2) STIPEND.—The Secretary is authorized to provide a stipend to students during their participation in the program established pursuant to paragraph (1).

(c) ASSESSMENT.—The Council, in consultation with affected stakeholders, shall assess the implications of emerging safety technologies in passenger motor vehicles, including the effect of such technologies on consumers, product availability, and cost.

**SEC. 31402. VEHICLE STOPPING DISTANCE AND BRAKE OVERRIDE STANDARD.**

Not later than 1 year after the date of enactment of this Act, the Secretary shall prescribe a Federal motor vehicle safety standard that—

(1) mitigates unintended acceleration in passenger motor vehicles;

(2) establishes performance requirements, based on the speed, size, and weight of the vehicle, that enable a driver to bring a passenger motor vehicle safely to a full stop by normal braking application even if the vehicle is simultaneously receiving accelerator input signals, including a full-throttle input signal;

(3) may permit compliance through a system that requires brake pedal application, after a period of time determined by the Secretary, to override an accelerator pedal input signal in order to stop the vehicle;

(4) requires that redundant circuits or other mechanisms be built into accelerator control systems, including systems controlled by electronic throttle, to maintain vehicle control in the event of failure of the primary circuit or mechanism; and

(5) may permit vehicles to incorporate a means to temporarily disengage the function required under paragraph (2) to facilitate operations, such as maneuvering trailers or climbing steep hills, which may require the simultaneous operation of brake and accelerator.

**SEC. 31403. PEDAL PLACEMENT STANDARD.**

(a) IN GENERAL.—The Secretary shall initiate a rulemaking proceeding to consider a Federal motor vehicle safety standard that would mitigate potential obstruction of pedal movement in passenger motor vehicles, after taking into account—

(1) various pedal mounting configurations; and

(2) minimum clearances for passenger motor vehicle foot pedals with respect to other pedals, the vehicle floor (including aftermarket floor coverings), and any other potential obstructions to pedal movement that the Secretary determines to be relevant.

(b) DEADLINE.—

(1) IN GENERAL.—Except as provided under paragraph (2), the Secretary shall issue a final rule to implement the safety standard described in subsection (a) not later than 3 years after the date of the enactment of this Act.

(2) REPORT.—If the Secretary determines that a pedal placement standard does not meet the requirements and considerations set forth in subsections (a) and (b) of section 30111 of title 49, United States Code, the Secretary shall submit a report describing the reasons for not prescribing such standard to—

(A) the Committee on Commerce, Science, and Transportation of the Senate; and

(B) the Committee on Energy and Commerce of the House of Representatives.

(c) COMBINED RULEMAKING.—The Secretary may combine the rulemaking proceeding required under subsection (a) with the rulemaking proceeding required under section 31402.

**SEC. 31404. ELECTRONIC SYSTEMS PERFORMANCE STANDARD.**

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary shall initiate a rulemaking proceeding to consider prescribing or amending a Federal motor vehicle safety standard that—

(1) requires electronic systems in passenger motor vehicles to meet minimum performance requirements; and

(2) may include requirements for—

(A) electronic components;

(B) the interaction of electronic components;

(C) security needs for those electronic systems to prevent unauthorized access; or

(D) the effect of surrounding environments on those electronic systems.

(b) DEADLINE.—

(1) IN GENERAL.—Except as provided under paragraph (2), the Secretary shall issue a final rule to implement the safety standard described in subsection (a) not later than 4 years after the date of enactment of this Act.

(2) REPORT.—If the Secretary determines that such a standard does not meet the requirements and considerations set forth in subsections (a) and (b) of section 30111 of title 49, United States Code, the Secretary shall submit a report describing the reasons for not prescribing such standard to—

(A) the Committee on Commerce, Science, and Transportation of the Senate; and

(B) the Committee on Energy and Commerce of the House of Representatives.

(c) NATIONAL ACADEMY OF SCIENCES.—In conducting the rulemaking under subsection (a), the Secretary shall consider the findings and recommendations of the National Academy of Sciences, if any, pursuant to its study of electronic vehicle controls.

**SEC. 31405. PUSHBUTTON IGNITION SYSTEMS STANDARD.**

(a) PUSHBUTTON IGNITION STANDARD.—

(1) IN GENERAL.—The Secretary shall initiate a rulemaking proceeding to consider a Federal motor vehicle safety standard for passenger motor vehicles with pushbutton ignition systems that establishes a standardized operation of such systems when used by drivers, including drivers who may be unfamiliar with such systems, in an emergency situation when the vehicle is in motion.

(2) OTHER IGNITION SYSTEMS.—In the rulemaking proceeding initiated under paragraph (1), the Secretary may include any other ignition-starting mechanism that the Secretary determines should be considered.

(b) PUSHBUTTON IGNITION SYSTEM DEFINED.—The term ''pushbutton ignition system'' means a mechanism, such as the push of a button, for starting a passenger motor vehicle that does not involve the physical insertion and turning of a tangible key.

(c) DEADLINE.—

(1) IN GENERAL.—Except as provided under paragraph (2), the Secretary shall issue a final rule to implement the standard described in subsection (a) not later than 2 years after the date of the enactment of this Act.

(2) REPORT.—If the Secretary determines that a standard does not meet the requirements and considerations set forth in subsections (a) and (b) of section 30111 of title 49, United States Code, the Secretary shall submit a report describing the reasons for not prescribing such standard to—

(A) the Committee on Commerce, Science, and Transportation of the Senate; and

(B) the Committee on Energy and Commerce of the House of Representatives.

**SEC. 31406. VEHICLE EVENT DATA RECORDERS.**

(a) MANDATORY EVENT DATA RECORDERS.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall revise part 563 of title 49, Code of Federal Regulations, to require, beginning with model year 2015, that new passenger motor vehicles sold in the United States be equipped with an event data recorder that meets the requirements under that part.

(2) PENALTY.—The violation of any provision under part 563 of title 49, Code of Federal Regulations—

(A) shall be deemed to be a violation of section 30112 of title 49, United States Code;

(B) shall be subject to civil penalties under section 30165(a) of that title; and

(C) shall not subject a manufacturer (as defined in section 30102(a)(5) of that title) to the requirements under section 30120 of that title.

(b) LIMITATIONS ON INFORMATION RETRIEVAL.—

(1) OWNERSHIP OF DATA.—Any data in an event data recorder required under part 563 of title 49, Code of Federal Regulations, regardless of when the passenger motor vehicle in which it is installed was manufactured, is the property of the owner, or in the case of a leased vehicle, the lessee of the passenger motor vehicle in which the data recorder is installed.

(2) PRIVACY.—Data recorded or transmitted by such a data recorder may not be retrieved by a person other than the owner or lessee of the motor vehicle in which the recorder is installed unless—

(A) a court authorizes retrieval of the information in furtherance of a legal proceeding;

(B) the owner or lessee consents to the retrieval of the information for any purpose, including the purpose of diagnosing, servicing, or repairing the motor vehicle;

(C) the information is retrieved pursuant to an investigation or inspection authorized under section 1131(a) or 30166 of title 49, United States Code, and the personally identifiable information of the owner, lessee, or driver of the vehicle and the vehicle identification number is not disclosed in connection with the retrieved information; or

(D) the information is retrieved for the purpose of determining the need for, or facilitating, emergency medical response in response to a motor vehicle crash.

(c) REPORT TO CONGRESS.—Two years after the date of implementation of subsection (a), the Secretary shall study the safety impact and the impact on individual privacy of event data recorders in passenger motor vehicles and report its findings to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives. The report shall include—

(1) the safety benefits gained from installation of event data recorders;

(2) the recommendations on what, if any, additional data the event data recorder should be modified to record;

(3) the additional safety benefit such information would yield;

(4) the estimated cost to manufacturers to implement the new enhancements;

(5) an analysis of how the information proposed to be recorded by an event data recorder conforms to applicable legal, regulatory, and policy requirements regarding privacy;

(6) a determination of the risks and effects of collecting and maintaining the information proposed to be recorded by an event data recorder;

(7) an examination and evaluation of the protections and alternative processes for handling information recorded by an event data recorder to mitigate potential privacy risks.

(d) REVISED REQUIREMENTS FOR EVENT DATA RECORDERS.—Based on the findings of the study under subsection (c), the Secretary shall initiate a rulemaking proceeding to revise part 563 of title 49, Code of Federal Regulations. The rule—

(1) shall require event data recorders to capture and store data related to motor vehicle safety covering a reasonable time period before, during, and after a motor vehicle crash or airbag deployment, including a rollover;

(2) shall require that data stored on such event data recorders be accessible, regardless of vehicle manufacturer or model, with commercially available equipment in a specified data format;

(3) shall establish requirements for preventing unauthorized access to the data stored on an event data recorder in order to protect the security, integrity, and authenticity of the data; and

(4) may require an interoperable data access port to facilitate universal accessibility and analysis.

(e) DISCLOSURE OF EXISTENCE AND PURPOSE OF EVENT DATA RECORDER.—The rule issued under subsection (d) shall require that any owner's manual or similar documentation provided to the first purchaser of a passenger motor vehicle for purposes other than resale—

(1) disclose that the vehicle is equipped with such a data recorder; and

(2) explain the purpose of the data recorder.

(f) ACCESS TO EVENT DATA RECORDERS IN AGENCY INVESTIGATIONS.—Section 30166(c)(3)(C) of title 49, United States Code, is amended by inserting ", including any electronic data contained within the vehicle's diagnostic system or event data recorder" after "equipment."

(g) DEADLINE FOR RULEMAKING.—The Secretary shall issue a final rule under subsection (d) not later than 4 years after the date of enactment of this Act.

**SEC. 31407. PROHIBITION ON ELECTRONIC VISUAL ENTERTAINMENT IN DRIVER'S VIEW.**

(a) VISUAL ENTERTAINMENT SCREENS IN DRIVER'S VIEW.—Not later than 2 years after the date of enactment of this Act, the Secretary of Transportation shall issue a final rule that prescribes a Federal motor vehicle safety standard prohibiting electronic screens from displaying broadcast television, movies, video games, and other forms of similar visual entertainment that is visible to the driver while driving.

(b) EXCEPTIONS.—The standard prescribed under subsection (a) shall allow electronic screens that display information or images regarding operation of the vehicle, vehicle surroundings, and telematic functions, such as the vehicles navigation and communications system, weather, time, or the vehicle's audio system.

**SEC. 31408. COMMERCIAL MOTOR VEHICLE ROLLOVER PREVENTION AND CRASH MITIGATION.**

(a) RULEMAKING.—Not later than 3 months after the date of enactment of this Act, the Secretary of Transportation shall initiate a rulemaking proceeding pursuant to section 30111 of title 49, United States Code, to prescribe or amend a Federal motor vehicle safety standard to reduce commercial motor vehicle rollover and loss of control crashes and mitigate deaths and injuries associated with such crashes for air-braked truck tractors and motorcoaches with a gross vehicle weight rating of more than 26,000 pounds.

(b) REQUIRED PERFORMANCE STANDARDS.—The rulemaking proceeding initiated under subsection (a) shall establish standards to reduce the occurrence of rollovers and loss of control crashes consistent with stability enhancing technologies, such as electronic stability control systems.

(c) DEADLINE.—Not later than 18 months after the date of enactment of this Act, the Secretary shall issue a final rule under subsection (a).

## Subtitle E—Child Safety Standards

**SEC. 31501. CHILD SAFETY SEATS.**

(a) PROTECTION FOR LARGER CHILDREN.—Not later than 1 year after the date of enactment of this Act, the Secretary shall issue a final rule amending Federal Motor Vehicle Safety Standard Number 213 to establish frontal crash protection requirements for child restraint systems for children weighing more than 65 pounds.

(b) SIDE IMPACT CRASHES.—Not later than 2 years after the date of enactment of this Act, the Secretary shall issue a final rule amending Federal Motor Vehicle Safety Standard Number 213 to improve the protection of children seated in child restraint systems during side impact crashes.

(c) FRONTAL IMPACT TEST PARAMETERS.—

(1) COMMENCEMENT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall commence a rulemaking proceeding to amend test parameters under Federal Motor Vehicle Safety Standard Number 213 to better replicate real world conditions.

(2) FINAL RULE.—Not later than 4 years after the date of enactment of this Act, the Secretary shall issue a final rule pursuant to paragraph (1).

**SEC. 31502. CHILD RESTRAINT ANCHORAGE SYSTEMS.**

(a) INITIATION OF RULEMAKING PROCEEDING.—Not later than 1 year after the date of enactment of this Act, the Secretary shall initiate a rulemaking proceeding to—

(1) amend Federal Motor Vehicle Safety Standard Number 225 (relating to child restraint anchorage systems) to improve the visibility of, accessibility to, and ease of use for lower anchorages and tethers in all rear seat seating positions if such anchorages and tethers are feasible; and

(2) amend Federal Motor Vehicle Safety Standard Number 213 (relating to child restraint systems) or Federal Motor Vehicle Safety Standard Number 225 (relating to child restraint anchorage systems)—

(A) to establish a maximum allowable weight of the child and child restraint for standardizing the recommended use of child restraint anchorage systems in all vehicles; and

(B) to provide the information described in subparagraph (A) to the consumer.

(b) FINAL RULE.—

(1) IN GENERAL.—Except as provided under paragraph (2), the Secretary shall issue a final rule under subsection (a) not later than 3 years after the date of the enactment of this Act.

(2) REPORT.—If the Secretary determines that an amendment to the standard referred to in subsection (a) does not meet the requirements and considerations set forth in subsections (a) and (b) of section 30111 of title 49, United States Code, the Secretary shall submit a report describing the reasons for not prescribing such a standard to—

(A) the Committee on Commerce, Science, and Transportation of the Senate; and

(B) the Committee on Energy and Commerce of the House of Representatives.

**SEC. 31503. REAR SEAT BELT REMINDERS.**

(a) INITIATION OF RULEMAKING PROCEEDING.—Not later than 2 years after the date of enactment of this Act, the Secretary shall initiate a rulemaking proceeding to amend Federal Motor Vehicle Safety Standard Number 208 (relating to occupant crash protection) to provide a safety belt use warning system for designated seating positions in the rear seat.

(b) FINAL RULE.—

(1) IN GENERAL.—Except as provided under paragraph (2), the Secretary shall issue a final rule under subsection (a) not later than 3 years after the date of enactment of this Act.

(2) REPORT.—If the Secretary determines that an amendment to the standard referred to in subsection (a) does not meet the requirements and considerations set forth in subsections (a) and (b) of section 30111 of title 49, United States Code, the Secretary shall submit a report describing the reasons for not prescribing such a standard to—

(A) the Committee on Commerce, Science, and Transportation of the Senate; and

(B) the Committee on Energy and Commerce of the House of Representatives.

**SEC. 31504. UNATTENDED PASSENGER REMINDERS.**

(a) SAFETY RESEARCH INITIATIVE.—Not later than 2 years after the date of enactment of this Act, the Secretary shall complete research into the development of performance requirements to warn drivers that a child or other unattended passenger remains in a rear seating position after the vehicle motor is disengaged.

(b) SPECIFICATIONS.—In carrying out subsection (a), the Secretary shall consider performance requirements that—

(1) sense weight, the presence of a buckled seat belt, or other indications of the presence of a child or other passenger; and

(2) provide an alert to prevent hyperthermia and hypothermia that can result in death or severe injuries.

(c) RULEMAKING OR REPORT.—

(1) RULEMAKING.—Not later than 1 year after the completion of each research and testing initiative required under subsection (a), the Secretary shall initiate a rulemaking proceeding to issue a Federal motor vehicle safety standard if the Secretary determines that such a standard meets the requirements and considerations set forth in subsections (a) and (b) of section 30111 of title 49, United States Code.

(2) REPORT.—If the Secretary determines that the standard described in subsection (a) does not meet the requirements and considerations set forth in subsections (a) and (b) of section 30111 of title 49, United States Code, the Secretary shall submit a report describing the reasons for not prescribing such a standard to—

(A) the Committee on Commerce, Science, and Transportation of the Senate; and

(B) the Committee on Energy and Commerce of the House of Representatives.

**SEC. 31505. NEW DEADLINE.**

If the Secretary determines that any deadline for issuing a final rule under this Act cannot be met, the Secretary shall—

(1) provide the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives with an explanation for why such deadline cannot be met; and

(2) establish a new deadline for that rule.

**Subtitle F—Improved Daytime and Nighttime Visibility of Agricultural Equipment**

**SEC. 31601. RULEMAKING ON VISIBILITY OF AGRICULTURAL EQUIPMENT.**

(a) DEFINITIONS.—In this section:

(1) AGRICULTURAL EQUIPMENT.—The term ''agricultural equipment'' has the meaning given the term ''agricultural field equipment'' in ASABE Standard 390.4, entitled ''Definitions and Classifications of Agricultural Field Equipment'', which was published in January 2005 by the American Society of Agriculture and Biological Engineers, or any successor standard.

(2) PUBLIC ROAD.—The term ''public road'' has the meaning given the term in section 101(a)(27) of title 23, United States Code.

(b) RULEMAKING.—

(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary of Transportation, after consultation with representatives of the American Society of Agricultural and Biological Engineers and appropriate Federal agencies, and with other appropriate persons, shall promulgate a rule to improve the daytime and nighttime visibility of agricultural equipment that may be operated on a public road.

(2) MINIMUM STANDARDS.—The rule promulgated pursuant to this subsection shall—

(A) establish minimum lighting and marking standards for applicable agricultural equipment manufactured at least 1 year after the date on which such rule is promulgated; and

(B) provide for the methods, materials, specifications, and equipment to be employed to comply with such standards, which shall be equivalent to ASABE Standard 279.14, entitled ''Lighting and Marking of Agricultural Equipment on Highways'', which was published in July 2008 by the American Society of Agricultural and Biological Engineers, or any successor standard.

(c) REVIEW.—Not less frequently than once every 5 years, the Secretary of Transportation shall—

(1) review the standards established pursuant to subsection (b); and

(2) revise such standards to reflect the revision of ASABE Standard 279 that is in effect at the time of such review.

(d) LIMITATIONS.—

(1) COMPLIANCE WITH SUCCESSOR STANDARDS.—Any rule promulgated pursuant to this section may not prohibit the operation on public roads of agricultural equipment that is equipped in accordance with any adopted revision of ASABE Standard 279 that is later than the revision of such standard that was referenced during the promulgation of the rule.

(2) NO RETROFITTING REQUIRED.—Any rule promulgated pursuant to this section may not require the retrofitting of agricultural equipment that was manufactured before the date on which the lighting and marking standards are enforceable under subsection (b)(2)(A).

(3) NO EFFECT ON ADDITIONAL MATERIALS AND EQUIPMENT.—Any rule promulgated pursuant to this section may not prohibit the operation on public roads of agricultural equipment that is equipped with materials or equipment that are in addition to the minimum materials and equipment specified in the standard upon which such rule is based.

**TITLE II—COMMERCIAL MOTOR VEHICLE SAFETY ENHANCEMENT ACT OF 2012**

**SEC. 32001. SHORT TITLE.**

This title may be cited as the ''Commercial Motor Vehicle Safety Enhancement Act of 2012''.

**SEC. 32002. REFERENCES TO 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.

**Subtitle A—Commercial Motor Vehicle Registration**

**SEC. 32101. REGISTRATION OF MOTOR CARRIERS.**

(a) REGISTRATION REQUIREMENTS.—Section 13902(a)(1) is amended to read as follows:

''(1) IN GENERAL.—Except as otherwise provided in this section, the Secretary of Transportation may not register a person to provide transportation subject to jurisdiction under subchapter I of chapter 135 as a motor carrier unless the Secretary determines that the person—

''(A) is willing and able to comply with—

''(i) this part and the applicable regulations of the Secretary and the Board;

''(ii) any safety regulations imposed by the Secretary;

''(iii) the duties of employers and employees established by the Secretary under section 31135;

''(iv) the safety fitness requirements established by the Secretary under section 31144;

''(v) the accessibility requirements established by the Secretary under subpart H of part 37 of title 49, Code of Federal Regulations (or successor regulations), for transportation provided by an over-the-road bus; and

''(vi) the minimum financial responsibility requirements established by the Secretary under sections 13906, 31138, and 31139;

''(B) has submitted a comprehensive management plan documenting that the person has management systems in place to ensure compliance with safety regulations imposed by the Secretary;

''(C) has disclosed any relationship involving common ownership, common management, common control, or common familial relationship between that person and any other motor carrier, freight forwarder, or broker, or any other applicant for motor carrier, freight forwarder, or broker registration, or a successor (as that term is defined under section 31153), if the relationship occurred in the 5-year period preceding the date of the filing of the application for registration; and

''(D) after the Secretary establishes a written proficiency examination pursuant to section 32101(b) of the Commercial Motor Vehicle Safety Enhancement Act of 2012, has passed the written proficiency examination.''.

(b) WRITTEN PROFICIENCY EXAMINATION.—

(1) ESTABLISHMENT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall establish a written proficiency examination for applicant motor carriers pursuant to section 13902(a)(1)(D) of title 49, United States Code. The written proficiency examination shall test a person's knowledge of applicable safety regulations, standards, and orders of the Federal government and State government.

(2) ADDITIONAL FEE.—The Secretary may assess a fee to cover the expenses incurred by the Department of Transportation in—

(A) developing and administering the written proficiency examination; and

(B) reviewing the comprehensive management plan required under section 13902(a)(1)(B) of title 49, United States Code.

(c) CONFORMING AMENDMENT.—Section 210(b) of the Motor Carrier Safety Improvement Act of 1999 (49 U.S.C. 31144 note) is amended—

(1) by inserting '', commercial regulations, and provisions of subpart H of part 37 of title 49, Code of Federal Regulations, or successor regulations'' after ''applicable safety regulations''; and

(2) by striking ''consider the establishment of'' and inserting ''establish''.

**SEC. 32102. SAFETY FITNESS OF NEW OPERATORS.**

(a) SAFETY REVIEWS OF NEW OPERATORS.—Section 31144(g)(1) is amended to read as follows:

''(1) SAFETY REVIEW.—

''(A) IN GENERAL.—The Secretary shall require, by regulation, each owner and each operator granted new registration under section 13902 or 31134 to undergo a safety review not later than 12 months after the owner or operator, as the case may be, begins operations under such registration.

''(B) PROVIDERS OF MOTORCOACH SERVICES.—The Secretary may register a person to provide motorcoach services under section 13902 or 31134 after the person undergoes a pre-authorization safety audit, including verification, in a manner sufficient to demonstrate the ability to comply with Federal rules and regulations, as described in section 13902. The Secretary shall continue to monitor the safety performance of each owner and each operator subject to this section for 12 months after the owner or operator is granted registration under section 13902 or 31134. The registration of each owner and each operator subject to this section shall become permanent after the motorcoach service provider is granted registration following a pre-authorization safety audit and the expiration of the 12 month monitoring period.

''(C) PRE-AUTHORIZATION SAFETY AUDIT.—The Secretary may require, by regulation, that the pre-authorization safety audit under subparagraph (B) be completed on-site not later than 90 days after the submission of an application for operating authority.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect 1 year after the date of enactment of this Act.

**SEC. 32103. REINCARNATED CARRIERS.**

(a) EFFECTIVE PERIODS OF REGISTRATION.—

(1) SUSPENSIONS, AMENDMENTS, AND REVOCATIONS.—Section 13905(d) is amended—

(A) by redesignating paragraph (2) as paragraph (4);

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

''(1) APPLICATIONS.—On application of the registrant, the Secretary may amend or revoke a registration.

''(2) COMPLAINTS AND ACTIONS ON SECRETARY'S OWN INITIATIVE.—On complaint or on the Secretary's own initiative and after notice and an opportunity for a proceeding, the Secretary may—

''(A) suspend, amend, or revoke any part of the registration of a motor carrier, broker, or freight forwarder for willful failure to comply with—

''(i) this part;

''(ii) an applicable regulation or order of the Secretary or the Board, including the accessibility requirements established by the Secretary under subpart H of part 37 of title 49, Code of Federal Regulations (or successor regulations), for transportation provided by an over-the-road bus; or

''(iii) a condition of its registration;

''(B) withhold, suspend, amend, or revoke any part of the registration of a motor carrier, broker, or freight forwarder for failure—

''(i) to pay a civil penalty imposed under chapter 5, 51, 149, or 311;

''(ii) to arrange and abide by an acceptable payment plan for such civil penalty, not later than 90 days after the date specified by order of the Secretary for the payment of such penalty; or

''(iii) for failure to obey a subpoena issued by the Secretary;

''(C) withhold, suspend, amend, or revoke any part of a registration of a motor carrier, broker, or freight forwarder following a determination by the Secretary that the motor carrier, broker, or freight forwarder failed to disclose, in its application for registration, a material fact relevant to its willingness and ability to comply with—

''(i) this part;

''(ii) an applicable regulation or order of the Secretary or the Board; or

''(iii) a condition of its registration; or

''(D) withhold, suspend, amend, or revoke any part of a registration of a motor carrier, broker, or freight forwarder if the Secretary finds that—

''(i) the motor carrier, broker, or freight forwarder is or was related through common ownership, common management, common control, or common familial relationship to any other motor carrier, broker, or freight forwarder, or any other applicant for motor carrier, broker, or freight forwarder registration that the Secretary determines is or was unwilling or unable to comply with the relevant requirements listed in section 13902, 13903, or 13904; or

''(ii) the person is the successor, as defined in section 31153, to a person who is or was unwilling or unable to comply with the relevant requirements of section 13902, 13903, or 13904.

''(3) LIMITATION.—Paragraph (2)(B) shall not apply to a person who is unable to pay a civil penalty because the person is a debtor in a case under chapter 11 of title 11.''; and

(C) in paragraph (4), as redesignated by section 32103(a)(1)(A) of this Act, by striking ''paragraph (1)(B)'' and inserting ''paragraph (2)(B)''.

(2) PROCEDURE.—Section 13905(e) is amended by inserting ''or if the Secretary determines that the registrant failed to disclose a material fact in an application for registration in accordance with subsection (d)(2)(C),'' after ''registrant,''.

(b) INFORMATION SYSTEMS.—Section 31106(a)(3) is amended—

(1) in subparagraph (F), by striking ''and'' at the end;

(2) in subparagraph (G), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(H) determine whether a person or employer is or was related, through common ownership, common management, common control, or common familial relationship, to any other person, employer, or any other applicant for registration under section 13902 or 31134.''.

**SEC. 32104. FINANCIAL RESPONSIBILITY REQUIREMENTS.**

(a) REPORT.—Not later than 6 months after the date of enactment of this Act, the Secretary shall—

(1) issue a report on the appropriateness of—

(A) the current minimum financial responsibility requirements under sections 31138 and 31139 of title 49, United States Code; and

(B) the current bond and insurance requirements under section 13904(f) of title 49, United States Code; and

(2) submit the report issued under paragraph (1) to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

(b) RULEMAKING.—Not later than 6 months after the publication of the report under subsection (a), the Secretary shall initiate a rulemaking—

(1) to revise the minimum financial responsibility requirements under sections 31138 and 31139 of title 49, United States Code and

(2) to revise the bond and insurance requirements under section 13904(f) of such title, as appropriate, based on the findings of the report submitted under subsection (a).

(c) DEADLINE.—Not later than 1 year after the start of the rulemaking under subsection (b), the Secretary shall—

(1) issue a final rule; or

(2) if the Secretary determines that a rulemaking is not required following the Secretary's analysis, submit a report stating the reason for not increasing the minimum financial responsibility requirements to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

(d) BIENNIAL REVIEWS.—Not less than once every 2 years, the Secretary shall review the requirements prescribed under subsection (b) and revise the requirements, as appropriate.

**SEC. 32105. USDOT NUMBER REGISTRATION REQUIREMENT.**

(a) IN GENERAL.—Chapter 311 is amended by inserting after section 31133 the following:

**''§ 31134. Requirement for registration and USDOT number**

''(a) IN GENERAL.—Upon application, and subject to subsections (b) and (c), the Secretary shall register an employer or person subject to the safety jurisdiction of this subchapter. An employer or person may operate a commercial motor vehicle in interstate commerce only if the employer or person is registered by the Secretary under this section and receives a USDOT number. Nothing in this section shall preclude registration by the Secretary of an employer or person not engaged in interstate commerce. An employer or person subject to jurisdiction under subchapter I of chapter 135 of this title shall apply for commercial registration under section 13902 of this title.

''(b) WITHHOLDING REGISTRATION.—The Secretary may withhold registration under subsection (a), after notice and an opportunity for a proceeding, if the Secretary determines that—

''(1) the employer or person seeking registration is unwilling or unable to comply with the requirements of this subchapter and the regulations prescribed thereunder and chapter 51 and the regulations prescribed thereunder;

''(2) the employer or person is or was related through common ownership, common management, common control, or common familial relationship to any other person or applicant for registration subject to this subchapter who is or was unfit, unwilling, or unable to comply with the requirements listed in subsection (b)(1); or

''(3) the person is the successor, as defined in section 31153, to a person who is or was unfit, unwilling, or unable to comply with the requirements listed in subsection (b)(1).

''(c) REVOCATION OR SUSPENSION OF REGISTRATION.—The Secretary shall revoke the registration of an employer or person under subsection (a) after notice and an opportunity for a proceeding, or suspend the registration after giving notice of the suspension to the employer or person, if the Secretary determines that—

''(1) the employer's or person's authority to operate pursuant to chapter 139 of this title would be subject to revocation or suspension under sections 13905(d)(1) or 13905(f) of this title;

''(2) the employer or person is or was related through common ownership, common management, common control, or common familial relationship to any other person or applicant for registration subject to this subchapter that the Secretary determines is or was unfit, unwilling, or unable to comply with the requirements listed in subsection (b)(1);

''(3) the person is the successor, as defined in section 31153, to a person the Secretary determines is or was unfit, unwilling, or unable to comply with the requirements listed in subsection (b)(1); or

''(4) the employer or person failed or refused to submit to the safety review required by section 31144(g) of this title.

''(d) PERIODIC REGISTRATION UPDATE.—The Secretary may require an employer to update a registration under this section periodically or not later than 30 days after a change in the employer's address, other contact information, officers, process agent, or other essential information, as determined by the Secretary.''.

(b) CONFORMING AMENDMENT.—The analysis of chapter 311 is amended by inserting after the item relating to section 31133 the following:

''31134. Requirement for registration and USDOT number.''.

**SEC. 32106. REGISTRATION FEE SYSTEM.**

Section 13908(d)(1) is amended by striking ''but shall not exceed $300''.

**SEC. 32107. REGISTRATION UPDATE.**

(a) PERIODIC MOTOR CARRIER UPDATE.—Section 13902 is amended by adding at the end the following:

''(h) UPDATE OF REGISTRATION.—The Secretary may require a registrant to update its registration under this section periodically or not later than 30 days after a change in the registrant's address, other contact information, officers, process agent, or other essential information, as determined by the Secretary.''.

(b) PERIODIC FREIGHT FORWARDER UPDATE.—Section 13903 is amended by adding at the end the following:

''(c) UPDATE OF REGISTRATION.—The Secretary may require a freight forwarder to update its registration under this section periodically or not later than 30 days after a change in the freight forwarder's address, other contact information, officers, process agent, or other essential information, as determined by the Secretary.''.

(c) PERIODIC BROKER UPDATE.—Section 13904 is amended by adding at the end the following:

''(e) UPDATE OF REGISTRATION.—The Secretary may require a broker to update its registration under this section periodically or not later than 30 days after a change in the broker's address, other contact information, officers, process agent, or other essential information, as determined by the Secretary.''.

**SEC. 32108. INCREASED PENALTIES FOR OPERATING WITHOUT REGISTRATION.**

(a) PENALTIES.—Section 14901(a) is amended—

(1) by striking ''$500'' and inserting ''$1,000'';

(2) by striking ''who is not registered under this part to provide transportation of passengers,'';

(3) by striking ''with respect to providing transportation of passengers,'' and inserting ''or section 13902(c) of this title,''; and

(4) by striking ''$2,000 for each violation and each additional day the violation continues'' and inserting ''$10,000 for each violation, or $25,000 for each violation relating to providing transportation of passengers''.

(b) TRANSPORTATION OF HAZARDOUS WASTES.—Section 14901(b) is amended by striking ''not to exceed $20,000'' and inserting ''not less than $25,000''.

**SEC. 32109. REVOCATION OF REGISTRATION FOR IMMINENT HAZARD.**

Section 13905(f)(2) is amended to read as follows:

''(2) IMMINENT HAZARD TO PUBLIC HEALTH.—Notwithstanding subchapter II of chapter 5 of title 5, the Secretary shall revoke the registration of a motor carrier if the Secretary finds that the carrier is or was conducting unsafe operations that are or were an imminent hazard to public health or property.''.

**SEC. 32110. REVOCATION OF REGISTRATION AND OTHER PENALTIES FOR FAILURE TO RESPOND TO SUBPOENA.**

Section 525 is amended—

(1) by striking ''subpenas'' in the section heading and inserting ''subpoenas'';

(2) by striking ''subpena'' and inserting ''subpoena'';

(3) by striking ''$100'' and inserting ''$1,000'';

(4) by striking ''$5,000'' and inserting ''$10,000''; and

(5) by adding at the end the following:

''The Secretary may withhold, suspend, amend, or revoke any part of the registration of a person required to register under chapter 139 for failing to obey a subpoena or requirement of the Secretary under this chapter to appear and testify or produce records.''.

**SEC. 32111. FLEETWIDE OUT OF SERVICE ORDER FOR OPERATING WITHOUT REQUIRED REGISTRATION.**

Section 13902(e)(1) is amended—

(1) by striking ''motor vehicle'' and inserting ''motor carrier'' after ''the Secretary determines that a''; and

(2) by striking ''order the vehicle'' and inserting ''order the motor carrier operations'' after ''the Secretary may''.

**SEC. 32112. MOTOR CARRIER AND OFFICER PATTERNS OF SAFETY VIOLATIONS.**

Section 31135 is amended—

(1) by striking subsection (b) and inserting the following:

''(b) NONCOMPLIANCE.—

''(1) MOTOR CARRIERS.—Two or more motor carriers, employers, or persons shall not use common ownership, common management, common control, or common familial relationship to enable any or all such motor carriers, employers, or persons to avoid compliance, or mask or otherwise conceal non-compliance, or a history of non-compliance, with regulations prescribed under this subchapter or an order of the Secretary issued under this subchapter.

''(2) PATTERN.—If the Secretary finds that a motor carrier, employer, or person engaged in a pattern or practice of avoiding compliance, or masking or otherwise concealing noncompliance, with regulations prescribed under this subchapter, the Secretary—

''(A) may withhold, suspend, amend, or revoke any part of the motor carrier's, employer's, or person's registration in accordance with section 13905 or 31134; and

''(B) shall take into account such non-compliance for purposes of determining civil penalty amounts under section 521(b)(2)(D).

''(3) OFFICERS.—If the Secretary finds, after notice and an opportunity for proceeding, that an officer of a motor carrier, employer, or owner or operator engaged in a pattern or practice of violating regulations prescribed under this subchapter, or assisted a motor carrier, employer, or owner or operator in avoiding compliance, or masking or otherwise concealing noncompliance, the Secretary may impose appropriate sanctions, subject to the limitations in paragraph (4), including—

''(A) suspension or revocation of registration granted to the officer individually under section 13902 or 31134;

''(B) temporary or permanent suspension or bar from association with any motor carrier, employer, or owner or operator registered under section 13902 or 31134; or

''(C) any appropriate sanction approved by the Secretary.

''(4) LIMITATIONS.—The sanctions described in subparagraphs (A) through (C) of subsection (b)(3) shall apply to—

''(A) intentional or knowing conduct, including reckless conduct that violates applicable laws (including regulations); and

''(B) repeated instances of negligent conduct that violates applicable laws (including regulations).''; and

(2) by striking subsection (c) and inserting the following:

''(c) AVOIDING COMPLIANCE.—For purposes of this section, 'avoiding compliance' or 'masking or otherwise concealing noncompliance' includes serving as an officer or otherwise exercising controlling influence over 2 or more motor carriers where—

''(1) one of the carriers was placed out of service, or received notice from the Secretary that it will be placed out of service, following—

''(A) a determination of unfitness under section 31144(b);

''(B) a suspension or revocation of registration under section 13902, 13905, or 31144(g);

''(C) issuance of an imminent hazard out of service order under section 521(b)(5) or section 5121(d); or

''(D) notice of failure to pay a civil penalty or abide by a penalty payment plan; and

''(2) one or more of the carriers is the 'successor,' as that term is defined in section 31153, to the carrier that is the subject of the action in paragraph (1).''.

**SEC. 32113. FEDERAL SUCCESSOR STANDARD.**

(a) IN GENERAL.—Chapter 311 is amended by adding after section 31152, as added by section 32508 of this Act, the following:

**''§ 31153. Federal successor standard**

''(a) FEDERAL SUCCESSOR STANDARD.—Notwithstanding any other provision of Federal or State law, the Secretary may take an action authorized under chapters 5, 51, 131 through 149, subchapter III of chapter 311 (except sections 31138 and 31139), or sections 31302, 31303, 31304, 31305(b), 31310(g)(1)(A), or 31502 of this title, or a regulation issued under any of those provisions, against a successor of a motor carrier (as defined in section 13102), a successor of an employer (as defined in section 31132), or a successor of an owner or operator (as that term is used in subchapter III of chapter 311), to the same extent and on the same basis as the Secretary may take the action against the motor carrier, employer, or owner or operator.

''(b) SUCCESSOR DEFINED.—For purposes of this section, the term 'successor' means a motor carrier, employer, or owner or operator that the Secretary determines, after notice and an opportunity for a proceeding, has 1 or more features that correspond closely with the features of another existing or former motor carrier, employer, or owner or operator, such as—

''(1) consideration paid for assets purchased or transferred;

''(2) dates of corporate creation and dissolution or termination of operations;

''(3) commonality of ownership;

''(4) commonality of officers and management personnel and their functions;

''(5) commonality of drivers and other employees;

''(6) identity of physical or mailing addresses, telephone, fax numbers, or e-mail addresses;

''(7) identity of motor vehicle equipment;

''(8) continuity of liability insurance policies;

''(9) commonality of coverage under liability insurance policies;

''(10) continuation of carrier facilities and other physical assets;

''(11) continuity of the nature and scope of operations, including customers;

''(12) commonality of the nature and scope of operations, including customers;

''(13) advertising, corporate name, or other acts through which the motor carrier, employer, or owner or operator holds itself out to the public;

''(14) history of safety violations and pending orders or enforcement actions of the Secretary; and

''(15) additional factors that the Secretary considers appropriate.

''(c) EFFECTIVE DATE.—Notwithstanding any other provision of law, this section shall apply to any action commenced on or after the date of enactment of the Commercial Motor Vehicle Safety Enhancement Act of 2012 without regard to whether the violation that is the subject of the action, or the conduct that caused the violation, occurred before the date of enactment.

''(d) RIGHTS NOT AFFECTED.—Nothing in this section shall affect the rights, functions, or responsibilities under law of any other Department, Agency, or instrumentality of the United States, the laws of any State, or any rights between a private party and a motor carrier, employer, or owner or operator.''.

(b) CONFORMING AMENDMENT.—The analysis of chapter 311 is amended by inserting after the item related to section 31152, as added by section 32508 of this Act, the following:

''31153. Federal successor standard.''.

**Subtitle B—Commercial Motor Vehicle Safety**

**SEC. 32201. REPEAL OF COMMERCIAL JURISDICTION EXCEPTION FOR BROKERS OF MOTOR CARRIERS OF PASSENGERS.**

(a) IN GENERAL.—Section 13506(a) is amended—

(1) by inserting ''or'' at the end of paragraph (13);

(2) by striking paragraph (14); and

(3) by redesignating paragraph (15) as paragraph (14).

(b) CONFORMING AMENDMENT.—Section 13904(a) is amended by striking ''of property'' in the first sentence.

**SEC. 32202. BUS RENTALS AND DEFINITION OF EMPLOYER.**

Paragraph (3) of section 31132 is amended to read as follows:

''(3) 'employer'—

''(A) means a person engaged in a business affecting interstate commerce that—

''(i) owns or leases a commercial motor vehicle in connection with that business, or assigns an employee to operate the commercial motor vehicle; or

''(ii) offers for rent or lease a motor vehicle designed or used to transport more than 8 passengers, including the driver, and from the same location or as part of the same business provides names or contact information of drivers, or holds itself out to the public as a charter bus company; but

''(B) does not include the Government, a State, or a political subdivision of a State.''.

**SEC. 32203. CRASHWORTHINESS STANDARDS.**

(a) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Secretary shall conduct a comprehensive analysis on the need for crashworthiness standards on property-carrying commercial motor vehicles with a gross vehicle weight rating or gross vehicle weight of at least 26,001 pounds involved in interstate commerce, including an evaluation of the need for roof strength, pillar strength, air bags, and frontal and back wall standards.

(b) REPORT.—Not later than 90 days after completing the comprehensive analysis under subsection (a), the Secretary shall report the results of the analysis and any recommendations to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

**SEC. 32204. CANADIAN SAFETY RATING RECIPROCITY.**

Section 31144 is amended by adding at the end the following:

''(h) RECOGNITION OF CANADIAN MOTOR CARRIER SAFETY FITNESS DETERMINATIONS.—

''(1) If an authorized agency of the Canadian federal government or a Canadian Territorial or Provincial government determines, by applying the procedure and standards prescribed by the Secretary under subsection (b) or pursuant to an agreement under paragraph (2), that a Canadian employer is unfit and prohibits the employer from operating a commercial motor vehicle in Canada or any Canadian Province, the Secretary may prohibit the employer from operating such vehicle in interstate and foreign commerce until the authorized Canadian agency determines that the employer is fit.

''(2) The Secretary may consult and participate in negotiations with authorized officials of the Canadian federal government or a Canadian Territorial or Provincial government, as necessary, to provide reciprocal recognition of each country's motor carrier safety fitness determinations. An agreement shall provide, to the maximum extent practicable, that each country will follow the procedure and standards prescribed by the Secretary under subsection (b) in making motor carrier safety fitness determinations.''.

**SEC. 32205. STATE REPORTING OF FOREIGN COMMERCIAL DRIVER CONVICTIONS.**

(a) DEFINITION OF FOREIGN COMMERCIAL DRIVER.—Section 31301 is amended—

(1) by redesignating paragraphs (10) through (14) as paragraphs (11) through (15), respectively; and

(2) by inserting after paragraph (9) the following:

''(10) 'foreign commercial driver' means an individual licensed to operate a commercial motor vehicle by an authority outside the United States, or a citizen of a foreign country who operates a commercial motor vehicle in the United States.''.

(b) STATE REPORTING OF CONVICTIONS.—Section 31311(a) is amended by adding after paragraph (21) the following:

''(22) The State shall report a conviction of a foreign commercial driver by that State to the Federal Convictions and Withdrawal Database, or another information system designated by the Secretary to record the convictions. A report shall include—

''(A) for a driver holding a foreign commercial driver's license—

''(i) each conviction relating to the operation of a commercial motor vehicle; and

''(ii) a non-commercial motor vehicle; and

''(B) for an unlicensed driver or a driver holding a foreign non-commercial driver's license, each conviction for operating a commercial motor vehicle.''.

**SEC. 32206. AUTHORITY TO DISQUALIFY FOREIGN COMMERCIAL DRIVERS.**

Section 31310 is amended by adding at the end the following:

''(k) FOREIGN COMMERCIAL DRIVERS.—A foreign commercial driver shall be subject to disqualification under this section.''.

**SEC. 32207. REVOCATION OF FOREIGN MOTOR CARRIER OPERATING AUTHORITY FOR FAILURE TO PAY CIVIL PENALTIES.**

Section 13905(d)(2), as amended by section 32103(a) of this Act, is amended by inserting ''foreign motor carrier, foreign motor private carrier,'' after ''registration of a motor carrier,'' each place it appears.

**Subtitle C—Driver Safety**

**SEC. 32301. ELECTRONIC ON-BOARD RECORDING DEVICES.**

(a) GENERAL AUTHORITY.—Section 31137 is amended—

(1) by amending the section heading to read as follows:

**''§ 31137. Electronic on-board recording devices and brake maintenance regulations'';**

(2) by redesignating subsection (b) as subsection (e); and

(3) by amending (a) to read as follows:

''(a) ELECTRONIC ON-BOARD RECORDING DEVICES.—Not later than 1 year after the date of enactment of the Commercial Motor Vehicle Safety Enhancement Act of 2012, the Secretary of Transportation shall prescribe regulations—

''(1) requiring a commercial motor vehicle involved in interstate commerce and operated by a driver subject to the hours of service and the record of duty status requirements under part 395 of title 49, Code of Federal Regulations, be equipped with an electronic on-board recording device to improve compliance by an operator of a vehicle with hours of service regulations prescribed by the Secretary; and

''(2) ensuring that an electronic on-board recording device is not used to harass a vehicle operator.

''(b) ELECTRONIC ON-BOARD RECORDING DEVICE REQUIREMENTS.—

''(1) IN GENERAL.—The regulations prescribed under subsection (a) shall—

''(A) require an electronic on-board recording device—

''(i) to accurately record commercial driver hours of service;

''(ii) to record the location of a commercial motor vehicle;

''(iii) to be tamper resistant; and

''(iv) to be integrally synchronized with an engine's control module;

''(B) allow law enforcement to access the data contained in the device during a roadside inspection; and

''(C) apply to a commercial motor vehicle beginning on the date that is 2 years after the date that the regulations are published as a final rule.

''(2) PERFORMANCE AND DESIGN STANDARDS.—The regulations prescribed under subsection (a) shall establish performance standards—

''(A) defining a standardized user interface to aid vehicle operator compliance and law enforcement review;

''(B) establishing a secure process for standardized—

''(i) and unique vehicle operator identification;

''(ii) data access;

''(iii) data transfer for vehicle operators between motor vehicles;

''(iv) data storage for a motor carrier; and

''(v) data transfer and transportability for law enforcement officials;

''(C) establishing a standard security level for an electronic on-board recording device and related components to be tamper resistant by using a methodology endorsed by a nationally recognized standards organization; and

''(D) identifying each driver subject to the hours of service and record of duty status requirements under part 395 of title 49, Code of Federal Regulations.

''(c) CERTIFICATION CRITERIA.—

''(1) IN GENERAL.—The regulations prescribed by the Secretary under this section shall establish the criteria and a process for the certification of an electronic on-board recording device to ensure that the device meets the performance requirements under this section.

''(2) EFFECT OF NONCERTIFICATION.—An electronic on-board recording device that is not certified in accordance with the certification process referred to in paragraph (1) shall not be acceptable evidence of hours of service and record of duty status requirements under part 395 of title 49, Code of Federal Regulations.

''(d) ELECTRONIC ON-BOARD RECORDING DEVICE DEFINED.—In this section, the term 'electronic on-board recording device' means an electronic device that—

''(1) is capable of recording a driver's hours of service and duty status accurately and automatically; and

''(2) meets the requirements established by the Secretary through regulation.''.

(b) CIVIL PENALTIES.—Section 30165(a)(1) is amended by striking ''or 30141 through 30147'' and inserting ''30141 through 30147, or 31137''.

(c) CONFORMING AMENDMENT.—The analysis for chapter 311 is amended by striking the item relating to section 31137 and inserting the following:

''31137. Electronic on-board recording devices and brake maintenance regulations.''.

**SEC. 32302. SAFETY FITNESS.**

(a) SAFETY FITNESS RATING METHODOLOGY.—The Secretary shall—

(1) incorporate into its Compliance, Safety, Accountability program a safety fitness rating methodology that assigns sufficient weight to adverse vehicle and driver performance based-data that elevate crash risks to warrant an unsatisfactory rating for a carrier; and

(2) ensure that the data to support such assessments is accurate.

(b) INTERIM MEASURES.—Not later than March 31, 2012, the Secretary shall take interim measures to implement a similar safety fitness rating methodology in its current safety rating system if the Compliance, Safety, Accountability program is not fully implemented.

**SEC. 32303. DRIVER MEDICAL QUALIFICATIONS.**

(a) DEADLINE FOR ESTABLISHMENT OF NATIONAL REGISTRY OF MEDICAL EXAMINERS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish a national registry of medical examiners in accordance with section 31149(d)(1) of title 49, United States Code.

(b) EXAMINATION REQUIREMENT FOR NATIONAL REGISTRY OF MEDICAL EXAMINERS.—Section 31149(c)(1)(D) is amended to read as follows:

''(D) not later than 1 year after enactment of the Commercial Motor Vehicle Safety Enhancement Act of 2012, develop requirements for a medical examiner to be listed in the national registry under this section, including—

''(i) the completion of specific courses and materials;

''(ii) certification, including self-certification, if the Secretary determines that self-certification is necessary for sufficient participation in the national registry, to verify that a medical examiner completed specific

training, including refresher courses, that the Secretary determines necessary to be listed in the national registry;

''(iii) an examination that requires a passing grade; and

''(iv) demonstration of a medical examiner's willingness to meet the reporting requirements established by the Secretary;''.

(c) ADDITIONAL OVERSIGHT OF LICENSING AUTHORITIES.—

(1) IN GENERAL.—Section 31149(c)(1) is amended—

(A) in subparagraph (E), by striking ''and'' after the semicolon;

(B) in subparagraph (F), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(G) annually review the implementation of commercial driver's license requirements by not fewer than 10 States to assess the accuracy, validity, and timeliness of—

''(i) the submission of physical examination reports and medical certificates to State licensing agencies; and

''(ii) the processing of the submissions by State licensing agencies.''.

(2) INTERNAL OVERSIGHT POLICY.—

(A) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary shall establish an oversight policy and procedure to carry out section 31149(c)(1)(G) of title 49, United States Code, as added by section 32303(c)(1) of this Act.

(B) EFFECTIVE DATE.—The amendments made by section 32303(c)(1) of this Act shall take effect on the date the oversight policies and procedures are established pursuant to subparagraph (A).

(d) ELECTRONIC FILING OF MEDICAL EXAMINATION CERTIFICATES.—Section 31311(a), as amended by sections 32205(b) and 32306(b) of this Act, is amended by adding at the end the following:

''(24) Not later than 1 year after the date of enactment of the Commercial Motor Vehicle Safety Enhancement Act of 2012, the State shall establish and maintain, as part of its driver information system, the capability to receive an electronic copy of a medical examiner's certificate, from a certified medical examiner, for each holder of a commercial driver's license issued by the State who operates or intends to operate in interstate commerce.''.

(e) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—Of the funds provided for Data and Technology Grants under section 31104(a) of title 49, United States Code, there are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) for the Secretary to make grants to States or an organization representing agencies and officials of the States to support development costs of the information technology needed to carry out section 31311(a)(24) of title 49, United States Code, up to $1 million for fiscal year 2012 and up to $1 million for fiscal year 2013.

(2) PERIOD OF AVAILABILITY.—The amounts made available under this subsection shall remain available until expended.

**SEC. 32304. COMMERCIAL DRIVER'S LICENSE NOTIFICATION SYSTEM.**

(a) IN GENERAL.—Section 31304 is amended—

(1) by striking ''An employer'' and inserting the following:

''(a) IN GENERAL.—An employer''; and

(2) by adding at the end the following:

''(b) DRIVER VIOLATION RECORDS.—

''(1) PERIODIC REVIEW.—Except as provided in paragraph (3), an employer shall ascertain the driving record of each driver it employs—

''(A) by making an inquiry at least once every 12 months to the appropriate State agency in which the driver held or holds a commercial driver's license or permit during such time period;

''(B) by receiving occurrence-based reports of changes in the status of a driver's record from 1 or more driver record notification systems that meet minimum standards issued by the Secretary; or

''(C) by a combination of inquiries to States and reports from driver record notification systems.

''(2) RECORD KEEPING.—A copy of the reports received under paragraph (1) shall be maintained in the driver's qualification file.

''(3) EXCEPTIONS TO RECORD REVIEW REQUIREMENT.—Paragraph (1) shall not apply to a driver employed by an employer who, in any 7-day period, is employed or used as a driver by more than 1 employer—

''(A) if the employer obtains the driver's identification number, type, and issuing State of the driver's commercial motor vehicle license; or

''(B) if the information described in subparagraph (A) is furnished by another employer and the employer that regularly employs the driver meets the other requirements under this section.

''(4) DRIVER RECORD NOTIFICATION SYSTEM DEFINED.—In this section, the term 'driver record notification system' means a system that automatically furnishes an employer with a report, generated by the appropriate agency of a State, on the change in the status of an employee's driver's license due to a conviction for a moving violation, a failure to appear, an accident, driver's license suspension, driver's license revocation, or any other action taken against the driving privilege.''.

(b) STANDARDS FOR DRIVER RECORD NOTIFICATION SYSTEMS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall issue minimum standards for driver notification systems, including standards for the accuracy, consistency, and completeness of the information provided.

(c) PLAN FOR NATIONAL NOTIFICATION SYSTEM.—

(1) DEVELOPMENT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall develop recommendations and a plan for the development and implementation of a national driver record notification system, including—

(A) an assessment of the merits of achieving a national system by expanding the Commercial Driver's License Information System; and

(B) an estimate of the fees that an employer will be charged to offset the operating costs of the national system.

(2) SUBMISSION TO CONGRESS.—Not later than 90 days after the recommendations and plan are developed under paragraph (1), the Secretary shall submit a report on the recommendations and plan to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

**SEC. 32305. COMMERCIAL MOTOR VEHICLE OPERATOR TRAINING.**

(a) IN GENERAL.—Section 31305 is amended by adding at the end the following:

''(c) STANDARDS FOR TRAINING.—Not later than 6 months after the date of enactment of the Commercial Motor Vehicle Safety Enhancement Act of 2012, the Secretary shall issue final regulations establishing minimum entry-level training requirements for an individual operating a commercial motor vehicle—

''(1) addressing the knowledge and skills that—

''(A) are necessary for an individual operating a commercial motor vehicle to safely operate a commercial motor vehicle; and

''(B) must be acquired before obtaining a commercial driver's license for the first time or upgrading from one class of commercial driver's license to another class;

''(2) addressing the specific training needs of a commercial motor vehicle operator seeking passenger or hazardous materials endorsements, including for an operator seeking a passenger endorsement training—

''(A) to suppress motorcoach fires; and

''(B) to evacuate passengers from motorcoaches safely;

''(3) requiring effective instruction to acquire the knowledge, skills, and training referred to in paragraphs (1) and (2), including classroom and behind-the-wheel instruction;

''(4) requiring certification that an individual operating a commercial motor vehicle meets the requirements established by the Secretary; and

''(5) requiring a training provider (including a public or private driving school, motor carrier, or owner or operator of a commercial motor vehicle) that offers training that results in the issuance of a certification to an individual under paragraph (4) to demonstrate that the training meets the requirements of the regulations, through a process established by the Secretary.''.

(b) COMMERCIAL DRIVER'S LICENSE UNIFORM STANDARDS.—Section 31308(1) is amended to read as follows:

''(1) an individual issued a commercial driver's license—

''(A) pass written and driving tests for the operation of a commercial motor vehicle that comply with the minimum standards prescribed by the Secretary under section 31305(a); and

''(B) present certification of completion of driver training that meets the requirements established by the Secretary under section 31305(c);''.

(c) CONFORMING AMENDMENT.—The section heading for section 31305 is amended to read as follows:

**''§ 31305. General driver fitness, testing, and training''.**

(d) CONFORMING AMENDMENT.—The analysis for chapter 313 is amended by striking the item relating to section 31305 and inserting the following:

''31305. General driver fitness, testing, and training.''.

**SEC. 32306. COMMERCIAL DRIVER'S LICENSE PROGRAM.**

(a) IN GENERAL.—Section 31309 is amended—

(1) in subsection (e)(4), by amending subparagraph (A) to read as follows:

''(A) IN GENERAL.—The plan shall specify—

''(i) a date by which all States shall be operating commercial driver's license information systems that are compatible with the modernized information system under this section; and

''(ii) that States must use the systems to receive and submit conviction and disqualification data.''; and

(2) in subsection (f), by striking ''use'' and inserting ''use, subject to section 31313(a),''.

(b) REQUIREMENTS FOR STATE PARTICIPATION.—Section 31311 is amended—

(1) in subsection (a), as amended by section 32205(b) of this Act—

(A) in paragraph (5), by striking ''At least'' and all that follows through ''regulation),'' and inserting: ''Not later than the time period prescribed by the Secretary by regulation,''; and

(B) by adding at the end the following:

''(23) Not later than 1 year after the date of enactment of the Commercial Motor Vehicle Safety Enhancement Act of 2012, the State shall implement a system and practices for the exclusive electronic exchange of driver history record information on the system

the Secretary maintains under section 31309, including the posting of convictions, withdrawals, and disqualifications.''; and

(2) by adding at the end the following:

''(d) CRITICAL REQUIREMENTS.—

''(1) IDENTIFICATION OF CRITICAL REQUIREMENTS.—After reviewing the requirements under subsection (a), including the regulations issued pursuant to subsection (a) and section 31309(e)(4), the Secretary shall identify the requirements that are critical to an effective State commercial driver's license program.

''(2) GUIDANCE.—Not later than 180 days after the date of enactment of the Commercial Motor Vehicle Safety Enhancement Act of 2012, the Secretary shall issue guidance to assist States in complying with the critical requirements identified under paragraph (1). The guidance shall include a description of the actions that each State must take to collect and share accurate and complete data in a timely manner.

''(e) STATE COMMERCIAL DRIVER'S LICENSE PROGRAM PLAN.—

''(1) IN GENERAL.—Not later than 180 days after the Secretary issues guidance under subsection (d)(2), a State shall submit a plan to the Secretary for complying with the requirements under this section during the period beginning on the date the plan is submitted and ending on September 30, 2016.

''(2) CONTENTS.—A plan submitted by a State under paragraph (1) shall identify—

''(A) the actions that the State will take to comply with the critical requirements identified under subsection (d)(1);

''(B) the actions that the State will take to address any deficiencies in the State's commercial driver's license program, as identified by the Secretary in the most recent audit of the program; and

''(C) other actions that the State will take to comply with the requirements under subsection (a).

''(3) PRIORITY.—

''(A) IMPLEMENTATION SCHEDULE.—A plan submitted by a State under paragraph (1) shall include a schedule for the implementation of the actions identified under paragraph (2). In establishing the schedule, the State shall prioritize the actions identified under paragraphs (2)(A) and (2)(B).

''(B) DEADLINE FOR COMPLIANCE WITH CRITICAL REQUIREMENTS.—A plan submitted by a State under paragraph (1) shall include assurances that the State will take the necessary actions to comply with the critical requirements pursuant to subsection (d) not later than September 30, 2015.

''(4) APPROVAL AND DISAPPROVAL.—The Secretary shall—

''(A) review each plan submitted under paragraph (1);

''(B) approve a plan that the Secretary determines meets the requirements under this subsection and promotes the goals of this chapter; and

''(C) disapprove a plan that the Secretary determines does not meet the requirements or does not promote the goals.

''(5) MODIFICATION OF DISAPPROVED PLANS.—If the Secretary disapproves a plan under paragraph (4)(C), the Secretary shall—

''(A) provide a written explanation of the disapproval to the State; and

''(B) allow the State to modify the plan and resubmit it for approval.

''(6) PLAN UPDATES.—The Secretary may require a State to review and update a plan, as appropriate.

''(f) ANNUAL COMPARISON OF STATE LEVELS OF COMPLIANCE.—The Secretary shall annually—

''(1) compare the relative levels of compliance by States with the requirements under subsection (a); and

''(2) make the results of the comparison available to the public.''.

(c) DECERTIFICATION AUTHORITY.—Section 31312 is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

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

''(b) DEADLINE FOR COMPLIANCE WITH CRITICAL REQUIREMENTS.—Beginning on October 1, 2016, in making a determination under subsection (a), the Secretary shall consider a State to be in substantial noncompliance with this chapter if the Secretary determines that—

''(1) the State is not complying with a critical requirement under section 31311(d)(1); and

''(2) sufficient grant funding was made available to the State under section 31313(a) to comply with the requirement.''.

**SEC. 32307. COMMERCIAL DRIVER'S LICENSE REQUIREMENTS.**

(a) LICENSING STANDARDS.—Section 31305(a)(7) is amended by inserting ''would not be subject to a disqualification under section 31310(g) of this title and'' after ''taking the tests''.

(b) DISQUALIFICATIONS.—Section 31310(g)(1) is amended by deleting ''who holds a commercial driver's license and''.

**SEC. 32308. COMMERCIAL MOTOR VEHICLE DRIVER INFORMATION SYSTEMS.**

Section 31106(c) is amended—

(1) by striking the subsection heading and inserting ''(1) IN GENERAL.—'';

(2) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D); and

(3) by adding at the end the following:

''(2) ACCESS TO RECORDS.—The Secretary may require a State, as a condition of an award of grant money under this section, to provide the Secretary access to all State licensing status and driver history records via an electronic information system, subject to section 2721 of title 18.''.

**SEC. 32309. DISQUALIFICATIONS BASED ON NONCOMMERCIAL MOTOR VEHICLE OPERATIONS.**

(a) FIRST OFFENSE.—Section 31310(b)(1)(D) is amended by deleting ''commercial'' after ''revoked, suspended, or canceled based on the individual's operation of a,'' and before ''motor vehicle''.

(b) SECOND OFFENSE.—Section 31310(c)(1)(D) is amended by deleting ''commercial'' after ''revoked, suspended, or canceled based on the individual's operation of a,'' and before ''motor vehicle''.

**SEC. 32310. FEDERAL DRIVER DISQUALIFICATIONS.**

(a) DISQUALIFICATION DEFINED.—Section 31301, as amended by section 32205 of this Act, is amended—

(1) by redesignating paragraphs (6) through (15) as paragraphs (7) through (16), respectively; and

(2) by inserting after paragraph (5) the following:

''(6) 'Disqualification' means—

''(A) the suspension, revocation, or cancellation of a commercial driver's license by the State of issuance;

''(B) a withdrawal of an individual's privilege to drive a commercial motor vehicle by a State or other jurisdiction as the result of a violation of State or local law relating to motor vehicle traffic control, except for a parking, vehicle weight, or vehicle defect violation;

''(C) a determination by the Secretary that an individual is not qualified to operate a commercial motor vehicle; or

''(D) a determination by the Secretary that a commercial motor vehicle driver is unfit under section 31144(g).''.

(b) COMMERCIAL DRIVER'S LICENSE INFORMATION SYSTEM CONTENTS.—Section 31309(b)(1)(F) is amended by inserting after ''disqualified'' the following: ''by the State that issued the individual a commercial driver's license, or by the Secretary,''.

(c) STATE ACTION ON FEDERAL DISQUALIFICATION.—Section 31310(h) is amended by inserting after the first sentence the following:

''If the State has not disqualified the individual from operating a commercial vehicle under subsections (b) through (g), the State shall disqualify the individual if the Secretary determines under section 31144(g) that the individual is disqualified from operating a commercial motor vehicle.''.

**SEC. 32311. EMPLOYER RESPONSIBILITIES.**

Section 31304, as amended by section 32304 of this Act, is amended in subsection (a)—

(1) by striking ''knowingly''; and

(2) by striking ''in which'' and inserting ''that the employer knows or should reasonably know that''.

## Subtitle D—Safe Roads Act of 2012

**SEC. 32401. SHORT TITLE.**

This subtitle may be cited as the ''Safe Roads Act of 2012''.

**SEC. 32402. NATIONAL CLEARINGHOUSE FOR CONTROLLED SUBSTANCE AND ALCOHOL TEST RESULTS OF COMMERCIAL MOTOR VEHICLE OPERATORS.**

(a) IN GENERAL.—Chapter 313 is amended—

(1) in section 31306(a), by inserting ''and section 31306a'' after ''this section''; and

(2) by inserting after section 31306 the following:

**''§ 31306a. National clearinghouse for controlled substance and alcohol test results of commercial motor vehicle operators**

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—Not later than 2 years after the date of enactment of the Safe Roads Act of 2012, the Secretary of Transportation shall establish a national clearinghouse for records relating to alcohol and controlled substances testing of commercial motor vehicle operators.

''(2) PURPOSES.—The purposes of the clearinghouse shall be—

''(A) to improve compliance with the Department of Transportation's alcohol and controlled substances testing program applicable to commercial motor vehicle operators;

''(B) to facilitate access to information about an individual before employing the individual as a commercial motor vehicle operator;

''(C) to enhance the safety of our United States roadways by reducing accident fatalities involving commercial motor vehicles; and

''(D) to reduce the number of impaired commercial motor vehicle operators.

''(3) CONTENTS.—The clearinghouse shall function as a repository for records relating to the positive test results and test refusals of commercial motor vehicle operators and violations by such operators of prohibitions set forth in subpart B of part 382 of title 49, Code of Federal Regulations (or any subsequent corresponding regulations).

''(4) ELECTRONIC EXCHANGE OF RECORDS.—The Secretary shall ensure that records can be electronically submitted to, and requested from, the clearinghouse by authorized users.

''(5) AUTHORIZED OPERATOR.—The Secretary may authorize a qualified and experienced private entity to operate and maintain the clearinghouse and to collect fees on behalf of the Secretary under subsection (e). The entity shall establish, operate, maintain and expand the clearinghouse and permit access to driver information and records from the clearinghouse in accordance with this section.

''(b) DESIGN OF CLEARINGHOUSE.—

''(1) USE OF FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION RECOMMENDATIONS.—In establishing the clearinghouse, the Secretary shall consider—

''(A) the findings and recommendations contained in the Federal Motor Carrier Safety Administration's March 2004 report to Congress required under section 226 of the Motor Carrier Safety Improvement Act of 1999 (49 U.S.C. 31306 note); and

''(B) the findings and recommendations contained in the Government Accountability Office's May 2008 report to Congress entitled 'Motor Carrier Safety: Improvements to Drug Testing Programs Could Better Identify Illegal Drug Users and Keep Them off the Road.'.

''(2) DEVELOPMENT OF SECURE PROCESSES.—In establishing the clearinghouse, the Secretary shall develop a secure process for—

''(A) administering and managing the clearinghouse in compliance with applicable Federal security standards;

''(B) registering and authenticating authorized users of the clearinghouse;

''(C) registering and authenticating persons required to report to the clearinghouse under subsection (g);

''(D) preventing the unauthorized access of information from the clearinghouse;

''(E) storing and transmitting data;

''(F) persons required to report to the clearinghouse under subsection (g) to timely and accurately submit electronic data to the clearinghouse;

''(G) generating timely and accurate reports from the clearinghouse in response to requests for information by authorized users; and

''(H) updating an individual's record upon completion of the return-to-duty process described in title 49, Code of Federal Regulations.

''(3) EMPLOYER ALERT OF POSITIVE TEST RESULT.—In establishing the clearinghouse, the Secretary shall develop a secure method for electronically notifying an employer of each additional positive test result or other noncompliance—

''(A) for an employee, that is entered into the clearinghouse during the 7-day period immediately following an employer's inquiry about the employee; and

''(B) for an employee who is listed as having multiple employers.

''(4) ARCHIVE CAPABILITY.—In establishing the clearinghouse, the Secretary shall develop a process for archiving all clearinghouse records, including the depositing of personal records, records relating to each individual in the database, and access requests for personal records, for the purposes of—

''(A) auditing and evaluating the timeliness, accuracy, and completeness of data in the clearinghouse; and

''(B) auditing to monitor compliance and enforce penalties for noncompliance.

''(5) FUTURE NEEDS.—

''(A) INTEROPERABILITY WITH OTHER DATA SYSTEMS.—In establishing the clearinghouse, the Secretary shall consider—

''(i) the existing data systems containing regulatory and safety data for commercial motor vehicle operators;

''(ii) the efficacy of using or combining clearinghouse data with 1 or more of such systems; and

''(iii) the potential interoperability of the clearinghouse with such systems.

''(B) SPECIFIC CONSIDERATIONS.—In carrying out subparagraph (A), the Secretary shall determine—

''(i) the clearinghouse's capability for interoperability with—

''(I) the National Driver Register established under section 30302;

''(II) the Commercial Driver's License Information System established under section 31309;

''(III) the Motor Carrier Management Information System for preemployment screening services under section 31150; and

''(IV) other data systems, as appropriate; and

''(ii) any change to the administration of the current testing program, such as forms, that is necessary to collect data for the clearinghouse.

''(c) STANDARD FORMATS.—The Secretary shall develop standard formats to be used—

''(1) by an authorized user of the clearinghouse to—

''(A) request a record from the clearinghouse; and

''(B) obtain the consent of an individual who is the subject of a request from the clearinghouse, if applicable; and

''(2) to notify an individual that a positive alcohol or controlled substances test result, refusing to test, and a violation of any of the prohibitions under subpart B of part 382 of title 49, Code of Federal Regulations (or any subsequent corresponding regulations), will be reported to the clearinghouse.

''(d) PRIVACY.—A release of information from the clearinghouse shall—

''(1) comply with applicable Federal privacy laws, including the fair information practices under the Privacy Act of 1974 (5 U.S.C. 552a);

''(2) comply with applicable sections of the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.); and

''(3) not be made to any person or entity unless expressly authorized or required by law.

''(e) FEES.—

''(1) AUTHORITY TO COLLECT FEES.—Except as provided under paragraph (3), the Secretary may collect a reasonable, customary, and nominal fee from an authorized user of the clearinghouse for a request for information from the clearinghouse.

''(2) USE OF FEES.—Fees collected under this subsection shall be used for the operation and maintenance of the clearinghouse.

''(3) LIMITATION.—The Secretary may not collect a fee from an individual requesting information from the clearinghouse that pertains to the record of that individual.

''(f) EMPLOYER REQUIREMENTS.—

''(1) DETERMINATION CONCERNING USE OF CLEARINGHOUSE.—The Secretary shall determine if an employer is authorized to use the clearinghouse to meet the alcohol and controlled substances testing requirements under title 49, Code of Federal Regulations.

''(2) APPLICABILITY OF EXISTING REQUIREMENTS.—Each employer and service agent shall comply with the alcohol and controlled substances testing requirements under title 49, Code of Federal Regulations.

''(3) EMPLOYMENT PROHIBITIONS.—Beginning 30 days after the date that the clearinghouse is established under subsection (a), an employer shall not hire an individual to operate a commercial motor vehicle unless the employer determines that the individual, during the preceding 3-year period—

''(A) if tested for the use of alcohol and controlled substances, as required under title 49, Code of Federal Regulations—

''(i) did not test positive for the use of alcohol or controlled substances in violation of the regulations; or

''(ii) tested positive for the use of alcohol or controlled substances and completed the required return-to-duty process under title 49, Code of Federal Regulations;

''(B)(i) did not refuse to take an alcohol or controlled substance test under title 49, Code of Federal Regulations; or

''(ii) refused to take an alcohol or controlled substance test and completed the required return-to-duty process under title 49, Code of Federal Regulations; and

''(C) did not violate any other provision of subpart B of part 382 of title 49, Code of Federal Regulations (or any subsequent corresponding regulations).

''(4) ANNUAL REVIEW.—Beginning 30 days after the date that the clearinghouse is established under subsection (a), an employer shall request and review a commercial motor vehicle operator's record from the clearinghouse annually for as long as the commercial motor vehicle operator is under the employ of the employer.

''(g) REPORTING OF RECORDS.—

''(1) IN GENERAL.—Beginning 30 days after the date that the clearinghouse is established under subsection (a), a medical review officer, employer, service agent, and other appropriate person, as determined by the Secretary, shall promptly submit to the Secretary any record generated after the clearinghouse is initiated of an individual who—

''(A) refuses to take an alcohol or controlled substances test required under title 49, Code of Federal Regulations;

''(B) tests positive for alcohol or a controlled substance in violation of the regulations; or

''(C) violates any other provision of subpart B of part 382 of title 49, Code of Federal Regulations (or any subsequent corresponding regulations).

''(2) INCLUSION OF RECORDS IN CLEARINGHOUSE.—The Secretary shall include in the clearinghouse the records of positive test results and test refusals received under paragraph (1).

''(3) MODIFICATIONS AND DELETIONS.—If the Secretary determines that a record contained in the clearinghouse is not accurate, the Secretary shall modify or delete the record, as appropriate.

''(4) NOTIFICATION.—The Secretary shall expeditiously notify an individual, unless such notification would be duplicative, when—

''(A) a record relating to the individual is received by the clearinghouse;

''(B) a record in the clearinghouse relating to the individual is modified or deleted, and include in the notification the reason for the modification or deletion; or

''(C) a record in the clearinghouse relating to the individual is released to an employer and specify the reason for the release.

''(5) DATA QUALITY AND SECURITY STANDARDS FOR REPORTING AND RELEASING.—The Secretary may establish additional requirements, as appropriate, to ensure that—

''(A) the submission of records to the clearinghouse is timely and accurate;

''(B) the release of data from the clearinghouse is timely, accurate, and released to the appropriate authorized user under this section; and

''(C) an individual with a record in the clearinghouse has a cause of action for any inappropriate use of information included in the clearinghouse.

''(6) RETENTION OF RECORDS.—The Secretary shall—

''(A) retain a record submitted to the clearinghouse for a 5-year period beginning on the date the record is submitted;

''(B) remove the record from the clearinghouse at the end of the 5-year period, unless the individual fails to meet a return-to-duty or follow-up requirement under title 49, Code of Federal Regulations; and

''(C) retain a record after the end of the 5-year period in a separate location for archiving and auditing purposes.

''(h) AUTHORIZED USERS.—

''(1) EMPLOYERS.—The Secretary shall establish a process for an employer to request and receive an individual's record from the clearinghouse.

''(A) CONSENT.—An employer may not access an individual's record from the clearinghouse unless the employer—

''(i) obtains the prior written or electronic consent of the individual for access to the record; and

''(ii) submits proof of the individual's consent to the Secretary.

''(B) ACCESS TO RECORDS.—After receiving a request from an employer for an individual's record under subparagraph (A), the Secretary shall grant access to the individual's record to the employer as expeditiously as practicable.

''(C) RETENTION OF RECORD REQUESTS.—The Secretary shall require an employer to retain for a 3-year period—

''(i) a record of each request made by the employer for records from the clearinghouse; and

''(ii) the information received pursuant to the request.

''(D) USE OF RECORDS.—An employer may use an individual's record received from the clearinghouse only to assess and evaluate the qualifications of the individual to operate a commercial motor vehicle for the employer.

''(E) PROTECTION OF PRIVACY OF INDIVIDUALS.—An employer that receives an individual's record from the clearinghouse under subparagraph (B) shall—

''(i) protect the privacy of the individual and the confidentiality of the record; and

''(ii) ensure that information contained in the record is not divulged to a person or entity that is not directly involved in assessing and evaluating the qualifications of the individual to operate a commercial motor vehicle for the employer.

''(2) STATE LICENSING AUTHORITIES.—The Secretary shall establish a process for the chief commercial driver's licensing official of a State to request and receive an individual's record from the clearinghouse if the individual is applying for a commercial driver's license from the State.

''(A) CONSENT.—The Secretary may grant access to an individual's record in the clearinghouse under this paragraph without the prior written or electronic consent of the individual. An individual who holds a commercial driver's license shall be deemed to consent to such access by obtaining a commercial driver's license.

''(B) PROTECTION OF PRIVACY OF INDIVIDUALS.—A chief commercial driver's licensing official of a State that receives an individual's record from the clearinghouse under this paragraph shall—

''(i) protect the privacy of the individual and the confidentiality of the record; and

''(ii) ensure that the information in the record is not divulged to any person that is not directly involved in assessing and evaluating the qualifications of the individual to operate a commercial motor vehicle.

''(3) NATIONAL TRANSPORTATION SAFETY BOARD.—The Secretary shall establish a process for the National Transportation Safety Board to request and receive an individual's record from the clearinghouse if the individual is involved in an accident that is under investigation by the National Transportation Safety Board.

''(A) CONSENT.—The Secretary may grant access to an individual's record in the clearinghouse under this paragraph without the prior written or electronic consent of the individual. An individual who holds a commercial driver's license shall be deemed to consent to such access by obtaining a commercial driver's license.

''(B) PROTECTION OF PRIVACY OF INDIVIDUALS.—An official of the National Transportation Safety Board that receives an individual's record from the clearinghouse under this paragraph shall—

''(i) protect the privacy of the individual and the confidentiality of the record; and

''(ii) unless the official determines that the information in the individual's record should be reported under section 1131(e), ensure that the information in the record is not divulged to any person that is not directly involved with investigating the accident.

''(4) ADDITIONAL AUTHORIZED USERS.—The Secretary shall consider whether to grant access to the clearinghouse to additional users. The Secretary may authorize access to an individual's record from the clearinghouse to an additional user if the Secretary determines that granting access will further the purposes under subsection (a)(2). In determining whether the access will further the purposes under subsection (a)(2), the Secretary shall consider, among other things—

''(A) what use the additional user will make of the individual's record;

''(B) the costs and benefits of the use; and

''(C) how to protect the privacy of the individual and the confidentiality of the record.

''(i) ACCESS TO CLEARINGHOUSE BY INDIVIDUALS.—

''(1) IN GENERAL.—The Secretary shall establish a process for an individual to request and receive information from the clearinghouse—

''(A) to determine whether the clearinghouse contains a record pertaining to the individual;

''(B) to verify the accuracy of a record;

''(C) to update an individual's record, including completing the return-to-duty process described in title 49, Code of Federal Regulations; and

''(D) to determine whether the clearinghouse received requests for the individual's information.

''(2) DISPUTE PROCEDURE.—The Secretary shall establish a procedure, including an appeal process, for an individual to dispute and remedy an administrative error in the individual's record.

''(j) PENALTIES.—

''(1) IN GENERAL.—An employer, employee, medical review officer, or service agent who violates any provision of this section shall be subject to civil penalties under section 521(b)(2)(C) and criminal penalties under section 521(b)(6)(B), and any other applicable civil and criminal penalties, as determined by the Secretary.

''(2) VIOLATION OF PRIVACY.—The Secretary shall establish civil and criminal penalties, consistent with paragraph (1), for an authorized user who violates paragraph (2)(B) or (3)(B) of subsection (h).

''(k) COMPATIBILITY OF STATE AND LOCAL LAWS.—

''(1) PREEMPTION.—Except as provided under paragraph (2), any law, regulation, order, or other requirement of a State, political subdivision of a State, or Indian tribe related to a commercial driver's license holder subject to alcohol or controlled substance testing under title 49, Code of Federal Regulations, that is inconsistent with this section or a regulation issued pursuant to this section is preempted.

''(2) APPLICABILITY.—The preemption under paragraph (1) shall include—

''(A) the reporting of valid positive results from alcohol screening tests and drug tests;

''(B) the refusal to provide a specimen for an alcohol screening test or drug test; and

''(C) other violations of subpart B of part 382 of title 49, Code of Federal Regulations (or any subsequent corresponding regulations).

''(3) EXCEPTION.—A law, regulation, order, or other requirement of a State, political subdivision of a State, or Indian tribe shall not be preempted under this subsection to the extent it relates to an action taken with respect to a commercial motor vehicle operator's commercial driver's license or driving record as a result of the driver's—

''(A) verified positive alcohol or drug test result;

''(B) refusal to provide a specimen for the test; or

''(C) other violations of subpart B of part 382 of title 49, Code of Federal Regulations (or any subsequent corresponding regulations).

''(l) DEFINITIONS.—In this section—

''(1) AUTHORIZED USER.—The term 'authorized user' means an employer, State licensing authority, National Transportation Safety Board, or other person granted access to the clearinghouse under subsection (h).

''(2) CHIEF COMMERCIAL DRIVER'S LICENSING OFFICIAL.—The term 'chief commercial driver's licensing official' means the official in a State who is authorized to—

''(A) maintain a record about commercial driver's licenses issued by the State; and

''(B) take action on commercial driver's licenses issued by the State.

''(3) CLEARINGHOUSE.—The term 'clearinghouse' means the clearinghouse established under subsection (a).

''(4) COMMERCIAL MOTOR VEHICLE OPERATOR.—The term 'commercial motor vehicle operator' means an individual who—

''(A) possesses a valid commercial driver's license issued in accordance with section 31308; and

''(B) is subject to controlled substances and alcohol testing under title 49, Code of Federal Regulations.

''(5) EMPLOYER.—The term 'employer' means a person or entity employing, or seeking to employ, 1 or more employees (including an individual who is self-employed) to be commercial motor vehicle operators.

''(6) MEDICAL REVIEW OFFICER.—The term 'medical review officer' means a licensed physician who is responsible for—

''(A) receiving and reviewing a laboratory result generated under the testing program;

''(B) evaluating a medical explanation for a controlled substances test under title 49, Code of Federal Regulations; and

''(C) interpreting the results of a controlled substances test.

''(7) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

''(8) SERVICE AGENT.—The term 'service agent' means a person or entity, other than an employee of the employer, who provides services to employers or employees under the testing program.

''(9) TESTING PROGRAM.—The term 'testing program' means the alcohol and controlled substances testing program required under title 49, Code of Federal Regulations.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 313 is amended by inserting after the item relating to section 31306 the following:

''31306a. National clearinghouse for positive controlled substance and alcohol test results of commercial motor vehicle operators.''.

**SEC. 32403. DRUG AND ALCOHOL VIOLATION SANCTIONS.**

Chapter 313 is amended—

(1) by redesignating section 31306(f) as 31306(f)(1); and

(2) by inserting after section 31306(f)(1) the following:

''(2) ADDITIONAL SANCTIONS.—The Secretary may require a State to revoke, suspend, or cancel the commercial driver's license of a commercial motor vehicle operator who is found, based on a test conducted and confirmed under this section, to have used alcohol or a controlled substance in violation of law until the commercial motor vehicle operator completes the rehabilitation process under subsection (e).''; and

(3) by amending section 31310(d) to read as follows:

''(d) CONTROLLED SUBSTANCE VIOLATIONS.—The Secretary may permanently disqualify an individual from operating a commercial vehicle if the individual—

''(1) uses a commercial motor vehicle in the commission of a felony involving manufacturing, distributing, or dispensing a controlled substance, or possession with intent to manufacture, distribute, or dispense a controlled substance; or

''(2) uses alcohol or a controlled substance, in violation of section 31306, 3 or more times.''.

**SEC. 32404. AUTHORIZATION OF APPROPRIATIONS.**

From the funds authorized to be appropriated under section 31104(h) of title 49, United States Code, up to $5,000,000 is authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) for the Secretary of Transportation to develop, design, and implement the national clearinghouse required by section 32402 of this Act.

**Subtitle E—Enforcement**

**SEC. 32501. INSPECTION DEMAND AND DISPLAY OF CREDENTIALS.**

(a) SAFETY INVESTIGATIONS.—Section 504(c) is amended—

(1) by inserting '', or an employee of the recipient of a grant issued under section 31102 of this title'' after ''a contractor''; and

(2) by inserting '', in person or in writing'' after ''proper credentials''.

(b) CIVIL PENALTY.—Section 521(b)(2)(E) is amended—

(1) by redesignating subparagraph (E) as subparagraph (E)(i); and

(2) by adding at the end the following:

''(ii) PLACE OUT OF SERVICE.—The Secretary may by regulation adopt procedures for placing out of service the commercial motor vehicle of a foreign-domiciled motor carrier that fails to promptly allow the Secretary to inspect and copy a record or inspect equipment, land, buildings, or other property.''.

(c) HAZARDOUS MATERIALS INVESTIGATIONS.—Section 5121(c)(2) is amended by inserting '', in person or in writing,'' after ''proper credentials''.

(d) COMMERCIAL INVESTIGATIONS.—Section 14122(b) is amended by inserting '', in person or in writing'' after ''proper credentials''.

**SEC. 32502. OUT OF SERVICE PENALTY FOR DENIAL OF ACCESS TO RECORDS.**

Section 521(b)(2)(E) is amended—

(1) by inserting after ''$10,000.'' the following: ''In the case of a motor carrier, the Secretary may also place the violator's motor carrier operations out of service.''; and

(2) by striking ''such penalty'' after ''It shall be a defense to'' and inserting ''a penalty''.

**SEC. 32503. PENALTIES FOR VIOLATION OF OPERATION OUT OF SERVICE ORDERS.**

Section 521(b)(2) is amended by adding at the end the following:

''(F) PENALTY FOR VIOLATIONS RELATING TO OUT OF SERVICE ORDERS.—A motor carrier or employer (as defined in section 31132) that operates a commercial motor vehicle in commerce in violation of a prohibition on transportation under section 31144(c) of this title or an imminent hazard out of service order issued under subsection (b)(5) of this section or section 5121(d) of this title shall be liable for a civil penalty not to exceed $25,000.''.

**SEC. 32504. MINIMUM PROHIBITION ON OPERATION FOR UNFIT CARRIERS.**

(a) IN GENERAL.—Section 31144(c)(1) is amended by inserting '', and such period shall be for not less than 10 days'' after ''operator is fit''.

(b) OWNERS OR OPERATORS TRANSPORTING PASSENGERS.—Section 31144(c)(2) is amended by inserting '', and such period shall be for not less than 10 days'' after ''operator is fit''.

(c) OWNERS OR OPERATORS TRANSPORTING HAZARDOUS MATERIAL.—Section 31144(c)(3) is amended by inserting before the period at the end of the first sentence the following: '', and such period shall be for not less than 10 days''.

**SEC. 32505. MINIMUM OUT OF SERVICE PENALTIES.**

Section 521(b)(7) is amended by adding at the end the following:

''The penalties may include a minimum duration for any out of service period, not to exceed 90 days.''.

**SEC. 32506. IMPOUNDMENT AND IMMOBILIZATION OF COMMERCIAL MOTOR VEHICLES FOR IMMINENT HAZARD.**

Section 521(b) is amended by adding at the end the following:

''(15) IMPOUNDMENT OF COMMERCIAL MOTOR VEHICLES.—

''(A) ENFORCEMENT OF IMMINENT HAZARD OUT-OF-SERVICE ORDERS.—

''(i) The Secretary, or an authorized State official carrying out motor carrier safety enforcement activities under section 31102, may enforce an imminent hazard out-of-service order issued under chapters 5, 51, 131 through 149, 311, 313, or 315 of this title, or a regulation promulgated thereunder, by towing and impounding a commercial motor vehicle until the order is rescinded.

''(ii) Enforcement shall not unreasonably interfere with the ability of a shipper, carrier, broker, or other party to arrange for the alternative transportation of any cargo or passenger being transported at the time the commercial motor vehicle is immobilized. In the case of a commercial motor vehicle transporting passengers, the Secretary or authorized State official shall provide reasonable, temporary, and secure shelter and accommodations for passengers in transit.

''(iii) The Secretary's designee or an authorized State official carrying out motor carrier safety enforcement activities under section 31102, shall immediately notify the owner of a commercial motor vehicle of the impoundment and the opportunity for review of the impoundment. A review shall be provided in accordance with section 554 of title 5, except that the review shall occur not later than 10 days after the impoundment.

''(B) ISSUANCE OF REGULATIONS.—The Secretary shall promulgate regulations on the use of impoundment or immobilization of commercial motor vehicles as a means of enforcing additional out-of-service orders issued under chapters 5, 51, 131 through 149, 311, 313, or 315 of this title, or a regulation promulgated thereunder. Regulations promulgated under this subparagraph shall include consideration of public safety, the protection of passengers and cargo, inconvenience to passengers, and the security of the commercial motor vehicle.

''(C) DEFINITION.—In this paragraph, the term 'impoundment' or 'impounding' means the seizing and taking into custody of a commercial motor vehicle or the immobilizing of a commercial motor vehicle through the attachment of a locking device or other mechanical or electronic means.''.

**SEC. 32507. INCREASED PENALTIES FOR EVASION OF REGULATIONS.**

(a) PENALTIES.—Section 524 is amended—

(1) by striking ''knowingly and willfully'';

(2) by inserting after ''this chapter'' the following: '', chapter 51, subchapter III of chapter 311 (except sections 31138 and 31139) or section 31302, 31303, 31304, 31305(b), 31310(g)(1)(A), or 31502 of this title, or a regulation issued under any of those provisions,'';

(3) by striking ''$200 but not more than $500'' and inserting ''$2,000 but not more than $5,000''; and

(4) by striking ''$250 but not more than $2,000'' and inserting ''$2,500 but not more than $7,500''.

(b) EVASION OF REGULATION.—Section 14906 is amended—

(1) by striking ''$200'' and inserting ''at least $2,000'';

(2) by striking ''$250'' and inserting ''$5,000''; and

(3) by inserting after ''a subsequent violation'' the following:

'', and may be subject to criminal penalties''.

**SEC. 32508. FAILURE TO PAY CIVIL PENALTY AS A DISQUALIFYING OFFENSE.**

(a) IN GENERAL.—Chapter 311 is amended by inserting after section 31151 the following:

**''§ 31152. Disqualification for failure to pay**

''An individual assessed a civil penalty under this chapter, or chapters 5, 51, or 149 of this title, or a regulation issued under any of those provisions, who fails to pay the penalty or fails to comply with the terms of a settlement with the Secretary, shall be disqualified from operating a commercial motor vehicle after the individual is notified in writing and is given an opportunity to respond. A disqualification shall continue until the penalty is paid, or the individual complies with the terms of the settlement, unless the nonpayment is because the individual is a debtor in a case under chapter 11 of title 11, United States Code.''.

(b) TECHNICAL AMENDMENTS.—Section 31310, as amended by sections 32206 and 32310 of this Act, is amended—

(1) by redesignating subsections (h) through (k) as subsections (i) through (l), respectively; and

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

''(h) DISQUALIFICATION FOR FAILURE TO PAY.—The Secretary shall disqualify from operating a commercial motor vehicle any individual who fails to pay a civil penalty within the prescribed period, or fails to conform to the terms of a settlement with the Secretary. A disqualification shall continue until the penalty is paid, or the individual conforms to the terms of the settlement, unless the nonpayment is because the individual is a debtor in a case under chapter 11 of title 11, United States Code.''; and

(3) in subsection (i), as redesignated, by striking ''Notwithstanding subsections (b) through (g)'' and inserting ''Notwithstanding subsections (b) through (h)''.

(c) CONFORMING AMENDMENT.—The analysis of chapter 311 is amended by inserting after the item relating to section 31151 the following:

''31152. Disqualification for failure to pay.''.

**SEC. 32509. VIOLATIONS RELATING TO COMMERCIAL MOTOR VEHICLE SAFETY REGULATION AND OPERATORS.**

Section 521(b)(2)(D) is amended by striking ''ability to pay,''.

**SEC. 32510. EMERGENCY DISQUALIFICATION FOR IMMINENT HAZARD.**

Section 31310(f) is amended—

(1) in paragraph (1) by inserting ''section 521 or'' before ''section 5102''; and

(2) in paragraph (2) by inserting ''section 521 or'' before ''section 5102''.

**SEC. 32511. INTRASTATE OPERATIONS OF INTERSTATE MOTOR CARRIERS.**

(a) PROHIBITED TRANSPORTATION.—Section 521(b)(5) is amended by inserting after subparagraph (B) the following:

''(C) If an employee, vehicle, or all or part of an employer's commercial motor vehicle operations is ordered out of service under paragraph (5)(A), the commercial motor vehicle operations of the employee, vehicle, or employer that affect interstate commerce are also prohibited.''.

(b) PROHIBITION ON OPERATION IN INTERSTATE COMMERCE AFTER NONPAYMENT OF PENALTIES.—Section 521(b)(8) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following:

''(B) ADDITIONAL PROHIBITION.—A person prohibited from operating in interstate commerce under paragraph (8)(A) may not operate any commercial motor vehicle where the operation affects interstate commerce.''.

**SEC. 32512. ENFORCEMENT OF SAFETY LAWS AND REGULATIONS.**

(a) ENFORCEMENT OF SAFETY LAWS AND REGULATIONS.—Chapter 311, as amended by sections 32113 and 32508 of this Act, is amended by adding after section 31153 the following:

**''§ 31154. Enforcement of safety laws and regulations**

''(a) IN GENERAL.—The Secretary may bring a civil action to enforce this part, or a regulation or order of the Secretary under this part, when violated by an employer, employee, or other person providing transportation or service under this subchapter or subchapter I.

''(b) VENUE.—In a civil action under subsection (a)—

''(1) trial shall be in the judicial district in which the employer, employee, or other person operates;

''(2) process may be served without regard to the territorial limits of the district or of the State in which the action is instituted; and

''(3) a person participating with a carrier or broker in a violation may be joined in the civil action without regard to the residence of the person.''.

(b) CONFORMING AMENDMENT.—The analysis of chapter 311 is amended by inserting after the item relating to section 31153 the following:

''31154. Enforcement of safety laws and regulations.''.

**SEC. 32513. DISCLOSURE TO STATE AND LOCAL LAW ENFORCEMENT AGENCIES.**

Section 31106(e) is amended—

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

(2) by inserting at the end the following:

''(2) IN GENERAL.—Notwithstanding any prohibition on disclosure of information in section 31105(h) or 31143(b) of this title or section 552a of title 5, the Secretary may disclose information maintained by the Secretary pursuant to chapters 51, 135, 311, or 313 of this title to appropriate personnel of a State agency or instrumentality authorized to carry out State commercial motor vehicle safety activities and commercial driver's license laws, or appropriate personnel of a local law enforcement agency, in accordance with standards, conditions, and procedures as determined by the Secretary. Disclosure under this section shall not operate as a waiver by the Secretary of any applicable privilege against disclosure under common law or as a basis for compelling disclosure under section 552 of title 5.''.

**Subtitle F—Compliance, Safety, Accountability**

**SEC. 32601. COMPLIANCE, SAFETY, ACCOUNTABILITY.**

(a) IN GENERAL.—Section 31102 is amended—

(1) by amending the section heading to read:

**''§ 31102. Compliance, safety, and accountability grants'';**

(2) by amending subsection (a) to read as follows:

''(a) GENERAL AUTHORITY.—Subject to this section, the Secretary of Transportation shall make and administer a compliance, safety, and accountability grant program to assist States, local governments, and other entities and persons with motor carrier safety and enforcement on highways and other public roads, new entrant safety audits, border enforcement, hazardous materials safety and security, consumer protection and household goods enforcement, and other programs and activities required to improve the safety of motor carriers as determined by the Secretary. The Secretary shall allocate funding in accordance with section 31104 of this title.'';

(3) in subsection (b)—

(A) by amending the heading to read as follows:

''(b) MOTOR CARRIER SAFETY ASSISTANCE PROGRAM.—'';

(B) by redesignating paragraphs (1) through (3) as (2) through (4), respectively;

(C) by inserting before paragraph (2), as redesignated, the following:

''(1) PROGRAM GOAL.—The goal of the Motor Carrier Safety Assistance Program is to ensure that the Secretary, States, local government agencies, and other political jurisdictions work in partnership to establish programs to improve motor carrier, commercial motor vehicle, and driver safety to support a safe and efficient surface transportation system by—

''(A) making targeted investments to promote safe commercial motor vehicle transportation, including transportation of passengers and hazardous materials;

''(B) investing in activities likely to generate maximum reductions in the number and severity of commercial motor vehicle crashes and fatalities resulting from such crashes;

''(C) adopting and enforcing effective motor carrier, commercial motor vehicle, and driver safety regulations and practices consistent with Federal requirements; and

''(D) assessing and improving statewide performance by setting program goals and meeting performance standards, measures, and benchmarks.'';

(D) in paragraph (2), as redesignated—

(i) by striking ''make a declaration of'' in subparagraph (I) and inserting ''demonstrate'';

(ii) by amending subparagraph (M) to read as follows:

''(M) ensures participation in appropriate Federal Motor Carrier Safety Administration systems and other information systems by all appropriate jurisdictions receiving Motor Carrier Safety Assistance Program funding;'';

(iii) in subparagraph (Q), by inserting ''and dedicated sufficient resources to'' between ''established'' and ''a program'';

(iv) in subparagraph (W), by striking ''and'' after the semicolon;

(v) by amending subparagraph (X) to read as follows:

''(X) except in the case of an imminent or obvious safety hazard, ensures that an inspection of a vehicle transporting passengers for a motor carrier of passengers is conducted at a station, terminal, border crossing, maintenance facility, destination, weigh station, rest stop, turnpike service area, or a location where adequate food, shelter, and sanitation facilities are available for passengers, and reasonable accommodation is available for passengers with disabilities; and''; and

(vi) by adding after subparagraph (X) the following:

''(Y) ensures that the State will transmit to its roadside inspectors the notice of each Federal exemption granted pursuant to section 31315(b) and provided to the State by the Secretary, including the name of the person granted the exemption and any terms and conditions that apply to the exemption.''; and

(E) by amending paragraph (4), as redesignated, to read as follows:

''(4) MAINTENANCE OF EFFORT.—

''(A) IN GENERAL.—A plan submitted by a State under paragraph (2) shall provide that the total expenditure of amounts of the lead State agency responsible for implementing the plan will be maintained at a level at least equal to the average level of that expenditure for fiscal years 2004 and 2005.

''(B) AVERAGE LEVEL OF STATE EXPENDITURES.—In estimating the average level of State expenditure under subparagraph (A), the Secretary—

''(i) may allow the State to exclude State expenditures for Government-sponsored demonstration or pilot programs; and

''(ii) shall require the State to exclude State matching amounts used to receive Government financing under this subsection.

''(C) WAIVER.—Upon the request of a State, the Secretary may waive or modify the requirements of this paragraph for 1 fiscal year, if the Secretary determines that a waiver is equitable due to exceptional or uncontrollable circumstances, such as a natural disaster or a serious decline in the financial resources of the State motor carrier safety assistance program agency.'';

(4) by redesignating subsection (e) as subsection (h); and

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

''(e) NEW ENTRANT SAFETY ASSURANCE PROGRAM.—

''(1) PROGRAM GOAL.—The Secretary may make grants to States and local governments for pre-authorization safety audits and new entrant motor carrier audits as described in section 31144(g).

''(2) RECIPIENTS.—Grants made in support of this program may be provided to States and local governments.

''(3) FEDERAL SHARE.—The Federal share of a grant made under this program is 100 percent.

''(4) ELIGIBLE ACTIVITIES.—Eligible activities will be in accordance with criteria developed by the Secretary and posted in the Federal Register in advance of the grant application period.

''(5) DETERMINATION.—If the Secretary determines that a State or local government is unable to conduct a new entrant motor carrier audit, the Secretary may use the funds to conduct the audit.

''(f) BORDER ENFORCEMENT.—

''(1) PROGRAM GOAL.—The Secretary of Transportation may make a grant for carrying out border commercial motor vehicle safety programs and related enforcement activities and projects.

''(2) RECIPIENTS.—The Secretary of Transportation may make a grant to an entity, State, or other person for carrying out border commercial motor vehicle safety programs and related enforcement activities and projects.

''(3) FEDERAL SHARE.—The Secretary shall reimburse a grantee at least 100 percent of the costs incurred in a fiscal year for carrying out border commercial motor vehicle safety programs and related enforcement activities and projects.

''(4) ELIGIBLE ACTIVITIES.—An eligible activity will be in accordance with criteria developed by the Secretary and posted in the Federal Register in advance of the grant application period.

''(g) HIGH PRIORITY INITIATIVES.—

''(1) PROGRAM GOAL.—The Secretary may make grants to carry out high priority activities and projects that improve commercial motor vehicle safety and compliance with commercial motor vehicle safety regulations, including activities and projects that—

''(A) are national in scope;

''(B) increase public awareness and education;

''(C) target unsafe driving of commercial motor vehicles and non-commercial motor vehicles in areas identified as high risk crash corridors;

''(D) improve consumer protection and enforcement of household goods regulations;

''(E) improve the movement of hazardous materials safely and securely, including activities related to the establishment of uniform forms and application procedures that improve the accuracy, timeliness, and completeness of commercial motor vehicle safety data reported to the Secretary; or

''(F) demonstrate new technologies to improve commercial motor vehicle safety.

''(2) RECIPIENTS.—The Secretary may allocate amounts to award grants to State agencies, local governments, and other persons for carrying out high priority activities and projects that improve commercial motor vehicle safety and compliance with commercial motor vehicle safety regulations in accordance with the program goals specified in paragraph (1).

''(3) FEDERAL SHARE.—The Secretary shall reimburse a grantee at least 80 percent of the costs incurred in a fiscal year for carrying out the high priority activities or projects.

''(4) ELIGIBLE ACTIVITIES.—An eligible activity will be in accordance with criteria that is—

''(A) developed by the Secretary; and

''(B) posted in the Federal Register in advance of the grant application period.''.

(b) CONFORMING AMENDMENT.—The analysis of chapter 311 is amended by striking the item relating to section 31102 and inserting the following:

''31102. Compliance, safety, and accountability grants.''.

**SEC. 32602. PERFORMANCE AND REGISTRATION INFORMATION SYSTEMS MANAGEMENT PROGRAM.**

Section 31106(b) is amended—

(1) by amending paragraph (3)(C) to read as follows—

''(C) establish and implement a process—

''(i) to cancel the motor vehicle registration and seize the registration plates of a vehicle when an employer is found liable under section 31310(j)(2)(C) for knowingly allowing or requiring an employee to operate such a commercial motor vehicle in violation of an out-of-service order; and

''(ii) to reinstate the vehicle registration or return the registration plates of the commercial motor vehicle, subject to sanctions under clause (i), if the Secretary permits such carrier to resume operations after the date of issuance of such order.''; and

(2) by striking paragraph (4).

**SEC. 32603. COMMERCIAL MOTOR VEHICLE DEFINED.**

Section 31101(1) is amended to read as follows:

''(1) 'commercial motor vehicle' means (except under section 31106) a self-propelled or towed vehicle used on the highways in commerce to transport passengers or property, if the vehicle—

''(A) has a gross vehicle weight rating or gross vehicle weight of at least 10,001 pounds, whichever is greater;

''(B) is designed or used to transport more than 8 passengers, including the driver, for compensation;

''(C) is designed or used to transport more than 15 passengers, including the driver, and is not used to transport passengers for compensation; or

''(D) is used in transporting material found by the Secretary of Transportation to be hazardous under section 5103 and transported in a quantity requiring placarding under regulations prescribed by the Secretary under section 5103.''.

**SEC. 32604. DRIVER SAFETY FITNESS RATINGS.**

Section 31144, as amended by section 32204 of this Act, is amended by adding at the end the following:

''(i) COMMERCIAL MOTOR VEHICLE DRIVERS.—The Secretary may maintain by regulation a procedure for determining the safety fitness of a commercial motor vehicle driver and for prohibiting the driver from operating in interstate commerce. The procedure and prohibition shall include the following:

''(1) Specific initial and continuing requirements that a driver must comply with to demonstrate safety fitness.

''(2) The methodology and continually updated safety performance data that the Secretary will use to determine whether a driver is fit, including inspection results, serious traffic offenses, and crash involvement data.

''(3) Specific time frames within which the Secretary will determine whether a driver is fit.

''(4) A prohibition period or periods, not to exceed 1 year, that a driver that the Secretary determines is not fit will be prohibited from operating a commercial motor vehicle in interstate commerce. The period or periods shall begin on the 46th day after the date of the fitness determination and continue until the Secretary determines the driver is fit or until the prohibition period expires.

''(5) A review by the Secretary, not later than 30 days after an unfit driver requests a review, of the driver's compliance with the requirements the driver failed to comply with and that resulted in the Secretary determining that the driver was not fit. The burden of proof shall be on the driver to demonstrate fitness.

''(6) The eligibility criteria for reinstatement, including the remedial measures the unfit driver must take for reinstatement.''.

**SEC. 32605. UNIFORM ELECTRONIC CLEARANCE FOR COMMERCIAL MOTOR VEHICLE INSPECTIONS.**

(a) IN GENERAL.—Chapter 311 is amended by adding after section 31109 the following:

**''§ 31110. Withholding amounts for State noncompliance**

''(a) FIRST FISCAL YEAR.—Subject to criteria established by the Secretary of Transportation, the Secretary may withhold up to 50 percent of the amount a State is otherwise eligible to receive under section 31102(b) on the first day of the fiscal year after the first fiscal year following the date of enactment of the Commercial Motor Vehicle Safety Enhancement Act of 2012 in which the State uses for at least 180 days an electronic commercial motor vehicle inspection selection system that does not employ a selection methodology approved by the Secretary.

''(b) SECOND FISCAL YEAR.—The Secretary shall withhold up to 75 percent of the amount a State is otherwise eligible to receive under section 31102(b) on the first day of the fiscal year after the second fiscal year following the date of enactment of the Commercial Motor Vehicle Safety Enhancement Act of 2012 in which the State uses for at least 180 days an electronic commercial motor vehicle inspection selection system that does not employ a selection methodology approved by the Secretary.

''(c) SUBSEQUENT AVAILABILITY OF WITHHELD FUNDS.—The Secretary may make the amounts withheld under subsection (a) or subsection (b) available to the State if the Secretary determines that the State has substantially complied with the requirement described under subsection (a) or subsection (b) not later than 180 days after the beginning of the fiscal year in which amounts were withheld.''.

(b) CONFORMING AMENDMENT.—The analysis of chapter 311 is amended by inserting after the item relating to section 31109 the following:

''31110. Withholding amounts for State noncompliance.''.

**SEC. 32606. AUTHORIZATION OF APPROPRIATIONS.**

Section 31104 is amended to read as follows:

**''§ 31104. Availability of amounts**

''(a) IN GENERAL.—There are authorized to be appropriated from Highway Trust Fund (other than the Mass Transit Account) for Federal Motor Carrier Safety Administration programs the following:

''(1) COMPLIANCE, SAFETY, AND ACCOUNTABILITY GRANTS UNDER SECTION 31102.—

''(A) $249,717,000 for fiscal year 2012, provided that the Secretary shall set aside not less than $168,388,000 to carry out the motor carrier safety assistance program under section 31102(b); and

''(B) $253,814,000 for fiscal year 2013, provided that the Secretary shall set aside not less than $171,813,000 to carry out the motor carrier safety assistance program under section 31102(b).

''(2) DATA AND TECHNOLOGY GRANTS UNDER SECTION 31109.—

''(A) $30,000,000 for fiscal year 2012; and

''(B) $30,000,000 for fiscal year 2013.

''(3) DRIVER SAFETY GRANTS UNDER SECTION 31313.—

''(A) $31,000,000 for fiscal year 2012; and

''(B) $31,000,000 for fiscal year 2013.

''(4) CRITERIA.—The Secretary shall develop criteria to allocate the remaining funds under paragraphs (1), (2), and (3) for fiscal year 2013 and for each fiscal year thereafter not later than April 1 of the prior fiscal year.

''(b) AVAILABILITY AND REALLOCATION OF AMOUNTS.—

''(1) ALLOCATIONS AND REALLOCATIONS.—Amounts made available under subsection (a)(1) remain available until expended. 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 released to the Secretary for reallocation.

''(2) REDISTRIBUTION OF AMOUNTS.—The Secretary may, after August 1 of each fiscal year, upon a determination that a State does not qualify for funding under section 31102(b) or that the State will not expend all of its existing funding, reallocate the State's funding. In revising the allocation and redistributing the amounts, the Secretary shall give preference to those States that require additional funding to meet program goals under section 31102(b).

''(3) PERIOD OF AVAILABILITY FOR DATA AND TECHNOLOGY GRANTS.—Amounts made available under subsection (a)(2) remain available for obligation for the fiscal year and the next 2 years in which they are appropriated. Allocations remain available for expenditure in the State for 5 fiscal years after they were obligated. Amounts not expended by a State during those 3 fiscal years are released to the Secretary for reallocation.

''(4) PERIOD OF AVAILABILITY FOR DRIVER SAFETY GRANTS.—Amounts made available under subsection (a)(3) of this section remain available for obligation for the fiscal year and the next fiscal year in which they are appropriated. Allocations to a State remain available for expenditure in the State for the fiscal year in which they are allocated and for the following 2 fiscal years. Amounts not expended by a State during those 3 fiscal years are released to the Secretary for reallocation.

''(5) REALLOCATION.—The Secretary, upon a request by a State, may reallocate grant funds previously awarded to the State under a grant program authorized by section 31102,

31109, or 31313 to another grant program authorized by those sections upon a showing by the State that it is unable to expend the funds within the 12 months prior to their expiration provided that the State agrees to expend the funds within the remaining period of expenditure.

''(c) GRANTS AS CONTRACTUAL OBLIGATIONS.—Approval by the Secretary of a grant under sections 31102, 31109, and 31313 is a contractual obligation of the Government for payment of the Government's share of costs incurred in developing and implementing programs to improve commercial motor vehicle safety and enforce commercial driver's license regulations, standards, and orders.

''(d) DEDUCTION FOR ADMINISTRATIVE EXPENSES.—

''(1) IN GENERAL.—On October 1 of each fiscal year or as soon after that as practicable, the Secretary may deduct, from amounts made available under—

''(A) subsection (a)(1) for that fiscal year, not more than 1.5 percent of those amounts for administrative expenses incurred in carrying out section 31102 in that fiscal year;

''(B) subsection (a)(2) for that fiscal year, not more than 1.4 percent of those amounts for administrative expenses incurred in carrying out section 31109 in that fiscal year; and

''(C) subsection (a)(3) for that fiscal year, not more than 1.4 percent of those amounts for administrative expenses incurred in carrying out section 31313 in that fiscal year.

''(2) TRAINING.—The Secretary may use at least 50 percent of the amounts deducted from the amounts made available under sections (a)(1) and (a)(3) to train non-Government employees and to develop related training materials to carry out sections 31102, 31311, and 31313 of this title.

''(3) CONTRACTS.—The Secretary may use amounts deducted under paragraph (1) to enter into contracts and cooperative agreements with States, local governments, associations, institutions, corporations, and other persons, if the Secretary determines the contracts and cooperative agreements are cost-effective, benefit multiple jurisdictions of the United States, and enhance safety programs and related enforcement activities.

''(e) ALLOCATION CRITERIA AND ELIGIBILITY.—

''(1) On October 1 of each fiscal year or as soon as practicable after that date after making the deduction under subsection (d)(1)(A), the Secretary shall allocate amounts made available to carry out section 31102(b) for such fiscal year among the States with plans approved under that section. Allocation shall be made under the criteria prescribed by the Secretary.

''(2) On October 1 of each fiscal year or as soon as practicable after that date and after making the deduction under subsection (d)(1)(B) or (d)(1)(C), the Secretary shall allocate amounts made available to carry out sections 31109(a) and 31313(b)(1).

''(f) INTRASTATE COMPATIBILITY.—The Secretary shall prescribe regulations specifying tolerance guidelines and standards for ensuring compatibility of intrastate commercial motor vehicle safety laws and regulations with Government motor carrier safety regulations to be enforced under section 31102(b). To the extent practicable, the guidelines and standards shall allow for maximum flexibility while ensuring a degree of uniformity that will not diminish transportation safety. In reviewing State plans and allocating amounts or making grants under section 153 of title 23, United States Code, the Secretary shall ensure that the guidelines and standards are applied uniformly.

''(g) WITHHOLDING AMOUNTS FOR STATE NONCOMPLIANCE.—

''(1) IN GENERAL.—Subject to criteria established by the Secretary, the Secretary may withhold up to 100 percent of the amounts a State is otherwise eligible to receive under section 31102(b) on October 1 of each fiscal year beginning after the date of enactment of the Commercial Motor Vehicle Safety Enhancement Act of 2012 and continuing for the period that the State does not comply substantially with a requirement under section 31109(b).

''(2) SUBSEQUENT AVAILABILITY OF WITHHELD FUNDS.—The Secretary may make the amounts withheld in accordance with paragraph (1) available to a State if the Secretary determines that the State has substantially complied with a requirement under section 31109(b) not later than 180 days after the beginning of the fiscal year in which the amounts are withheld.

''(h) 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 to pay administrative expenses of the Federal Motor Carrier Safety Administration—

''(A) $250,819,000 for fiscal year 2012; and

''(B) $248,523,000 for fiscal year 2013.

''(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, the administration of the performance and registration information system management, outreach and education, other operating expenses, and such other expenses as may from time to time be necessary to implement statutory mandates of the Administration not funded from other sources.

''(i) AVAILABILITY OF FUNDS.—

''(1) PERIOD OF AVAILABILITY.—The amounts made available under this section shall remain available until expended.

''(2) INITIAL DATE OF AVAILABILITY.—Authorizations from the Highway Trust Fund (other than the Mass Transit Account) for this section 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.''.

**SEC. 32607. HIGH RISK CARRIER REVIEWS.**

(a) HIGH RISK CARRIER REVIEWS.—Section 31104(h), as amended by section 32606 of this Act, is amended by adding at the end of paragraph (2) the following:

''From the funds authorized by this subsection, the Secretary shall ensure that a review is completed on each motor carrier that demonstrates through performance data that it poses the highest safety risk. At a minimum, a review shall be conducted whenever a motor carrier is among the highest risk carriers for 2 consecutive months.''.

(b) CONFORMING AMENDMENT.—Section 4138 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (49 U.S.C. 31144 note) is repealed.

**SEC. 32608. DATA AND TECHNOLOGY GRANTS.**

(a) IN GENERAL.—Section 31109 is amended to read as follows:

**''§ 31109. Data and technology grants**

''(a) GENERAL AUTHORITY.—The Secretary of Transportation shall establish and administer a data and technology grant program to assist the States with the implementation and maintenance of data systems. The Secretary shall allocate the funds in accordance with section 31104.

''(b) PERFORMANCE GOALS.—The Secretary may make a grant to a State to implement the performance and registration information system management requirements of section 31106(b) to develop, implement, and maintain commercial vehicle information systems and networks, and other innovative technologies that the Secretary determines improve commercial motor vehicle safety.

''(c) ELIGIBILITY.—To be eligible for a grant to implement the requirements of section 31106(b), the State shall design a program that—

''(1) links Federal motor carrier safety information systems with the State's motor carrier information systems;

''(2) determines 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

''(3) denies, suspends, or revokes the commercial motor vehicle registrations of a motor carrier or registrant that was issued an operations out-of-service order by the Secretary.

''(d) REQUIRED PARTICIPATION.—The Secretary shall require States that participate in the program under section 31106 to—

''(1) comply with the uniform policies, procedures, and technical and operational standards prescribed by the Secretary under section 31106(b);

''(2) possess or seek the authority to possess for a time period not longer than determined reasonable by the Secretary, to impose sanctions relating to commercial motor vehicle registration on the basis of a Federal safety fitness determination; and

''(3) establish and implement a process to cancel the motor vehicle registration and seize the registration plates of a vehicle when an employer is found liable under section 31310(j)(2)(C) for knowingly allowing or requiring an employee to operate such a commercial motor vehicle in violation of an out of service order.

''(e) FEDERAL SHARE.—The total Federal share of the cost of a project payable from all eligible Federal sources shall be at least 80 percent.''.

(b) CONFORMING AMENDMENT.—The analysis of chapter 311 is amended by striking the item relating to section 31109 and inserting the following:

''31109. Data and technology grants.''.

**SEC. 32609. DRIVER SAFETY GRANTS.**

(a) DRIVER FOCUSED GRANT PROGRAM.—Section 31313 is amended to read as follows:

**''§ 31313. Driver safety grants**

''(a) GENERAL AUTHORITY.—The Secretary shall make and administer a driver focused grant program to assist the States, local governments, entities, and other persons with commercial driver's license systems, programs, training, fraud detection, reporting of violations and other programs required to improve the safety of drivers as the Federal Motor Carrier Safety Administration deems critical. The Secretary shall allocate the funds for the program in accordance with section 31104.

''(b) COMMERCIAL DRIVER'S LICENSE PROGRAM IMPROVEMENT GRANTS.—

''(1) PROGRAM GOAL.—The Secretary of Transportation may make a grant to a State in a fiscal year—

''(A) to comply with the requirements of section 31311;

''(B) in the case of a State that is making a good faith effort toward substantial compliance with the requirements of this section and section 31311, to improve its implementation of its commercial driver's license program;

''(C) for 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;

''(D) for commercial driver's license program coordinators;

''(E) to implement or maintain a system to notify an employer of an operator of a commercial motor vehicle of the suspension or revocation of the operator's commercial driver's license consistent with the standards developed under section 32304(b) of the Commercial Motor Vehicle Safety Enhancement Act of 2012; or

''(F) to train operators of commercial motor vehicles, as defined under section 31301, and to train operators and future operators in the safe use of such vehicles. Funding priority for this discretionary grant program shall be to regional or multi-state educational or nonprofit associations serving economically distressed regions of the United States.

''(2) PRIORITY.—The Secretary shall give priority, in making grants under paragraph (1)(B), to a State that will use the grants to achieve compliance with the requirements of the Motor Carrier Safety Improvement Act of 1999 (113 Stat. 1748), including the amendments made by the Commercial Motor Vehicle Safety Enhancement Act of 2012.

''(3) RECIPIENTS.—The Secretary may allocate grants to State agencies, local governments, and other persons for carrying out activities and projects that improve commercial driver's license safety and compliance with commercial driver's license and commercial motor vehicle safety regulations in accordance with the program goals under paragraph (1) and that train operators on commercial motor vehicles. The Secretary may make a grant to a State to comply with section 31311 for commercial driver's license program coordinators and for notification systems.

''(4) FEDERAL SHARE.—The Federal share of a grant made under this program shall be at least 80 percent, except that the Federal share of grants for commercial driver license program coordinators and training commercial motor vehicle operators shall be 100 percent.''.

(b) CONFORMING AMENDMENT.—The analysis of chapter 313 is amended by striking the item relating to section 31313 and inserting the following:

''31313. Driver safety grants.''.

**SEC. 32610. COMMERCIAL VEHICLE INFORMATION SYSTEMS AND NETWORKS.**

Not later than 6 months after the date of enactment of this Act, the Secretary shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives that includes—

(1) established time frames and milestones for resuming the Commercial Vehicle Information Systems and Networks Program; and

(2) a strategic workforce plan for its grants management office to ensure that it has determined the skills and competencies that are critical to achieving its mission goals.

## Subtitle G—Motorcoach Enhanced Safety Act of 2012

**SEC. 32701. SHORT TITLE.**

This subtitle may be cited as the ''Motorcoach Enhanced Safety Act of 2012''.

**SEC. 32702. DEFINITIONS.**

In this subtitle:

(1) ADVANCED GLAZING.—The term ''advanced glazing'' means glazing installed in a portal on the side or the roof of a motorcoach that is designed to be highly resistant to partial or complete occupant ejection in all types of motor vehicle crashes.

(2) BUS.—The term ''bus'' has the meaning given the term in section 571.3(b) of title 49, Code of Federal Regulations (as in effect on the day before the date of enactment of this Act).

(3) COMMERCIAL MOTOR VEHICLE.—Except as otherwise specified, the term ''commercial motor vehicle'' has the meaning given the term in section 31132(1) of title 49, United States Code.

(4) DIRECT TIRE PRESSURE MONITORING SYSTEM.—The term ''direct tire pressure monitoring system'' means a tire pressure monitoring system that is capable of directly detecting when the air pressure level in any tire is significantly under-inflated and providing the driver a low tire pressure warning as to which specific tire is significantly under-inflated.

(5) ELECTRONIC ON-BOARD RECORDER.—The term ''electronic on-board recorder'' means an electronic device that acquires and stores data showing the record of duty status of the vehicle operator and performs the functions required of an automatic on-board recording device in section 395.15(b) of title 49, Code of Federal Regulations.

(6) EVENT DATA RECORDER.—The term ''event data recorder'' has the meaning given that term in section 563.5 of title 49, Code of Federal Regulations.

(7) MOTOR CARRIER.—The term ''motor carrier'' means—

(A) a motor carrier (as defined in section 13102(14) of title 49, United States Code); or

(B) a motor private carrier (as defined in section 13102(15) of that title).

(8) MOTORCOACH.—The term ''motorcoach'' has the meaning given the term ''over-the-road bus'' in section 3038(a)(3) of the Transportation Equity Act for the 21st Century (49 U.S.C. 5310 note), but does not include—

(A) a bus used in public transportation provided by, or on behalf of, a public transportation agency; or

(B) a school bus, including a multifunction school activity bus.

(9) MOTORCOACH SERVICES.—The term ''motorcoach services'' means passenger transportation by motorcoach for compensation.

(10) MULTIFUNCTION SCHOOL ACTIVITY BUS.—The term ''multifunction school activity bus'' has the meaning given the term in section 571.3(b) of title 49, Code of Federal Regulations (as in effect on the day before the date of enactment of this Act).

(11) PORTAL.—The term ''portal'' means any opening on the front, side, rear, or roof of a motorcoach that could, in the event of a crash involving the motorcoach, permit the partial or complete ejection of any occupant from the motorcoach, including a young child.

(12) PROVIDER OF MOTORCOACH SERVICES.—The term ''provider of motorcoach services'' means a motor carrier that provides passenger transportation services with a motorcoach, including per-trip compensation and contracted or chartered compensation.

(13) PUBLIC TRANSPORTATION.—The term ''public transportation'' has the meaning given the term in section 5302 of title 49, United States Code.

(14) SAFETY BELT.—The term ''safety belt'' has the meaning given the term in section 153(i)(4)(B) of title 23, United States Code.

(15) SECRETARY.—The term ''Secretary'' means the Secretary of Transportation.

**SEC. 32703. REGULATIONS FOR IMPROVED OCCUPANT PROTECTION, PASSENGER EVACUATION, AND CRASH AVOIDANCE.**

(a) REGULATIONS REQUIRED WITHIN 1 YEAR.—Not later than 1 year after the date of enactment of this Act, the Secretary shall prescribe regulations requiring safety belts to be installed in motorcoaches at each designated seating position.

(b) REGULATIONS REQUIRED WITHIN 2 YEARS.—Not later than 2 years after the date of enactment of this Act, the Secretary shall prescribe the following commercial motor vehicle regulations:

(1) ROOF STRENGTH AND CRUSH RESISTANCE.—The Secretary shall establish improved roof and roof support standards for motorcoaches that substantially improve the resistance of motorcoach roofs to deformation and intrusion to prevent serious occupant injury in rollover crashes involving motorcoaches.

(2) ANTI-EJECTION SAFETY COUNTERMEASURES.—The Secretary shall require advanced glazing to be installed in each motorcoach portal and shall consider other portal improvements to prevent partial and complete ejection of motorcoach passengers, including children. In prescribing such standards, the Secretary shall consider the impact of such standards on the use of motorcoach portals as a means of emergency egress.

(3) ROLLOVER CRASH AVOIDANCE.—The Secretary shall require motorcoaches to be equipped with stability enhancing technology, such as electronic stability control and torque vectoring, to reduce the number and frequency of rollover crashes among motorcoaches.

(c) COMMERCIAL MOTOR VEHICLE TIRE PRESSURE MONITORING SYSTEMS.—Not later than 3 years after the date of enactment of this Act, the Secretary shall prescribe the following commercial vehicle regulation:

(1) IN GENERAL.—The Secretary shall require motorcoaches to be equipped with direct tire pressure monitoring systems that warn the operator of a commercial motor vehicle when any tire exhibits a level of air pressure that is below a specified level of air pressure established by the Secretary.

(2) PERFORMANCE REQUIREMENTS.—The regulation prescribed by the Secretary under this subsection shall include performance requirements to ensure that direct tire pressure monitoring systems are capable of—

(A) providing a warning to the driver when 1 or more tires are underinflated;

(B) activating in a specified time period after the underinflation is detected; and

(C) operating at different vehicle speeds.

(d) APPLICATION OF REGULATIONS.—

(1) NEW MOTORCOACHES.—Any regulation prescribed in accordance with subsection (a), (b), or (c) shall apply to all motorcoaches manufactured more than 2 years after the date on which the regulation is published as a final rule.

(2) RETROFIT REQUIREMENTS FOR EXISTING MOTORCOACHES.—

(A) IN GENERAL.—The Secretary may, by regulation, provide for the application of any requirement established under subsection (a) or (b)(2) to motorcoaches manufactured before the date on which the requirement applies to new motorcoaches under paragraph (1) based on an assessment of the feasibility, benefits, and costs of retrofitting the older motorcoaches.

(B) ASSESSMENT.—The Secretary shall complete an assessment with respect to safety belt retrofits not later than 1 year after the date of enactment of this Act and with respect to anti-ejection countermeasure retrofits not later than 2 years after the date of enactment of this Act.

(e) FAILURE TO MEET DEADLINE.—If the Secretary determines that a final rule cannot be issued before the deadline established under this section, the Secretary shall—

(1) submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives that explains why the deadline cannot be met; and

(2) establish a new deadline for the issuance of the final rule.

**SEC. 32704. STANDARDS FOR IMPROVED FIRE SAFETY.**

(a) EVALUATIONS.—Not later than 18 months after the date of enactment of this

Act, the Secretary shall initiate the following rulemaking proceedings:

(1) FLAMMABILITY STANDARD FOR EXTERIOR COMPONENTS.—The Secretary shall establish requirements for fire hardening or fire resistance of motorcoach exterior components to prevent fire and smoke inhalation injuries to occupants.

(2) SMOKE SUPPRESSION.—The Secretary shall update Federal Motor Vehicle Safety Standard Number 302 (49 C.F.R. 571.302; relating to flammability of interior materials) to improve the resistance of motorcoach interiors and components to burning and permit sufficient time for the safe evacuation of passengers from motorcoaches.

(3) PREVENTION OF, AND RESISTANCE TO, WHEEL WELL FIRES.—The Secretary shall establish requirements—

(A) to prevent and mitigate the propagation of wheel well fires into the passenger compartment; and

(B) to substantially reduce occupant deaths and injuries from such fires.

(4) AUTOMATIC FIRE SUPPRESSION.—The Secretary shall establish requirements for motorcoaches to be equipped with highly effective fire suppression systems that automatically respond to and suppress all fires in such motorcoaches.

(5) PASSENGER EVACUATION.—The Secretary shall establish requirements for motorcoaches to be equipped with—

(A) improved emergency exit window, door, roof hatch, and wheelchair lift door designs to expedite access and use by passengers of motorcoaches under all emergency circumstances, including crashes and fires; and

(B) emergency interior lighting systems, including luminescent or retroreflectorized delineation of evacuation paths and exits, which are triggered by a crash or other emergency incident to accomplish more rapid and effective evacuation of passengers.

(6) CAUSATION AND PREVENTION OF MOTORCOACH FIRES.—The Secretary shall examine the principle causes of motorcoach fires and vehicle design changes intended to reduce the number of motorcoach fires resulting from those principle causes.

(b) DEADLINE.—Not later than 42 months after the date of enactment of this Act, the Secretary shall—

(1) issue final rules in accordance with subsection (a); or

(2) if the Secretary determines that any standard is not warranted based on the requirements and considerations set forth in subsection (a) and (b) of section 30111 of title 49, United States Code, submit a report that describes the reasons for not prescribing such a standard to—

(A) the Committee on Commerce, Science, and Transportation of the Senate; and

(B) the Committee on Energy and Commerce of the House of Representatives.

(c) TIRE PERFORMANCE STANDARD.—Not later than 3 years after the date of enactment of this Act, the Secretary shall—

(1) issue a final rule upgrading performance standards for tires used on motorcoaches, including an enhanced endurance test and a new high-speed performance test; or

(2) if the Secretary determines that a standard is not warranted based on the requirements and considerations set forth in subsections (a) and (b) of section 30111 of title 49, United States Code, submit a report that describes the reasons for not prescribing such a standard to—

(A) the Committee on Commerce, Science, and Transportation of the Senate; and

(B) the Committee on Energy and Commerce of the House of Representatives.

**SEC. 32705. OCCUPANT PROTECTION, COLLISION AVOIDANCE, FIRE CAUSATION, AND FIRE EXTINGUISHER RESEARCH AND TESTING.**

(a) SAFETY RESEARCH INITIATIVES.—Not later than 2 years after the date of enactment of this Act, the Secretary shall complete the following research and testing:

(1) IMPROVED FIRE EXTINGUISHERS.—The Secretary shall research and test the need to install improved fire extinguishers or other readily available firefighting equipment in motorcoaches to effectively extinguish fires in motorcoaches and prevent passenger deaths and injuries.

(2) INTERIOR IMPACT PROTECTION.—The Secretary shall research and test enhanced occupant impact protection standards for motorcoach interiors to reduce substantially serious injuries for all passengers of motorcoaches.

(3) COMPARTMENTALIZATION SAFETY COUNTERMEASURES.—The Secretary shall require enhanced compartmentalization safety countermeasures for motorcoaches, including enhanced seating designs, to substantially reduce the risk of passengers being thrown from their seats and colliding with other passengers, interior surfaces, and components in the event of a crash involving a motorcoach.

(4) COLLISION AVOIDANCE SYSTEMS.—The Secretary shall research and test forward and lateral crash warning systems applications for motorcoaches.

(b) RULEMAKING.—Not later than 2 years after the completion of each research and testing initiative required under subsection (a), the Secretary shall issue final motor vehicle safety standards if the Secretary determines that such standards are warranted based on the requirements and considerations set forth in subsections (a) and (b) of section 30111 of title 49, United States Code.

**SEC. 32706. MOTORCOACH REGISTRATION.**

(a) REGISTRATION REQUIREMENTS.—Section 13902(b) is amended—

(1) by redesignating paragraphs (1) through (8) as paragraphs (4) through (11), respectively; and

(2) by inserting before paragraph (4), as redesignated, the following:

''(1) ADDITIONAL REGISTRATION REQUIREMENTS FOR PROVIDERS OR MOTORCOACH SERVICES.—In addition to meeting the requirements under subsection (a)(1), the Secretary may not register a person to provide motorcoach services until after the person—

''(A) undergoes a preauthorization safety audit, including verification, in a manner sufficient to demonstrate the ability to comply with Federal rules and regulations, of—

''(i) a drug and alcohol testing program under part 40 of title 49, Code of Federal Regulations;

''(ii) the carrier's system of compliance with hours-of-service rules, including hours-of-service records;

''(iii) the ability to obtain required insurance;

''(iv) driver qualifications, including the validity of the commercial driver's license of each driver who will be operating under such authority;

''(v) disclosure of common ownership, common control, common management, common familial relationship, or other corporate relationship with another motor carrier or applicant for motor carrier authority during the past 3 years;

''(vi) records of the State inspections, or of a Level I or V Commercial Vehicle Safety Alliance Inspection, for all vehicles that will be operated by the carrier;

''(vii) safety management programs, including vehicle maintenance and repair programs; and

''(viii) the ability to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), and the Over-the-Road Bus Transportation Accessibility Act of 2007 (122 Stat. 2915);

''(B) has been interviewed to review safety management controls and the carrier's written safety oversight policies and practices; and

''(C) through the successful completion of a written examination developed by the Secretary, has demonstrated proficiency to comply with and carry out the requirements and regulations described in subsection (a)(1).

''(2) PRE-AUTHORIZATION SAFETY AUDIT.—The pre-authorization safety audit required under paragraph (1)(A) shall be completed on-site not later than 90 days following the submission of an application for operating authority.

''(3) FEE.—The Secretary may establish, under section 9701 of title 31, a fee of not more than $1,200 for new registrants that as nearly as possible covers the costs of performing a preauthorization safety audit. Amounts collected under this subsection shall be deposited in the Highway Trust Fund (other than the Mass Transit Account).''.

(b) SAFETY REVIEWS OF NEW OPERATORS.—Section 31144(g)(1) is amended by inserting ''transporting property'' after ''each operator''.

(c) CONFORMING AMENDMENT.—Section 24305(a)(3)(A)(i) is amended by striking ''section 13902(b)(8)(A)'' and inserting ''section 13902(b)(11)(A)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect 1 year after the date of enactment of this Act.

**SEC. 32707. IMPROVED OVERSIGHT OF MOTORCOACH SERVICE PROVIDERS.**

Section 31144, as amended by sections 32204 and 32604 of this Act, is amended by adding at the end the following:

''(j) PERIODIC SAFETY REVIEWS OF PROVIDERS OF MOTORCOACH SERVICES.—

''(1) SAFETY REVIEW.—

''(A) IN GENERAL.—The Secretary shall—

''(i) determine the safety fitness of all providers of motorcoach services registered with the Federal Motor Carrier Safety Administration; and

''(ii) assign a safety fitness rating to each such provider.

''(B) APPLICABILITY.—Subparagraph (A) shall apply—

''(i) to any provider of motorcoach services registered with the Administration after the date of enactment of the Motorcoach Enhanced Safety Act of 2012 beginning not later than 2 years after the date of such registration; and

''(ii) to any provider of motorcoach services registered with the Administration on or before the date of enactment of that Act beginning not later than 3 years after the date of enactment of that Act.

''(2) PERIODIC REVIEW.—The Secretary shall establish, by regulation, a process for monitoring the safety performance of each provider of motorcoach services on a regular basis following the assignment of a safety fitness rating, including progressive intervention to correct unsafe practices.

''(3) ENFORCEMENT STRIKE FORCES.—In addition to the enhanced monitoring and enforcement actions required under paragraph (2), the Secretary may organize special enforcement strike forces targeting providers of motorcoach services.

''(4) PERIODIC UPDATE OF SAFETY FITNESS RATING.—In conducting the safety reviews required under this subsection, the Secretary shall reassess the safety fitness rating of each provider not less frequently than once every 3 years.

''(5) MOTORCOACH SERVICES DEFINED.—In this subsection, the term 'provider of motorcoach services' has the meaning given such term in section 32702 of the Motorcoach Enhanced Safety Act of 2012.''.

**SEC. 32708. REPORT ON FEASIBILITY, BENEFITS, AND COSTS OF ESTABLISHING A SYSTEM OF CERTIFICATION OF TRAINING PROGRAMS.**

Not later than 2 years after the date of the enactment of this Act, the Secretary shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives that describes the feasibility, benefits, and costs of establishing a system of certification of public and private schools and of motor carriers and motorcoach operators that provide motorcoach driver training.

**SEC. 32709. REPORT ON DRIVER'S LICENSE REQUIREMENTS FOR 9- TO 15-PASSENGER VANS.**

(a) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives that examines requiring all or certain classes of drivers operating a vehicle, which is designed or used to transport not fewer than 9 and not more than 15 passengers (including a driver) in interstate commerce, to have a commercial driver's license passenger-carrying endorsement and be tested in accordance with a drug and alcohol testing program under part 40 of title 49, Code of Federal Regulations.

(b) CONSIDERATIONS.—In developing the report under subsection (a), the Secretary shall consider—

(1) the safety benefits of the requirement described in subsection (a);

(2) the scope of the population that would be impacted by such requirement;

(3) the cost to the Federal Government and State governments to meet such requirement; and

(4) the impact on safety benefits and cost from limiting the application of such requirement to certain drivers of such vehicles, such as drivers who are compensated for driving.

**SEC. 32710. EVENT DATA RECORDERS.**

(a) EVALUATION.—Not later than 1 year after the date of enactment of this Act, the Secretary, after considering the performance requirements for event data recorders for passenger vehicles under part 563 of title 49, Code of Federal Regulations, shall complete an evaluation of event data recorders, including requirements regarding specific types of vehicle operations, events and incidents, and systems information to be recorded, for event data recorders to be used on motorcoaches used by motor carriers in interstate commerce.

(b) STANDARDS AND REGULATIONS.—Not later than 2 years after completing the evaluation required under subsection (a), the Secretary shall issue standards and regulations based on the results of that evaluation.

**SEC. 32711. SAFETY INSPECTION PROGRAM FOR COMMERCIAL MOTOR VEHICLES OF PASSENGERS.**

Not later than 3 years after the date of enactment of this Act, the Secretary shall complete a rulemaking proceeding to consider requiring States to conduct annual inspections of commercial motor vehicles designed or used to transport passengers, including an assessment of—

(1) the risks associated with improperly maintained or inspected commercial motor vehicles designed or used to transport passengers;

(2) the effectiveness of existing Federal standards for the inspection of such vehicles in—

(A) mitigating the risks described in paragraph (1); and

(B) ensuring the safe and proper operation condition of such vehicles; and

(3) the costs and benefits of a mandatory State inspection program.

**SEC. 32712. DISTRACTED DRIVING.**

(a) IN GENERAL.—Chapter 311, as amended by sections 32113, 32508, and 32512 of this Act, is amended by adding after section 31154 the following:

**"§ 31155. Regulation of the use of distracting devices in motorcoaches**

''(a) IN GENERAL.—Not later than 1 year after the date of enactment of the Motorcoach Enhanced Safety Act of 2012, the Secretary of Transportation shall prescribe regulations on the use of electronic or wireless devices, including cell phones and other distracting devices, by an individual employed as the operator of a motorcoach (as defined in section 32702 of that Act).

''(b) BASIS FOR REGULATIONS.—The Secretary shall base the regulations prescribed under subsection (a) on accident data analysis, the results of ongoing research, and other information, as appropriate.

''(c) PROHIBITED USE.—Except as provided under subsection (d), the Secretary shall prohibit the use of the devices described in subsection (a) in circumstances in which the Secretary determines that their use interferes with a driver's safe operation of a motorcoach.

''(d) PERMITTED USE.—The Secretary may permit the use of a device that is otherwise prohibited under subsection (c) if the Secretary determines that such use is necessary for the safety of the driver or the public in emergency circumstances.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 311 is amended by inserting after the item relating to section 31154 the following:

''31155. Regulation of the use of distracting devices in motorcoaches.''.

**SEC. 32713. REGULATIONS.**

Any standard or regulation prescribed or modified pursuant to the Motorcoach Enhanced Safety Act of 2012 shall be prescribed or modified in accordance with section 553 of title 5, United States Code.

**Subtitle H—Safe Highways and Infrastructure Preservation**

**SEC. 32801. COMPREHENSIVE TRUCK SIZE AND WEIGHT LIMITS STUDY.**

(a) TRUCK SIZE AND WEIGHT LIMITS STUDY.—Not later than 90 days after the date of enactment of this Act, the Secretary, in consultation with each relevant State and other applicable Federal agencies, shall commence a comprehensive truck size and weight limits study. The study shall—

(1) provide data on accident frequency and factors related to accident risk of each route of the National Highway System in each State that allows a vehicle to operate with size and weight limits that are in excess of the Federal law and regulations and its correlation to truck size and weight limits;

(2) evaluate the impacts to the infrastructure of each route of the National Highway System in each State that allows a vehicle to operate with size and weight limits that are in excess of the Federal law and regulations, including—

(A) an analysis that quantifies the cost and benefits of the impacts in dollars;

(B) an analysis of the percentage of trucks operating in excess of the Federal size and weight limits; and

(C) an analysis that examines the ability of each State to recover the cost for the impacts, or the benefits incurred;

(3) evaluate the impacts and frequency of violations in excess of the Federal size and weight law and regulations to determine the cost of the enforcement of the law and regulations, and the effectiveness of the enforcement methods;

(4) examine the relationship between truck performance and crash involvement and its correlation to Federal size and weight limits, including the impacts on crashes;

(5) assess the impacts that truck size and weight limits in excess of the Federal law and regulations have in the risk of bridge failure contributing to the structural deficiencies of bridges or in the useful life of a bridge, including the impacts resulting from the number of bridge loadings;

(6) analyze the impacts on safety and infrastructure in each State that allows a truck to operate in excess of Federal size and weight limitations in truck-only lanes;

(7) compare and contrast the safety and infrastructure impacts of the Federal limits regarding truck size and weight limits in relation to—

(A) six-axle and other alternative configurations of tractor-trailers; and

(B) safety records of foreign nations with truck size and weight limits and tractor-trailer configurations that differ from the Federal law and regulations; and

(8) estimate—

(A) the extent to which freight would be diverted from other surface transportation modes to principal arterial routes and National Highway System intermodal connectors if each covered truck configuration is allowed to operate and the effect that any such diversion would have on other modes of transportation;

(B) the effect that any such diversion would have on public safety, infrastructure, cost responsibilities, fuel efficiency, and the environment;

(C) the effect on the transportation network of the United States that allowing each covered truck configuration to operate would have; and

(D) whether allowing each covered truck configuration to operate would result in an increase or decrease in the total number of trucks operating on principal arterial routes and National Highway System intermodal connectors; and

(9) identify all Federal rules and regulations impacted by changes in truck size and weight limits.

(b) REPORT.—Not later than 2 years after the date that the study is commenced under subsection (a), the Secretary shall submit a final report on the study, including all findings and recommendations, to the Committee on Commerce, Science, and Transportation and the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

**SEC. 32802. COMPILATION OF EXISTING STATE TRUCK SIZE AND WEIGHT LIMIT LAWS.**

(a) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary, in consultation with the States, shall begin to compile—

(1) a list for each State, as applicable, that describes each route of the National Highway System that allows a vehicle to operate in excess of the Federal truck size and weight limits that—

(A) was authorized under State law on or before the date of enactment of this Act; and

(B) was in actual and lawful operation on a regular or periodic basis (including seasonal operations) on or before the date of enactment of this Act;

(2) a list for each State, as applicable, that describes—

(A) the size and weight limitations applicable to each segment of the National Highway System in that State as listed under paragraph (1);

(B) each combination that exceeds the Interstate weight limit, but that the Department of Transportation, other Federal agency, or a State agency has determined on or before the date of enactment of this Act, could be or could have been lawfully operated in the State; and

(C) each combination that exceeds the Interstate weight limit, but that the Secretary determines could have been lawfully operated on a non-Interstate segment of the National Highway System in the State on or before the date of enactment of this Act; and

(3) a list of each State law that designates or allows designation of size and weight limitations in excess of Federal law and regulations on routes of the National Highway System, including nondivisible loads.

(b) SPECIFICATIONS.—The Secretary, in consultation with the States, shall specify whether the determinations under paragraphs (1) and (2) of subsection (a) were made by the Department of Transportation, other Federal agency, or a State agency.

(c) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit a final report of the compilation under subsection (a) to the Committee on Commerce, Science, and Transportation and the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

**Subtitle I—Miscellaneous**

**PART I—MISCELLANEOUS**

**SEC. 32911. DETENTION TIME STUDY.**

(a) STUDY.—Not later than 30 days after the date of enactment of this Act, the Secretary shall task the Motor Carrier Safety Advisory Committee to study the extent to which detention time contributes to drivers violating hours of service requirements and driver fatigue. In conducting this study, the Committee shall—

(1) examine data collected from driver and vehicle inspections;

(2) consult with—

(A) motor carriers and drivers, shippers, and representatives of ports and other facilities where goods are loaded and unloaded;

(B) government officials; and

(C) other parties as appropriate; and

(3) provide recommendations to the Secretary for addressing issues identified in the study.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall provide a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives that includes recommendations for legislation and for addressing the results of the study.

**SEC. 32912. PROHIBITION OF COERCION.**

Section 31136(a) is amended by—

(1) striking ''and'' at the end of paragraph (3);

(2) striking the period at the end of paragraph (4) and inserting ''; and''; and

(3) adding after subsection (4) the following:

''(5) an operator of a commercial motor vehicle is not coerced by a motor carrier, shipper, receiver, or transportation intermediary to operate a commercial motor vehicle in violation of a regulation promulgated under this section, or chapter 51 or chapter 313 of this title.''.

**SEC. 32913. MOTOR CARRIER SAFETY ADVISORY COMMITTEE.**

(a) MEMBERSHIP.—Section 4144(b)(1) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (49 U.S.C. 31100 note), is amended by inserting ''nonprofit employee labor organizations representing commercial motor vehicle drivers,'' after ''industry,''.

(b) TERMINATION DATE.—Section 4144(d) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (49 U.S.C. 31100 note), is amended by striking ''March 31, 2012'' and inserting ''September 30, 2013''.

**SEC. 32914. WAIVERS, EXEMPTIONS, AND PILOT PROGRAMS.**

(a) WAIVER STANDARDS.—Section 31315(a) is amended—

(1) by inserting ''and'' at the end of paragraph (2);

(2) by striking paragraph (3); and

(3) redesignating paragraph (4) as paragraph (3).

(b) EXEMPTION STANDARDS.—Section 31315(b)(4) is amended—

(1) in subparagraph (A), by inserting ''(or, in the case of a request for an exemption from the physical qualification standards for commercial motor vehicle drivers, post on a web site established by the Secretary to implement the requirements of section 31149)'' after ''Federal Register'';

(2) by amending subparagraph (B) to read as follows:

''(B) UPON GRANTING A REQUEST.—Upon granting a request and before the effective date of the exemption, the Secretary shall publish in the Federal Register (or, in the case of an exemption from the physical qualification standards for commercial motor vehicle drivers, post on a web site established by the Secretary to implement the requirements of section 31149) the name of the person granted the exemption, the provisions from which the person is exempt, the effective period, and the terms and conditions of the exemption.''; and

(3) in subparagraph (C), by inserting ''(or, in the case of a request for an exemption from the physical qualification standards for commercial motor vehicle drivers, post on a web site established by the Secretary to implement the requirements of section 31149)'' after ''Federal Register''.

(c) PROVIDING NOTICE OF EXEMPTIONS TO STATE PERSONNEL.—Section 31315(b)(7) is amended to read as follows:

''(7) NOTIFICATION OF STATE COMPLIANCE AND ENFORCEMENT PERSONNEL.—Before the effective date of an exemption, the Secretary shall notify a State safety compliance and enforcement agency, and require the agency pursuant to section 31102(b)(1)(Y) to notify the State's roadside inspectors, that a person will be operating pursuant to an exemption and the terms and conditions that apply to the exemption.''.

(d) PILOT PROGRAMS.—Section 31315(c)(1) is amended by striking ''in the Federal Register''.

(e) REPORT TO CONGRESS.—Section 31315 is amended by adding after subsection (d) the following:

''(e) REPORT TO CONGRESS.—The Secretary shall submit an annual report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives listing the waivers, exemptions, and pilot programs granted under this section, and any impacts on safety.

''(f) WEB SITE.—The Secretary shall ensure that the Federal Motor Carrier Safety Administration web site includes a link to the web site established by the Secretary to implement the requirements under sections 31149 and 31315. The link shall be in a clear and conspicuous location on the home page of the Federal Motor Carrier Safety Administration web site and be easily accessible to the public.''.

**SEC. 32915. REGISTRATION REQUIREMENTS.**

(a) REQUIREMENTS FOR REGISTRATION.—Section 13901 is amended to read as follows:

**''§ 13901. Requirements for registration**

''(a) IN GENERAL.—A person may not provide transportation as a motor carrier subject to jurisdiction under subchapter I of chapter 135 or service as a freight forwarder subject to jurisdiction under subchapter III of such chapter, or be a broker for transportation subject to jurisdiction under subchapter I of such chapter unless the person is registered under this chapter to provide such transportation or service.

''(b) REGISTRATION NUMBERS.—

''(1) IN GENERAL.—If the Secretary registers a person under this chapter to provide transportation or service, including as a motor carrier, freight forwarder, or broker, the Secretary shall issue a distinctive registration number to the person for each such authority to provide transportation or service for which the person is registered.

''(2) TRANSPORTATION OR SERVICE TYPE INDICATOR.—A number issued under paragraph (1) shall include an indicator of the type of transportation or service for which the registration number is issued, including whether the registration number is issued for registration of a motor carrier, freight forwarder, or broker.

''(c) SPECIFICATION OF AUTHORITY.—For each agreement to provide transportation or service for which registration is required under this chapter, the registrant shall specify, in writing, the authority under which the person is providing such transportation or service.''.

(b) AVAILABILITY OF INFORMATION.—

(1) IN GENERAL.—Chapter 139 is amended by adding at the end the following:

**''§ 13909. Availability of information**

''The Secretary shall make information relating to registration and financial security required by this chapter publicly available on the Internet, including

''(1) the names and business addresses of the principals of each entity holding such registration; and

''(2) the electronic address of the entity's surety provider for the submission of claims.''.

(2) CONFORMING AMENDMENT.—The analysis for chapter 139 is amended by adding at the end the following:

''13909. Availability of information.''.

**SEC. 32916. ADDITIONAL MOTOR CARRIER REGISTRATION REQUIREMENTS.**

Section 13902, as amended by sections 32101 and 32107(a) of this Act, is amended

(1) in subsection (a)—

(A) in paragraph (1), by inserting ''using self-propelled vehicles the motor carrier owns or leases'' after ''motor carrier''; and

(B) by adding at the end the following:

''(6) SEPARATE REGISTRATION REQUIRED.—A motor carrier may not broker transportation services unless the motor carrier has registered as a broker under this chapter.''; and

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

''(i) REGISTRATION AS FREIGHT FORWARDER OR BROKER REQUIRED.—A motor carrier registered under this chapter

''(1) may only provide transportation of property with self-propelled motor vehicles owned or leased by the motor carrier or interchanges under regulations issued by the Secretary if the originating carrier—

''(A) physically transports the cargo at some point; and

''(B) retains liability for the cargo and for payment of interchanged carriers; and

''(2) may not arrange transportation described in paragraph (1) unless the motor carrier has obtained a separate registration

as a freight forwarder or broker for transportation under section 13903 or 13904, as applicable.''.

**SEC. 32917. REGISTRATION OF FREIGHT FORWARDERS AND BROKERS.**

(a) REGISTRATION OF FREIGHT FORWARDERS.—Section 13903, as amended by section 32107(b) of this Act, is amended—

(1) in subsection (a)—

(A) by striking ''finds that the person is fit'' and inserting the following: ''determines that the person

''(1) has sufficient experience to qualify the person to act as a freight forwarder; and

''(2) is fit''; and

(B) by striking ''and the Board'';

(2) by redesignating subsections (b) and (c) as subsections (d) and (e), respectively;

(3) by inserting after subsection (a) the following:

''(b) DURATION.—A registration issued under subsection (a) shall only remain in effect while the freight forwarder is in compliance with section 13906(c).

''(c) EXPERIENCE OR TRAINING REQUIREMENT.—Each freight forwarder shall employ, as an officer, an individual who

''(1) has at least 3 years of relevant experience; or

''(2) provides the Secretary with satisfactory evidence of the individual's knowledge of related rules, regulations, and industry practices.''; and

(4) by amending subsection (d), as redesignated, to read as follows:

''(d) REGISTRATION AS MOTOR CARRIER REQUIRED.—A freight forwarder may not provide transportation as a motor carrier unless the freight forwarder has registered separately under this chapter to provide transportation as a motor carrier.''.

(b) REGISTRATION OF BROKERS.—Section 13904, as amended by section 32107(c) of this Act, is amended—

(1) in subsection (a), by striking ''finds that the person is fit'' and inserting the following: ''determines that the person

''(1) has sufficient experience to qualify the person to act as a broker for transportation; and

''(2) is fit'';

(2) by redesignating subsections (b), (c), (d), and (e) as subsections (d), (e), (f), and (g) respectively;

(3) by inserting after subsection (a) the following:

''(b) DURATION.—A registration issued under subsection (a) shall only remain in effect while the broker for transportation is in compliance with section 13906(b).

''(c) EXPERIENCE OR TRAINING REQUIREMENTS.—Each broker shall employ, as an officer, an individual who

''(1) has at least 3 years of relevant experience; or

''(2) provides the Secretary with satisfactory evidence of the individual's knowledge of related rules, regulations, and industry practices.''; and

(4) by amending subsection (d), as redesignated, to read as follows:

''(d) REGISTRATION AS MOTOR CARRIER REQUIRED.—A broker for transportation may not provide transportation as a motor carrier unless the broker has registered separately under this chapter to provide transportation as a motor carrier.''.

**SEC. 32918. EFFECTIVE PERIODS OF REGISTRATION.**

Section 13905(c) is amended to read as follows:

''(c) EFFECTIVE PERIOD.—

''(1) IN GENERAL.—Except as otherwise provided in this part, each registration issued under section 13902, 13903, or 13904—

''(A) shall be effective beginning on the date specified by the Secretary; and

''(B) shall remain in effect for such period as the Secretary determines appropriate by regulation.

''(2) REISSUANCE OF REGISTRATION.—

''(A) REQUIREMENT.—Not later than 4 years after the date of the enactment of the Commercial Motor Vehicle Safety Enhancement Act of 2012, the Secretary shall require a freight forwarder or broker to renew its registration issued under this chapter.

''(B) EFFECTIVE PERIOD.—Each registration renewal under subparagraph (A)—

''(i) shall expire not later than 5 years after the date of such renewal; and

''(ii) may be further renewed as provided under this chapter.

''(3) REGISTRATION UPDATE.—The Secretary shall require a motor carrier, freight forwarder, or broker to update its registration under this chapter periodically or not later than 30 days after any change in address, other contact information, officers, process agent, or other essential information, as determined by the Secretary and published in the Federal Register.''.

**SEC. 32919. FINANCIAL SECURITY OF BROKERS AND FREIGHT FORWARDERS.**

(a) IN GENERAL.—Section 13906 is amended by striking subsections (b) and (c) and inserting the following:

''(b) BROKER FINANCIAL SECURITY REQUIREMENTS.—

''(1) REQUIREMENTS.—

''(A) IN GENERAL.—The Secretary may register a person as a broker under section 13904 only if the person files with the Secretary a surety bond, proof of trust fund, or other financial security, or a combination thereof, in a form and amount, and from a provider, determined by the Secretary to be adequate to ensure financial responsibility.

''(B) USE OF A GROUP SURETY BOND, TRUST FUND, OR OTHER SURETY.—In implementing the standards established by subparagraph (A), the Secretary may authorize the use of a group surety bond, trust fund, or other financial security, or a combination thereof, that meets the requirements of this subsection.

''(C) SURETY BONDS.—A surety bond obtained under this section may only be obtained from a bonding company that has been approved by the Secretary of the Treasury.

''(D) PROOF OF TRUST OR OTHER FINANCIAL SECURITY.—For purposes of subparagraph (A), a trust fund or other financial security may be acceptable to the Secretary only if the trust fund or other financial security consists of assets readily available to pay claims without resort to personal guarantees or collection of pledged accounts receivable.

''(2) SCOPE OF FINANCIAL RESPONSIBILITY.—

''(A) PAYMENT OF CLAIMS.—A surety bond, trust fund, or other financial security obtained under paragraph (1) shall be available to pay any claim against a broker arising from its failure to pay freight charges under its contracts, agreements, or arrangements for transportation subject to jurisdiction under chapter 135 if

''(i) subject to the review by the surety provider, the broker consents to the payment;

''(ii) in any case in which the broker does not respond to adequate notice to address the validity of the claim, the surety provider determines that the claim is valid; or

''(iii) the claim is not resolved within a reasonable period of time following a reasonable attempt by the claimant to resolve the claim under clauses (i) and (ii), and the claim is reduced to a judgment against the broker.

''(B) RESPONSE OF SURETY PROVIDERS TO CLAIMS.—If a surety provider receives notice of a claim described in subparagraph (A), the surety provider shall

''(i) respond to the claim on or before the 30th day following the date on which the notice was received; and

''(ii) in the case of a denial, set forth in writing for the claimant the grounds for the denial.

''(C) COSTS AND ATTORNEY'S FEES.—In any action against a surety provider to recover on a claim described in subparagraph (A), the prevailing party shall be entitled to recover its reasonable costs and attorney's fees.

''(3) MINIMUM FINANCIAL SECURITY.—Each broker subject to the requirements of this section shall provide financial security of $100,000 for purposes of this subsection, regardless of the number of branch offices or sales agents of the broker.

''(4) CANCELLATION NOTICE.—If a financial security required under this subsection is canceled

''(A) the holder of the financial security shall provide electronic notification to the Secretary of the cancellation not later than 30 days before the effective date of the cancellation; and

''(B) the Secretary shall immediately post such notification on the public Internet Website of the Department of Transportation.

''(5) SUSPENSION.—The Secretary shall immediately suspend the registration of a broker issued under this chapter if the available financial security of that person falls below the amount required under this subsection.

''(6) PAYMENT OF CLAIMS IN CASES OF FINANCIAL FAILURE OR INSOLVENCY.—If a broker registered under this chapter experiences financial failure or insolvency, the surety provider of the broker shall

''(A) submit a notice to cancel the financial security to the Administrator in accordance with paragraph (4);

''(B) publicly advertise for claims for 60 days beginning on the date of publication by the Secretary of the notice to cancel the financial security; and

''(C) pay, not later than 30 days after the expiration of the 60-day period for submission of claims

''(i) all uncontested claims received during such period; or

''(ii) a pro rata share of such claims if the total amount of such claims exceeds the financial security available.

''(7) PENALTIES.—

''(A) CIVIL ACTIONS.—Either the Secretary or the Attorney General of the United States may bring a civil action in an appropriate district court of the United States to enforce the requirements of this subsection or a regulation prescribed or order issued under this subsection. The court may award appropriate relief, including injunctive relief.

''(B) CIVIL PENALTIES.—If the Secretary determines, after notice and opportunity for a hearing, that a surety provider of a broker registered under this chapter has violated the requirements of this subsection or a regulation prescribed under this subsection, the surety provider shall be liable to the United States for a civil penalty in an amount not to exceed $10,000.

''(C) ELIGIBILITY.—If the Secretary determines, after notice and opportunity for a hearing, that a surety provider of a broker registered under this chapter has violated the requirements of this subsection or a regulation prescribed under this subsection, the surety provider shall be ineligible to provider broker financial security for 3 years.

''(8) FINANCIAL SECURITY AMOUNT ASSESSMENT.—Every 5 years, the Secretary shall review, with public notice and comment, the amount of the financial security required under this subsection to determine whether

such amounts are sufficient to provide adequate financial security, and shall be authorized to increase those amounts, if necessary, based upon that determination.

''(c) FREIGHT FORWARDER FINANCIAL SECURITY REQUIREMENTS.—

''(1) REQUIREMENTS.—

''(A) IN GENERAL.—The Secretary may register a person as a freight forwarder under section 13903 only if the person files with the Secretary a surety bond, proof of trust fund, other financial security, or a combination of such instruments, in a form and amount, and from a provider, determined by the Secretary to be adequate to ensure financial responsibility.

''(B) USE OF A GROUP SURETY BOND, TRUST FUND, OR OTHER FINANCIAL SECURITY.—In implementing the standards established under subparagraph (A), the Secretary may authorize the use of a group surety bond, trust fund, other financial security, or a combination of such instruments, that meets the requirements of this subsection.

''(C) SURETY BONDS.—A surety bond obtained under this section may only be obtained from a bonding company that has been approved by the Secretary of the Treasury.

''(D) PROOF OF TRUST OR OTHER FINANCIAL SECURITY.—For purposes of subparagraph (A), a trust fund or other financial security may not be accepted by the Secretary unless the trust fund or other financial security consists of assets readily available to pay claims without resort to personal guarantees or collection of pledged accounts receivable.

''(2) SCOPE OF FINANCIAL RESPONSIBILITY.—

''(A) PAYMENT OF CLAIMS.—A surety bond, trust fund, or other financial security obtained under paragraph (1) shall be available to pay any claim against a freight forwarder arising from its failure to pay freight charges under its contracts, agreements, or arrangements for transportation subject to jurisdiction under chapter 135 if

''(i) subject to the review by the surety provider, the freight forwarder consents to the payment;

''(ii) in the case the freight forwarder does not respond to adequate notice to address the validity of the claim, the surety provider determines the claim is valid; or

''(iii) the claim—

''(I) is not resolved within a reasonable period of time following a reasonable attempt by the claimant to resolve the claim under clauses (i) and (ii); and

''(II) is reduced to a judgment against the freight forwarder.

''(B) RESPONSE OF SURETY PROVIDERS TO CLAIMS.—If a surety provider receives notice of a claim described in subparagraph (A), the surety provider shall

''(i) respond to the claim on or before the 30th day following receipt of the notice; and

''(ii) in the case of a denial, set forth in writing for the claimant the grounds for the denial.

''(C) COSTS AND ATTORNEY'S FEES.—In any action against a surety provider to recover on a claim described in subparagraph (A), the prevailing party shall be entitled to recover its reasonable costs and attorney's fees.

''(3) FREIGHT FORWARDER INSURANCE.—

''(A) IN GENERAL.—The Secretary may register a person as a freight forwarder under section 13903 only if the person files with the Secretary a surety bond, insurance policy, or other type of financial security that meets standards prescribed by the Secretary.

''(B) LIABILITY INSURANCE.—A financial security filed by a freight forwarder under subparagraph (A) shall be sufficient to pay an amount, not to exceed the amount of the financial security, for each final judgment against the freight forwarder for bodily injury to, or death of, an individual, or loss of, or damage to, property (other than property referred to in subparagraph (C)), resulting from the negligent operation, maintenance, or use of motor vehicles by, or under the direction and control of, the freight forwarder while providing transfer, collection, or delivery service under this part.

''(C) CARGO INSURANCE.—The Secretary may require a registered freight forwarder to file with the Secretary a surety bond, insurance policy, or other type of financial security approved by the Secretary, that will pay an amount, not to exceed the amount of the financial security, for loss of, or damage to, property for which the freight forwarder provides service.

''(4) MINIMUM FINANCIAL SECURITY.—Each freight forwarder subject to the requirements of this section shall provide financial security of $100,000, regardless of the number of branch offices or sales agents of the freight forwarder.

''(5) CANCELLATION NOTICE.—If a financial security required under this subsection is canceled

''(A) the holder of the financial security shall provide electronic notification to the Secretary of the cancellation not later than 30 days before the effective date of the cancellation; and

''(B) the Secretary shall immediately post such notification on the public Internet web site of the Department of Transportation.

''(6) SUSPENSION.—The Secretary shall immediately suspend the registration of a freight forwarder issued under this chapter if its available financial security falls below the amount required under this subsection.

''(7) PAYMENT OF CLAIMS IN CASES OF FINANCIAL FAILURE OR INSOLVENCY.—If a freight forwarder registered under this chapter experiences financial failure or insolvency, the surety provider of the freight forwarder shall

''(A) submit a notice to cancel the financial security to the Administrator in accordance with paragraph (5);

''(B) publicly advertise for claims for 60 days beginning on the date of publication by the Secretary of the notice to cancel the financial security; and

''(C) pay, not later than 30 days after the expiration of the 60-day period for submission of claims

''(i) all uncontested claims received during such period; or

''(ii) a pro rata share of such claims if the total amount of such claims exceeds the financial security available.

''(8) PENALTIES.—

''(A) CIVIL ACTIONS.—Either the Secretary or the Attorney General may bring a civil action in an appropriate district court of the United States to enforce the requirements of this subsection or a regulation prescribed or order issued under this subsection. The court may award appropriate relief, including injunctive relief.

''(B) CIVIL PENALTIES.—If the Secretary determines, after notice and opportunity for a hearing, that a surety provider of a freight forwarder registered under this chapter has violated the requirements of this subsection or a regulation prescribed under this subsection, the surety provider shall be liable to the United States for a civil penalty in an amount not to exceed $10,000.

''(C) ELIGIBILITY.—If the Secretary determines, after notice and opportunity for a hearing, that a surety provider of a freight forwarder registered under this chapter has violated the requirements of this subsection or a regulation prescribed under this subsection, the surety provider shall be ineligible to provide freight forwarder financial security for 3 years.

''(9) FINANCIAL SECURITY AND INSURANCE AMOUNT ASSESSMENT.—Not less frequently than once every 5 years, the Secretary—

''(A) shall review, with public notice and comment, the amount of the financial security and insurance required under this subsection to determine whether such amounts are sufficient to provide adequate financial security; and

''(B) may increase such amounts, if necessary, based upon the determination under subparagraph (A).''.

(b) RULEMAKING.—Not later than 1 year after the date of enactment of this Act, the Secretary shall issue regulations to implement and enforce the requirements under subsections (b) and (c) of section 13906 of title 49, United States Code, as amended by subsection (a).

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date that is 1 year after the date of enactment of this Act.

**SEC. 32920. UNLAWFUL BROKERAGE ACTIVITIES.**

(a) IN GENERAL.—Chapter 149 is amended by adding at the end the following:

**''§ 14916. Unlawful brokerage activities**

''(a) PROHIBITED ACTIVITIES.—Any person that acts as a broker, other than a non-vessel-operating common carrier (as defined in section 40102(16) of title 46) or an ocean freight forwarder providing brokerage as part of an international through movement involving ocean transportation between the United States and a foreign port, is prohibited from providing interstate brokerage services as a broker unless that person

''(1) is registered under, and in compliance with, section 13903; and

''(2) has satisfied the financial security requirements under section 13904.

''(b) CIVIL PENALTIES AND PRIVATE CAUSE OF ACTION.—Any person who knowingly authorizes, consents to, or permits, directly or indirectly, either alone or in conjunction with any other person, a violation of subsection (a) is liable

''(1) to the United States Government for a civil penalty in an amount not to exceed $10,000 for each violation; and

''(2) to the injured party for all valid claims incurred without regard to amount.

''(c) LIABLE PARTIES.—The liability for civil penalties and for claims under this section for unauthorized brokering shall apply, jointly and severally

''(1) to any corporate entity or partnership involved; and

''(2) to the individual officers, directors, and principals of such entities.''.

(b) CLERICAL AMENDMENT.—The analysis for chapter 149 is amended by adding at the end the following:

''14916. Unlawful brokerage activities.''.

**PART II—HOUSEHOLD GOODS TRANSPORTATION**

**SEC. 32921. ADDITIONAL REGISTRATION REQUIREMENTS FOR HOUSEHOLD GOODS MOTOR CARRIERS.**

(a) Section 13902(a)(2) is amended—

(1) in subparagraph (B), by striking ''section 13702(c);'' and inserting ''section 13702(c); and'';

(2) by amending subparagraph (C) to read as follows:

''(C) demonstrates, before being registered, through successful completion of a proficiency examination established by the Secretary, knowledge and intent to comply with applicable Federal laws relating to consumer protection, estimating, consumers' rights and responsibilities, and options for limitations of liability for loss and damage.''; and

(3) by striking subparagraph (D).

(b) COMPLIANCE REVIEWS OF NEW HOUSEHOLD GOODS MOTOR CARRIERS.—Section

31144(g), as amended by section 32102 of this Act, is amended by adding at the end the following:

''(6) ADDITIONAL REQUIREMENTS FOR HOUSEHOLD GOODS MOTOR CARRIERS.—(A) In addition to the requirements of this subsection, the Secretary shall require, by regulation, each registered household goods motor carrier to undergo a consumer protection standards review not later than 18 months after the household goods motor carrier begins operations under such authority.

''(B) ELEMENTS.—In the regulations issued pursuant to subparagraph (A), the Secretary shall establish the elements of the consumer protections standards review, including basic management controls. In establishing the elements, the Secretary shall consider the effects on small businesses and shall consider establishing alternate locations where such reviews may be conducted for the convenience of small businesses.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 2 years after the date of enactment of this Act.

**SEC. 32922. FAILURE TO GIVE UP POSSESSION OF HOUSEHOLD GOODS.**

(a) INJUNCTIVE RELIEF.—Section 14704(a)(1) is amended by striking ''and 14103'' and inserting '', 14103, and 14915(c)''.

(b) CIVIL PENALTIES.—Section 14915(a)(1) is amended by adding at the end the following:

''The United States may assign all or a portion of the civil penalty to an aggrieved shipper. The Secretary of Transportation shall establish criteria upon which such assignments shall be made. The Secretary may order, after notice and an opportunity for a proceeding, that a person found holding a household goods shipment hostage return the goods to an aggrieved shipper.''.

**SEC. 32923. SETTLEMENT AUTHORITY.**

(a) SETTLEMENT OF GENERAL CIVIL PENALTIES.—Section 14901 is amended by adding at the end the following:

''(h) SETTLEMENT OF HOUSEHOLD GOODS CIVIL PENALTIES.—Nothing in this section shall be construed to prohibit the Secretary from accepting partial payment of a civil penalty as part of a settlement agreement in the public interest, or from holding imposition of any part of a civil penalty in abeyance.''.

(b) SETTLEMENT OF HOUSEHOLD GOODS CIVIL PENALTIES.—Section 14915(a) is amended by adding at the end the following:

''(4) SETTLEMENT AUTHORITY.—Nothing in this section shall be construed as prohibiting the Secretary from accepting partial payment of a civil penalty as part of a settlement agreement in the public interest, or from holding imposition of any part of a civil penalty in abeyance.''.

**SEC. 32924. HOUSEHOLD GOODS TRANSPORTATION ASSISTANCE PROGRAM.**

(a) JOINT ASSISTANCE PROGRAM.—Not later than 18 months after the date of enactment of this Act, the Secretary shall develop and implement a joint assistance program, through the Federal Motor Carrier Safety Administration—

(1) to educate consumers about the household goods motor carrier industry pursuant to the recommendations of the task force established under section 32925 of this Act;

(2) to improve the Federal Motor Carrier Safety Administration's implementation, monitoring, and coordination of Federal and State household goods enforcement activities;

(3) to assist a consumer with the timely resolution of an interstate household goods hostage situation, as appropriate; and

(4) to conduct other enforcement activities as designated by the Secretary.

(b) JOINT ASSISTANCE PROGRAM PARTNERSHIP.—The Secretary—

(1) may partner with 1 or more household goods motor carrier industry groups to implement the joint assistance program under subsection (a); and

(2) shall ensure that each participating household goods motor carrier industry group—

(A) implements the joint assistance program in the best interest of the consumer;

(B) implements the joint assistance program in the public interest;

(C) accurately represents its financial interests in providing household goods mover services in the normal course of business and in assisting consumers resolving hostage situations;

(D) does not hold itself out or misrepresent itself as an agent of the Federal government;

(E) abides by Federal regulations and guidelines for the provision of assistance and receipt of compensation for household goods mover services; and

(F) accurately represents the Federal and State remedies that are available to consumers for resolving interstate household goods hostage situations.

(c) REPORT.—The Secretary shall submit a report annually to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives providing a detailed description of the joint assistance program under subsection (a).

(d) PROHIBITION.—The joint assistance program under subsection (a) may not include the provision of funds by the United States to a consumer for lost, stolen, or damaged items.

**SEC. 32925. HOUSEHOLD GOODS CONSUMER EDUCATION PROGRAM.**

(a) TASK FORCE.—The Secretary of Transportation shall establish a task force to develop recommendations to ensure that a consumer is informed of Federal law concerning the transportation of household goods by a motor carrier, including recommendations—

(1) on how to condense publication ESA 03005 of the Federal Motor Carrier Safety Administration into a format that can be more easily used by a consumer; and

(2) on the use of state-of-the-art education techniques and technologies, including the use of the Internet as an educational tool.

(b) TASK FORCE MEMBERS.—The task force shall be comprised of—

(1) individuals with expertise in consumer affairs;

(2) educators with expertise in how people learn most effectively; and

(3) representatives of the household goods moving industry.

(c) RECOMMENDATIONS.—Not later than 1 year after the date of enactment of this Act, the task force shall complete its recommendations under subsection (a). Not later than 1 year after the task force completes its recommendations under subsection (a), the Secretary shall issue regulations implementing the recommendations, as appropriate.

(d) FEDERAL ADVISORY COMMITTEE ACT EXEMPTION.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the task force.

(e) TERMINATION.—The task force shall terminate 2 years after the date of enactment of this Act.

## PART III—TECHNICAL AMENDMENTS

**SEC. 32931. UPDATE OF OBSOLETE TEXT.**

(a) Section 31137(e), as redesignated by section 32301 of this Act, is amended by striking ''Not later than December 1, 1990, the Secretary shall prescribe'' and inserting ''The Secretary shall maintain''.

(b) Section 31151(a) is amended—

(1) by amending paragraph (1) to read as follows:

''(1) IN GENERAL.—The Secretary of Transportation shall maintain a program to ensure that intermodal equipment used to transport intermodal containers is safe and systematically maintained.''; and

(2) by striking paragraph (4).

(c) Section 31307(b) is amended by striking ''Not later than December 18, 1994, the Secretary shall prescribe'' and inserting ''The Secretary shall maintain''.

(d) Section 31310(g)(1) is amended by striking ''Not later than 1 year after the date of enactment of this Act, the'' and inserting ''The''.

(e) Section 4123(f) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (119 Stat. 1736), is amended by striking ''Not later than 1 year after the date of enactment of this Act, the'' and inserting ''The''.

**SEC. 32932. CORRECTION OF INTERSTATE COMMERCE COMMISSION REFERENCES.**

(a) SAFETY INFORMATION AND INTERVENTION IN INTERSTATE COMMERCE COMMISSION PROCEEDINGS.—Chapter 3 is amended—

(1) by repealing section 307;

(2) in the analysis, by striking the item relating to section 307;

(3) in section 333(d)(1)(C), by striking ''Interstate Commerce Commission'' and inserting ''Surface Transportation Board''; and

(4) in section 333(e)—

(A) by striking ''Interstate Commerce Commission'' and inserting ''Surface Transportation Board''; and

(B) by striking ''Commission'' and inserting ''Board''.

(b) FILING AND PROCEDURE FOR APPLICATION TO ABANDON OR DISCONTINUE.—Section 10903(b)(2) is amended by striking ''24706(c) of this title'' and inserting ''24706(c) of this title before May 31, 1998''.

(c) TECHNICAL AMENDMENTS TO PART C OF SUBTITLE V.—

(1) Section 24307(b)(3) is amended by striking ''Interstate Commerce Commission'' and inserting ''Surface Transportation Board''.

(2) Section 24311 is amended—

(A) by striking ''Interstate Commerce Commission'' and inserting ''Surface Transportation Board'';

(B) by striking ''Commission'' each place it appears and inserting ''Board''; and

(C) by striking ''Commission's'' and inserting ''Board's''.

(3) Section 24902 is amended—

(A) by striking ''Interstate Commerce Commission'' each place it appears and inserting ''Surface Transportation Board''; and

(B) by striking ''Commission'' each place it appears and inserting ''Board''.

(4) Section 24904 is amended—

(A) by striking ''Interstate Commerce Commission'' and inserting ''Surface Transportation Board''; and

(B) by striking ''Commission'' each place it appears and inserting ''Board''.

**SEC. 32933. TECHNICAL AND CONFORMING AMENDMENTS.**

(a) Section 13905(f)(1)(A) is amended by striking ''section 13904(c)'' and inserting ''section 13904(e)'';

(b) Section 14504a(c)(1) is amended—

(1) in subparagraph (C), by striking ''sections'' and inserting ''section''; and

(2) in subparagraph (D)(ii)(II) by striking the period at the end and inserting ''; and''.

(c) Section 31103(a) is amended by striking ''section 31102(b)(1)(E)'' and inserting ''section 31102(b)(2)(E)''.

(d) Section 31103(b) is amended by striking ''authorized by section 31104(f)(2)''.

(e) Section 31309(b)(2) is amended by striking ''31308(2)'' and inserting ''31308(3)''.

## TITLE III—SURFACE TRANSPORTATION AND FREIGHT POLICY ACT OF 2012

**SEC. 33001. SHORT TITLE.**

This title may be cited as the ''Surface Transportation and Freight Policy Act of 2012''.

**SEC. 33002. ESTABLISHMENT OF A NATIONAL SURFACE TRANSPORTATION AND FREIGHT POLICY.**

(a) IN GENERAL.—Subchapter I of chapter 3 of title 49, United States Code, as amended by section 32932 of the Commercial Motor Vehicle Safety Enhancement Act of 2012, is amended—

(1) by redesignating sections 304 through 306 as sections 307 through 309, respectively;

(2) by redesignating sections 308 and 309 as sections 310 and 311, respectively;

(3) by redesignating sections 303 and 303a as sections 305 and 306, respectively; and

(4) by inserting after section 302 the following:

**''§ 303. National surface transportation policy**

''(a) POLICY.—It is the policy of the United States to develop a comprehensive national surface transportation system that advances the national interest and defense, interstate and foreign commerce, the efficient and safe interstate mobility of people and goods, and the protection of the environment. The system shall be built, maintained, managed, and operated as a partnership between the Federal, State, and local governments and the private sector and shall be coordinated with the overall transportation system of the United States, including the Nation's air, rail, pipeline, and water transportation systems. The Secretary of Transportation shall be responsible for carrying out this policy.

''(b) OBJECTIVES.—The objectives of the policy shall be to facilitate and advance—

''(1) the improved accessibility and reduced travel times for persons and goods within and between nations, regions, States, and metropolitan areas;

''(2) the safety of the public;

''(3) the security of the Nation and the public;

''(4) environmental protection;

''(5) energy conservation and security, including reducing transportation-related energy use;

''(6) international and interstate freight movement, trade enhancement, job creation, and economic development;

''(7) responsible planning to address population distribution and employment and sustainable development;

''(8) the preservation and adequate performance of system-critical transportation assets, as defined by the Secretary;

''(9) reasonable access to the national surface transportation system for all system users, including rural communities;

''(10) the sustainable and adequate financing of the national surface transportation system; and

''(11) innovation in transportation services, infrastructure, and technology.

''(c) GOALS.—

''(1) SPECIFIC GOALS.—The goals of the policy shall be—

''(A) to reduce average per capita peak period travel times on an annual basis;

''(B) to reduce national motor vehicle-related and truck-related fatalities by 50 percent by 2030;

''(C) to reduce national surface transportation delays per capita on an annual basis;

''(D) to improve the access to employment opportunities and other economic activities;

''(E) to increase the percentage of system-critical surface transportation assets, as defined by the Secretary, that are in a state of good repair by 20 percent by 2030;

''(F) to improve access to public transportation, intercity passenger rail services, and non-motorized transportation where travel demand warrants;

''(G) to reduce passenger and freight transportation infrastructure-related delays entering into and out of international points of entry on an annual basis;

''(H) to increase travel time reliability on major freight corridors that connect major population centers to freight generators and international gateways on an annual basis;

''(I) to ensure adequate transportation of domestic energy supplies and promote energy security;

''(J) to maintain or reduce the percentage of gross domestic product consumed by transportation costs; and

''(K) to reduce transportation-related impacts on the environment and on communities.

''(2) BASELINES.—Not later than 2 years after the date of enactment of the Surface Transportation and Freight Policy Act of 2012, the Secretary shall develop baselines for the goals and shall determine appropriate methods of data collection to measure the attainment of the goals.''.

(b) FREIGHT POLICY.—Subchapter I of chapter 3 of title 49, United States Code, as amended by section 33002(a) of this Act, is amended by adding at the end the following:

**''§ 312. National freight transportation policy.**

''(a) NATIONAL FREIGHT TRANSPORTATION POLICY.—It is the policy of the United States to improve the efficiency, operation, and security of the national transportation system to move freight by leveraging investments and promoting partnerships that advance interstate and foreign commerce, promote economic competitiveness and job creation, improve the safe and efficient mobility of goods, and protect the public health and the environment.

''(b) OBJECTIVES.—The objectives of the policy are—

''(1) to target investment in freight transportation projects that strengthen the economic competitiveness of the United States with a focus on domestic industries and businesses and the creation and retention of high-value jobs;

''(2) to promote and advance energy conservation and the environmental sustainability of freight movements;

''(3) to facilitate and advance the safety and health of the public, including communities adjacent to freight movements;

''(4) to provide for systematic and balanced investment to improve the overall performance and reliability of the national transportation system to move freight, including ensuring trade facilitation and transportation system improvements are mutually supportive;

''(5) to promote partnerships between Federal, State, and local governments, the private sector, and other transportation stakeholders to leverage investments in freight transportation projects; and

''(6) to encourage adoption of operational policies, such as intelligent transportation systems, to improve the efficiency of freight-related transportation movements and infrastructure.''.

(c) CONFORMING AMENDMENTS.—The table of contents for chapter 3 of title 49, United States Code, is amended—

(1) by redesignating the items relating to sections 304 through 306 as sections 307 through 309, respectively;

(2) by redesignating the items relating to sections 308 and 309 as sections 310 and 311, respectively;

(3) by redesignating the items relating to sections 303 and 303a as sections 305 and 306, respectively;

(4) by inserting after the item relating to section 302 the following:

''303. National surface transportation policy.''; and

(5) by inserting after the item relating to section 311 the following:

''312. National freight transportation policy.''.

**SEC. 33003. SURFACE TRANSPORTATION AND FREIGHT STRATEGIC PLAN.**

(a) SURFACE TRANSPORTATION AND FREIGHT STRATEGIC PLAN.—Subchapter I of chapter 3 of title 49, United States Code, as amended by section 33002 of this Act, is amended by inserting after section 303 the following—

**''§ 304. National surface transportation and freight strategic performance plan.**

''(a) DEVELOPMENT.—Not later than 2 years after the date of enactment of the Surface Transportation and Freight Policy Act of 2012, the Secretary of Transportation shall develop and implement a National Surface Transportation and Freight Performance Plan to achieve the policy, objectives, and goals set forth in sections 303 and 312 .

''(b) CONTENTS.—The plan shall include—

''(1) an assessment of the current performance of the national surface transportation system and an analysis of the system's ability to achieve the policy, objectives, and goals set forth in sections 303 and 312;

''(2) an analysis of emerging and long-term projected trends, including economic and national trade policies, that will impact the performance, needs, and uses of the national surface transportation system, including the system to move freight;

''(3) a description of the major challenges to effectively meeting the policy, objectives, and goals set forth in sections 303 and 312 and a plan to address such challenges;

''(4) a comprehensive strategy and investment plan to meet the policy, objectives, and goals set forth in sections 303 and 312, including a strategy to develop the coalitions, partnerships, and other collaborative financing efforts necessary to ensure stable, reliable funding and completion of freight corridors and projects;

''(5) initiatives to improve transportation modeling, research, data collection, and analysis, including those to assess impacts on public health, and environmental conditions;

''(6) guidelines to encourage the appropriate balance of means to finance the national transportation system to move freight to implement the plan and the investment plan proposed under paragraph (4); and

''(7) a list of priority freight corridors and gateways to be improved and developed to meet the policy, objectives, and goals set forth in section 312.

''(c) CONSULTATION.—In developing the plan required by subsection (a), the Secretary shall—

''(1) consult with appropriate Federal agencies, local, State, and tribal governments, public and private transportation stakeholders, non-profit organizations representing transportation employees, appropriate foreign governments, and other interested parties;

''(2) consider on-going Federal, State, and corridor-wide transportation plans;

''(3) provide public notice and hearings and solicit public comments on the plan, and

''(4) as appropriate, establish advisory committees to assist with developing the plan.

''(d) SUBMITTAL AND PUBLICATION.—The Secretary shall—

''(1) submit the completed plan to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives; and

''(2) post the completed plan on the Department of Transportation's public web site.

''(e) PROGRESS REPORTS.—The Secretary shall submit biennial progress reports on the implementation of the plan beginning 2 years after the date of submittal of the plan under subsection (d)(1). Each progress report shall—

''(1) describe progress made toward fully implementing the plan and achieving the policies, objectives, and goals established under sections 303 and 312;

''(2) describe challenges and obstacles to full implementation;

''(3) describe updates to the plan necessary to reflect changed circumstances or new developments; and

''(4) make policy and legislative recommendations the Secretary believes are necessary and appropriate to fully implement the plan.

''(f) DATA.—The Secretary shall have the authority to conduct studies, gather information, and require the production of data necessary to develop or update this plan, consistent with Federal privacy standards.

''(g) IMPLEMENTATION.—The Secretary shall—

''(1) develop appropriate performance criteria and data collections systems for each Federal surface transportation program consistent with this chapter and the Secretary's statutory authority within these programs to evaluate:

''(A) whether such programs are consistent with the policy, objectives, and goals established by sections 303 and 312; and

''(B) how effective such programs are in contributing to the achievement of the policy, objectives, and goals established by sections 303 and 312;

''(2) using the criteria developed under paragraph (1), periodically evaluate each such program and provide the results to the public;

''(3) based on the evaluation performed under paragraph (2), make any necessary changes or improvements to such programs to ensure such consistency and effectiveness consistent with the Secretary's statutory authority within these programs ;

''(4) implement this section in a manner that is consistent with sections 302, 5301, 5503, 10101, and 13101 of this title and section 101 of title 23;

''(5) review all relevant surface transportation planning requirements to determine whether such regional, State, and local surface transportation planning efforts funded with Federal funds are consistent with the policy, objectives, and goals established by this section; and

''(6) require States and metropolitan planning organizations to report on the use of Federal surface transportation funds, consistent with ongoing reporting requirements, to provide the Secretary with sufficient information to determine—

''(A) which projects and priorities were funded with such funds;

''(B) the rationale and method employed for apportioning such funds to the projects and priorities; and

''(C) how the obligation of such funds is consistent with or advances the policy, objectives, and goals established by sections 303 and 312 and the statutory sections referenced in paragraph (4).''.

(b) CONFORMING AMENDMENT.—The table of contents for chapter 3 of title 49, United States Code, is amended by inserting after the item relating to section 303 the following:

''304. National surface transportation and freight strategic performance plan.''.

**SEC. 33004. TRANSPORTATION INVESTMENT DATA AND PLANNING TOOLS.**

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary shall—

(1) develop new tools or improve existing tools to support an outcome-oriented, performance-based approach to evaluate proposed freight-related and other surface transportation projects. These new or improved tools shall include—

(A) a systematic cost-benefit analysis that supports a valuation of modal alternatives;

(B) an evaluation of external effects on congestion, pollution, the environment, and the public health; and

(C) other elements to assist in effective transportation planning; and

(2) facilitate the collection of transportation-related data to support a broad range of evaluation methods and techniques such as demand forecasts, modal diversion forecasts, estimates of the effect of proposed investments on congestion, pollution, public health, and other factors, to assist in making transportation investment decisions. At a minimum, the Secretary, in consultation with other relevant Federal agencies, shall consider any improvements to the Commodity Flow Survey that reduce identified freight data gaps and deficiencies and help evaluate forecasts of transportation demand.

(b) CONSULTATION.—To the extent practicable, the Secretary shall consult with Federal, State, and local transportation planners to develop, improve, and implement the tools and collect the data under subsection (a).

(c) ESTABLISHMENT OF PILOT PROGRAM.—

(1) ESTABLISHMENT.—To assist in the development of tools under subsection (a) and to inform the National Surface Transportation and Freight Performance Plan required by section 304 of title 49, United States Code, the Secretary shall establish a pilot program under which the Secretary shall conduct case studies of States and metropolitan planning organizations that are designed—

(A) to provide more detailed, in-depth analysis and data collection with respect to transportation programs; and

(B) to apply rigorous methods of measuring and addressing the effectiveness of program participants in achieving national transportation goals.

(2) PRELIMINARY REQUIREMENTS.—

(A) SOLICITATION.—The Secretary shall solicit applications to participate in the pilot program from States and metropolitan planning organizations.

(B) NOTIFICATION.—A State or metropolitan planning organization that desires to participate in the pilot program shall notify the Secretary of such desire before a date determined by the Secretary.

(C) SELECTION.—

(i) NUMBER OF PROGRAM PARTICIPANTS.—The Secretary shall select to participate in the pilot program—

(I) not fewer than 3, and not more than 5, States; and

(II) not fewer than 3, and not more than 5, metropolitan planning organizations.

(ii) TIMING.—The Secretary shall select program participants not later than 3 months after the date of enactment of this Act.

(iii) DIVERSITY OF PROGRAM PARTICIPANTS.—The Secretary shall, to the extent practicable, select program participants that represent a broad range of geographic and demographic areas (including rural and urban areas) and types of transportation programs.

(d) CASE STUDIES.—

(1) BASELINE REPORT.—Not later than 6 months after the date of enactment of this Act, each program participant shall submit to the Secretary a baseline report that—

(A) describes the reporting and data collection processes of the program participant for transportation investments that are in effect on the date of the report;

(B) assesses how effective the program participant is in achieving the national surface transportation goals in section 303 of title 49, United States Code;

(C) describes potential improvements to the methods and metrics used to measure the effectiveness of the program participant in achieving national surface transportation goals in section 303 of title 49, United States Code, and the challenges to implementing such improvements; and

(D) includes an assessment of whether, and specific reasons why, the preparation and submission of the baseline report may be limited, incomplete, or unduly burdensome, including any recommendations for facilitating the preparation and submission of similar reports in the future.

(2) EVALUATION.—Each program participant shall work cooperatively with the Secretary to evaluate the methods and metrics used to measure the effectiveness of the program participant in achieving national surface transportation goals in section 303 of title 49, United States Code, including—

(A) by considering the degree to which such methods and metrics take into account—

(i) the factors that influence the effectiveness of the program participant in achieving the national surface transportation goals;

(ii) all modes of transportation; and

(iii) the transportation program as a whole, rather than individual projects within the transportation program; and

(B) by identifying steps that could be used to implement the potential improvements identified under paragraph (1)(C).

(3) FINAL REPORT.—Not later than 18 months after the date of enactment of this section, each program participant shall submit to the Secretary a comprehensive final report that—

(A) contains an updated assessment of the effectiveness of the program participant in achieving national surface transportation goals under section 303 of title 49, United States Code; and

(B) describes the ways in which the performance of the program participant in collecting and reporting data and carrying out the transportation program of the program participant has improved or otherwise changed since the date of submission of the baseline report under subparagraph (A).

**SEC. 33005. PORT INFRASTRUCTURE DEVELOPMENT INITIATIVE.**

Section 50302(c)(3)(C) of title 46, United States Code, is amended to read as follows:

''(C) TRANSFERS.—Amounts appropriated or otherwise made available for any fiscal year for a marine facility or intermodal facility that includes maritime transportation may be transferred, at the option of the recipient of such amounts, to the Fund and administered by the Administrator as a component of a project under the program.''.

**SEC. 33006. SAFETY FOR MOTORIZED AND NONMOTORIZED USERS.**

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

**''§ 413. Safety for motorized and nonmotorized users**

''(a) IN GENERAL.—Not later than 2 years after the date of enactment of the Surface Transportation and Freight Policy Act of 2012, subject to subsection (b), the Secretary shall establish standards to ensure that the design of Federal surface transportation projects provides for the safe and adequate

accommodation, in all phases of project planning, development, and operation, of all users of the transportation network, including motorized and nonmotorized users.

''(b) WAIVER FOR STATE LAW OR POLICY.—The Secretary may waive the application of standards established under subsection (a) to a State that has adopted a law or policy that provides for the safe and adequate accommodation as certified by the State (or other grantee), in all phases of project planning and development, of users of the transportation network on federally funded surface transportation projects, as determined by the Secretary.

''(c) COMPLIANCE.—

''(1) IN GENERAL.—Each State department of transportation shall submit to the Secretary, at such time, in such manner, and containing such information as the Secretary shall require, a report describing the implementation by the State of measures to achieve compliance with this section.

''(2) DETERMINATION BY SECRETARY.—On receipt of a report under paragraph (1), the Secretary shall determine whether the applicable State has achieved compliance with 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:

''413. Safety for motorized and nonmotorized users.''.

## TITLE IV—HAZARDOUS MATERIALS TRANSPORTATION SAFETY IMPROVEMENT ACT OF 2012

### SEC. 34001. SHORT TITLE.

This title may be cited as the ''Hazardous Materials Transportation Safety Improvement Act of 2012''.

### SEC. 34002. DEFINITION.

In this title, the term ''Secretary'' means the Secretary of Transportation.

### SEC. 34003. REFERENCES TO 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 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. 34004. TRAINING FOR EMERGENCY RESPONDERS.

(a) TRAINING CURRICULUM.—Section 5115 is amended—

(1) in subsection (b)(1)(B), by striking ''basic'';

(2) in subsection (b)(2), by striking ''basic''; and

(3) in subsection (c), by striking ''basic''.

(b) OPERATIONS LEVEL TRAINING.—Section 5116 is amended—

(1) in subsection (b)(1), by adding at the end the following: ''To the extent that a grant is used to train emergency responders, the State or Indian tribe shall provide written certification to the Secretary that the emergency responders who receive training under the grant will have the ability to protect nearby persons, property, and the environment from the effects of accidents or incidents involving the transportation of hazardous material in accordance with existing regulations or National Fire Protection Association standards for competence of responders to hazardous materials.'';

(2) in subsection (j)—

(A) by redesignating paragraph (5) as paragraph (7); and

(B) by inserting after paragraph (4) the following:

''(5) The Secretary may not award a grant to an organization under this subsection unless the organization ensures that emergency responders who receive training under the grant will have the ability to protect nearby persons, property, and the environment from the effects of accidents or incidents involving the transportation of hazardous material in accordance with existing regulations or National Fire Protection Association standards for competence of responders to hazardous materials.

''(6) Notwithstanding paragraphs (1) and (3), to the extent determined appropriate by the Secretary, a grant awarded by the Secretary to an organization under this subsection to conduct hazardous material response training programs may be used to train individuals with responsibility to respond to accidents and incidents involving hazardous material.''; and

(3) in subsection (k)—

(A) by striking ''annually'' and inserting ''an annual report'';

(B) by inserting ''the report'' after ''make available'';

(C) by striking ''information'' and inserting ''. The report submitted under this subsection shall include information''; and

(D) by striking ''The report shall identify'' and all that follows and inserting the following: ''The report submitted under this subsection shall identify the ultimate recipients of such grants and include—

''(A) a detailed accounting and description of each grant expenditure by each grant recipient, including the amount of, and purpose for, each expenditure;

''(B) the number of persons trained under the grant program, by training level;

''(C) an evaluation of the efficacy of such planning and training programs; and

''(D) any recommendations the Secretary may have for improving such grant programs.''.

### SEC. 34005. PAPERLESS HAZARD COMMUNICATIONS PILOT PROGRAM.

(a) IN GENERAL.—The Secretary may conduct pilot projects to evaluate the feasibility and effectiveness of using paperless hazard communications systems. At least 1 of the pilot projects under this section shall take place in a rural area.

(b) REQUIREMENTS.—In conducting pilot projects under this section, the Secretary—

(1) may not waive the requirements under section 5110 of title 49, United States Code; and

(2) shall consult with organizations representing—

(A) fire services personnel;

(B) law enforcement and other appropriate enforcement personnel;

(C) other emergency response providers;

(D) persons who offer hazardous material for transportation;

(E) persons who transport hazardous material by air, highway, rail, and water; and

(F) employees of persons who transport or offer for transportation hazardous material by air, highway, rail, and water.

(c) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall—

(1) prepare a report on the results of the pilot projects carried out under this section, including—

(A) a detailed description of the pilot projects;

(B) an evaluation of each pilot project, including an evaluation of the performance of each paperless hazard communications system in such project;

(C) an assessment of the safety and security impact of using paperless hazard communications systems, including any impact on the public, emergency response, law enforcement, and the conduct of inspections and investigations; and

(D) a recommendation on whether paperless hazard communications systems should be permanently incorporated into the Federal hazardous material transportation safety program under chapter 51 of title 49, United States Code; and

(2) submit a final report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives that contains the results of the pilot projects carried out under this section, including the matters described in paragraph (1).

(d) PAPERLESS HAZARD COMMUNICATIONS SYSTEM DEFINED.—In this section, the term ''paperless hazard communications system'' means the use of advanced communications methods, such as wireless communications devices, to convey hazard information between all parties in the transportation chain, including emergency responders and law enforcement personnel. The format of communication may be equivalent to that used by the carrier.

### SEC. 34006. IMPROVING DATA COLLECTION, ANALYSIS, AND REPORTING.

(a) ASSESSMENT.—

(1) IN GENERAL.—Not later than 6 months after the date of the enactment of this Act, the Secretary, in coordination with the Secretary of Homeland Security, as appropriate, shall conduct an assessment to improve the collection, analysis, reporting, and use of data related to accidents and incidents involving the transportation of hazardous material.

(2) REVIEW.—The assessment conducted under this subsection shall review the methods used by the Pipeline and Hazardous Materials Safety Administration (referred to in this section as the ''Administration'') for collecting, analyzing, and reporting accidents and incidents involving the transportation of hazardous material, including the adequacy of—

(A) information requested on the accident and incident reporting forms required to be submitted to the Administration;

(B) methods used by the Administration to verify that the information provided on such forms is accurate and complete;

(C) accident and incident reporting requirements, including whether such requirements should be expanded to include shippers and consignees of hazardous materials;

(D) resources of the Administration related to data collection, analysis, and reporting, including staff and information technology; and

(E) the database used by the Administration for recording and reporting such accidents and incidents, including the ability of users to adequately search the database and find information.

(b) DEVELOPMENT OF ACTION PLAN.—Not later than 9 months after the date of the enactment of this Act, the Secretary shall develop an action plan and timeline for improving the collection, analysis, reporting, and use of data by the Administration, including revising the database of the Administration, as appropriate.

(c) SUBMISSION TO CONGRESS.—Not later than 15 days after the completion of the action plan and timeline under subsection (c), the Secretary shall submit the action plan and timeline to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

(d) REPORTING REQUIREMENTS.—Section 5125(b)(1)(D) is amended by inserting ''and other hazardous materials transportation incident reporting to the 9 1 1 emergency system or involving State or local emergency responders in the initial response to the incident'' before the period at the end.

**SEC. 34007. LOADING AND UNLOADING OF HAZARDOUS MATERIALS.**

(a) RULEMAKING.—Not later than 2 years after date of the enactment of this Act, the Secretary, after consultation with the Department of Labor and the Environmental Protection Agency, as appropriate, and after providing notice and an opportunity for public comment shall prescribe regulations establishing uniform procedures among facilities for the safe loading and unloading of hazardous materials on and off tank cars and cargo tank trucks.

(b) INCLUSION.—The regulations prescribed under subsection (a) may include procedures for equipment inspection, personnel protection, and necessary safeguards.

(c) CONSIDERATION.—In prescribing regulations under subsection (a), the Secretary shall give due consideration to carrier rules and procedures that produce an equivalent level of safety.

**SEC. 34008. HAZARDOUS MATERIAL TECHNICAL ASSESSMENT, RESEARCH AND DEVELOPMENT, AND ANALYSIS PROGRAM.**

(a) IN GENERAL.—Chapter 51 is amended by inserting after section 5117 the following:

**"§ 5118. Hazardous material technical assessment, research and development, and analysis program**

''(a) RISK REDUCTION.—

''(1) PROGRAM AUTHORIZED.—The Secretary of Transportation may develop and implement a hazardous material technical assessment, research and development, and analysis program for the purpose of—

''(A) reducing the risks associated with the transportation of hazardous material; and

''(B) identifying and evaluating new technologies to facilitate the safe, secure, and efficient transportation of hazardous material.

''(2) COORDINATION.—In developing the program under paragraph (1), the Secretary shall—

''(A) utilize information gathered from other modal administrations with similar programs; and

''(B) coordinate with other modal administrations, as appropriate.

''(b) COOPERATION.—In carrying out subsection (a), the Secretary may work cooperatively with regulated and other entities, including shippers, carriers, emergency responders, State and local officials, and academic institutions.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 51 is amended by inserting after the item relating to section 5117 the following:

''5118. Hazardous material technical assessment, research and development, and analysis program.''.

**SEC. 34009. HAZARDOUS MATERIAL ENFORCEMENT TRAINING PROGRAM.**

(a) IN GENERAL.—The Secretary shall establish a multimodal hazardous material enforcement training program for government hazardous materials inspectors and investigators—

(1) to develop uniform performance standards for training hazardous material inspectors and investigators; and

(2) to train hazardous material inspectors and investigators on—

(A) how to collect, analyze, and publish findings from inspections and investigations of accidents or incidents involving the transportation of hazardous material; and

(B) how to identify noncompliance with regulations issued under chapter 51 of title 49, United States Code, and take appropriate enforcement action.

(b) STANDARDS AND GUIDELINES.—Under the program established under this section, the Secretary may develop—

(1) guidelines for hazardous material inspector and investigator qualifications;

(2) best practices and standards for hazardous material inspector and investigator training programs; and

(3) standard protocols to coordinate investigation efforts among Federal, State, and local jurisdictions on accidents or incidents involving the transportation of hazardous material.

(c) AVAILABILITY.—The standards, protocols, and findings of the program established under this section—

(1) shall be mandatory for—

(A) the Department of Transportation's multimodal personnel conducting hazardous material enforcement inspections or investigations; and

(B) State employees who conduct federally funded compliance reviews, inspections, or investigations; and

(2) shall be made available to Federal, State, and local hazardous materials safety enforcement personnel.

**SEC. 34010. INSPECTIONS.**

(a) NOTICE OF ENFORCEMENT MEASURES.—Section 5121(c)(1) is amended—

(1) in subparagraph (E), by striking ''and'' at the end;

(2) in subparagraph (F), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(G) shall provide to the affected offeror, carrier, packaging manufacturer or tester, or other person responsible for the package reasonable notice of—

''(i) his or her decision to exercise his or her authority under paragraph (1);

''(ii) any findings made; and

''(iii) any actions being taken as a result of a finding of noncompliance.''.

(b) REGULATIONS.—Section 5121(e) is amended by adding at the end the following:

''(3) MATTERS TO BE ADDRESSED.—The regulations issued under this subsection shall address—

''(A) the safe and expeditious resumption of transportation of perishable hazardous material, including radiopharmaceuticals and other medical products, that may require timely delivery due to life-threatening situations;

''(B) the means by which—

''(i) noncompliant packages that present an imminent hazard are placed out-of-service until the condition is corrected; and

''(ii) noncompliant packages that do not present a hazard are moved to their final destination;

''(C) appropriate training and equipment for inspectors; and

''(D) the proper closure of packaging in accordance with the hazardous material regulations.''.

(c) GRANTS AND COOPERATIVE AGREEMENTS.—Section 5121(g)(1) is amended by inserting ''safety and'' before ''security''.

**SEC. 34011. CIVIL PENALTIES.**

Section 5123 is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''$50,000'' and inserting ''$75,000''; and

(B) in paragraph (2), by striking ''$100,000'' and inserting ''$175,000''; and

(2) by adding at the end the following:

''(h) PENALTY FOR OBSTRUCTION OF INSPECTIONS AND INVESTIGATIONS.—The Secretary may impose a penalty on a person who obstructs or prevents the Secretary from carrying out inspections or investigations under subsection (c) or (i) of section 5121.

''(i) PROHIBITION ON HAZARDOUS MATERIAL OPERATIONS AFTER NONPAYMENT OF PENALTIES.—

''(1) IN GENERAL.—Except as provided under paragraph (2), a person subject to the jurisdiction of the Secretary under this chapter who fails to pay a civil penalty assessed under this chapter, or fails to arrange and abide by an acceptable payment plan for such civil penalty, may not conduct any activity regulated under this chapter beginning on the 91st day after the date specified by order of the Secretary for payment of such penalty unless the person has filed a formal administrative or judicial appeal of the penalty.

''(2) EXCEPTION.—Paragraph (1) shall not apply to any person who is unable to pay a civil penalty because such person is a debtor in a case under chapter 11 of title 11.

''(3) RULEMAKING.—Not later than 2 years after the date of the enactment of this subsection, the Secretary, after providing notice and an opportunity for public comment, shall issue regulations that—

''(A) set forth procedures to require a person who is delinquent in paying civil penalties to cease any activity regulated under this chapter until payment has been made or an acceptable payment plan has been arranged; and

''(B) ensures that the person described in subparagraph (A)—

''(i) is notified in writing; and

''(ii) is given an opportunity to respond before the person is required to cease the activity.''.

**SEC. 34012. REPORTING OF FEES.**

Section 5125(f)(2) is amended by striking '', upon the Secretary's request,'' and inserting ''biennially''.

**SEC. 34013. SPECIAL PERMITS, APPROVALS, AND EXCLUSIONS.**

(a) IN GENERAL.—Section 5117 is amended to read as follows:

**"§ 5117. Special permits, approvals, and exclusions**

''(a) AUTHORITY TO ISSUE SPECIAL PERMITS.—

''(1) CONDITIONS.—The Secretary of Transportation may issue, modify, or terminate a special permit implementing new technologies or authorizing a variance from a provision under this chapter or a regulation prescribed under section 5103(b), 5104, 5110, or 5112 to a person performing a function regulated by the Secretary under section 5103(b)(1) to achieve—

''(A) a safety level at least equal to the safety level required under this chapter; or

''(B) a safety level consistent with the public interest and this chapter, if a required safety level does not exist.

''(2) FINDINGS REQUIRED.—

''(A) IN GENERAL.—Before issuing, renewing, or modifying a special permit or granting party status to a special permit, the Secretary shall determine that the person is fit to conduct the activity authorized by such permit in a manner that achieves the level of safety required under paragraph (1).

''(B) CONSIDERATIONS.—In making the determination under subparagraph (A), the Secretary shall consider—

''(i) the person's safety history (including prior compliance history);

''(ii) the person's accident and incident history; and

''(iii) any other information the Secretary considers appropriate to make such a determination.

''(3) EFFECTIVE PERIOD.—A special permit issued under this section—

''(A) shall be for an initial period of not more than 2 years;

''(B) may be renewed by the Secretary upon application—

''(i) for successive periods of not more than 4 years each; or

''(ii) in the case of a special permit relating to section 5112, for an additional period of not more than 2 years.

''(b) APPLICATIONS.—

''(1) REQUIRED DOCUMENTATION.—When applying for a special permit or the renewal or

modification of a special permit or requesting party status to a special permit under this section, the Secretary shall require the person to submit an application that contains—

''(A) a detailed description of the person's request;

''(B) a listing of the person's current facilities and addresses where the special permit will be utilized;

''(C) a safety analysis prescribed by the Secretary that justifies the special permit;

''(D) documentation to support the safety analysis;

''(E) a certification of safety fitness; and

''(F) proof of registration, as required under section 5108.

''(2) PUBLIC NOTICE.—The Secretary shall—

''(A) publish notice in the Federal Register that an application for a special permit has been filed; and

''(B) provide the public an opportunity to inspect and comment on the application.

''(3) SAVINGS CLAUSE.—This subsection does not require the release of information protected by law from public disclosure.

''(c) COORDINATE AND COMMUNICATE WITH MODAL CONTACT OFFICIALS.—

''(1) IN GENERAL.—In evaluating applications under subsection (b), and making the findings and determinations under subsections (a), (e), and (h), the Administrator of the Pipeline and Hazardous Materials Safety Administration shall consult, coordinate, or notify the modal contact official responsible for the specified mode of transportation that will be utilized under a special permit or approval before—

''(A) issuing, modifying, or renewing the special permit;

''(B) granting party status to the special permit; or

''(C) issuing or renewing the special permit or approval.

''(2) MODAL CONTACT OFFICIAL DEFINED.—In this section, the term 'modal contact official' means—

''(A) the Administrator of the Federal Aviation Administration;

''(B) the Administrator of the Federal Motor Carrier Safety;

''(C) the Administrator of the Federal Railroad Administration; and

''(D) the Commandant of the Coast Guard.

''(d) APPLICATIONS TO BE DEALT WITH PROMPTLY.—The Secretary shall—

''(1) issue, modify, renew, or grant party status to a special permit or approval for which a request was filed under this section, or deny the issuance, modification, renewal, or grant, on or before the last day of the 180-day period beginning on the first day of the month following the date of the filing of the request; or

''(2) publish a statement in the Federal Register that—

''(A) describes the reason for the delay of the Secretary's decision on the special permit or approval; and

''(B) includes an estimate of the additional time necessary before the decision is made.

''(e) EMERGENCY PROCESSING OF SPECIAL PERMITS.—

''(1) FINDINGS REQUIRED.—The Secretary may not grant a request for emergency processing of a special permit unless the Secretary determines that—

''(A) a special permit is necessary for national security purposes;

''(B) processing on a routine basis under this section would result in significant injury to persons or property; or

''(C) a special permit is necessary to prevent significant economic loss or damage to the environment that could not be prevented if the application were processed on a routine basis.

''(2) WAIVER OF FITNESS TEST.—The Secretary may waive the requirement under subsection (a)(2) for a request for which the Secretary makes a determination under subparagraph (A) or (B) of paragraph (1).

''(3) NOTIFICATION.—Not later than 90 days after the date of issuance of a special permit under this subsection, the Secretary shall publish a notice in the Federal Register of the issuance that includes—

''(A) a statement of the basis for the finding of emergency; and

''(B) the scope and duration of the special permit.

''(4) EFFECTIVE PERIOD.—A special permit issued under this subsection shall be effective for a period not to exceed 180 days.

''(f) EXCLUSIONS.—

''(1) IN GENERAL.—The Secretary shall exclude, in any part, from this chapter and regulations prescribed under this chapter—

''(A) a public vessel (as defined in section 2101 of title 46);

''(B) a vessel exempted under section 3702 of title 46 or from chapter 37 of title 46; and

''(C) a vessel to the extent it is regulated under the Ports and Waterways Safety Act of 1972 (33 U.S.C. 1221, et seq.).

''(2) FIREARMS.—This chapter and regulations prescribed under this chapter do not prohibit—

''(A) or regulate transportation of a firearm (as defined in section 232 of title 18), or ammunition for a firearm, by an individual for personal use; or

''(B) transportation of a firearm or ammunition in commerce.

''(g) LIMITATION ON AUTHORITY.—Unless the Secretary decides that an emergency exists, a person subject to this chapter may only be granted a variance from this chapter through a special permit or renewal granted under this section.

''(h) APPROVALS.—

''(1) FINDINGS REQUIRED.—

''(A) IN GENERAL.—The Secretary may not issue an approval or grant the renewal of an approval pursuant to part 107 of title 49, Code of Federal Regulations until the Secretary has determined that the person is fit, willing, and able to conduct the activity authorized by the approval in a manner that achieves the level of safety required under subsection (a)(1).

''(B) CONSIDERATIONS.—In making a determination under subparagraph (A), the Secretary shall consider—

''(i) the person's safety history (including prior compliance history);

''(ii) the person's accident and incident history; and

''(iii) any other information the Secretary considers appropriate to make such a determination.

''(2) REQUIRED DOCUMENTATION.—When applying for an approval or renewal or modification of an approval under this section, the Secretary shall require the person to submit an application that contains—

''(A) a detailed description of the person's request;

''(B) a listing of the persons current facilities and addresses where the approval will be utilized;

''(C) a safety analysis prescribed by the Secretary that justifies the approval;

''(D) documentation to support the safety analysis;

''(E) a certification of safety fitness; and

''(F) the verification of registration required under section 5108.

''(3) SAVINGS PROVISION.—Nothing in this subsection may be construed to require the release of information protected by law from public disclosure.

''(i) NONCOMPLIANCE.—The Secretary may modify, suspend, or terminate a special permit or approval if the Secretary determines that—

''(1) the person who was granted the special permit or approval has violated the special permit or approval or the regulations issued under this chapter in a manner that demonstrates that the person is not fit to conduct the activity authorized by the special permit or approval; or

''(2) the special permit or approval is unsafe.

''(j) RULEMAKING.—Not later than 2 years after the date of the enactment of the Hazardous Materials Transportation Safety Improvement Act of 2012, the Secretary, after providing notice and an opportunity for public comment, shall issue regulations that establish—

''(1) standard operating procedures to support administration of the special permit and approval programs; and

''(2) objective criteria to support the evaluation of special permit and approval applications.

''(k) ANNUAL REVIEW OF CERTAIN SPECIAL PERMITS.—

''(1) REVIEW.—The Secretary shall conduct an annual review and analysis of special permits—

''(A) to identify consistently used and longstanding special permits with an established safety record; and

''(B) to determine whether such permits may be converted into the hazardous materials regulations.

''(2) FACTORS.—In conducting the review and analysis under paragraph (1), the Secretary may consider—

''(A) the safety record for hazardous materials transported under the special permit;

''(B) the application of a special permit;

''(C) the suitability of provisions in the special permit for incorporation into the hazardous materials regulations; and

''(D) rulemaking activity in related areas.

''(3) RULEMAKING.—After completing the review and analysis under paragraph (1) and providing notice and opportunity for public comment, the Secretary shall issue regulations, as needed.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 51 is amended by striking the item relating to section 5117 and inserting the following:

''5117. Special permits, approvals, and exclusions.''.

**SEC. 34014. HIGHWAY ROUTING DISCLOSURES.**

(a) LIST OF ROUTE DESIGNATIONS.—Section 5112(c) is amended—

(1) by striking ''In coordination'' and inserting the following:

''(1) IN GENERAL.—In coordination''; and

(2) by adding at the end the following:

''(2) STATE RESPONSIBILITIES.—

''(A) IN GENERAL.—Each State shall submit to the Secretary, in a form and manner to be determined by the Secretary and in accordance with subparagraph (B)—

''(i) the name of the State agency responsible for hazardous material highway route designations; and

''(ii) a list of the State's currently effective hazardous material highway route designations.

''(B) FREQUENCY.—Each State shall submit the information described in subparagraph (A)(ii)—

''(i) at least once every 2 years; and

''(ii) not later than 60 days after a hazardous material highway route designation is established, amended, or discontinued.''.

(b) COMPLIANCE WITH SECTION 5112.—Section 5125(c)(1) is amended by inserting '', and is published in the Department's hazardous materials route registry under section 5112(c)'' before the period at the end.

**SEC. 34015. AUTHORIZATION OF APPROPRIATIONS.**

Section 5128 is amended to read as follows:

**"§ 5128. Authorization of appropriations**

''(a) IN GENERAL.—There are authorized to be appropriated to the Secretary to carry out this chapter (except sections 5107(e), 5108(g)(2), 5113, 5115, 5116, and 5119)—

''(1) $42,338,000 for fiscal year 2012; and

''(2) $42,762,000 for fiscal year 2013.

''(b) HAZARDOUS MATERIALS EMERGENCY PREPAREDNESS FUND.—From the Hazardous Materials Emergency Preparedness Fund established under section 5116(i), the Secretary may expend, during each of fiscal years 2012 and 2013—

''(1) $188,000 to carry out section 5115;

''(2) $21,800,000 to carry out subsections (a) and (b) of section 5116, of which not less than $13,650,000 shall be available to carry out section 5116(b);

''(3) $150,000 to carry out section 5116(f);

''(4) $625,000 to publish and distribute the Emergency Response Guidebook under section 5116(i)(3); and

''(5) $1,000,000 to carry out section 5116(j).

''(c) HAZARDOUS MATERIALS TRAINING GRANTS.—From the Hazardous Materials Emergency Preparedness Fund established pursuant to section 5116(i), the Secretary may expend $4,000,000 for each of the fiscal years 2012 and 2013 to carry out section 5107(e).

''(d) CREDITS TO APPROPRIATIONS.—

''(1) EXPENSES.—In addition to amounts otherwise made available to carry out this chapter, the Secretary may credit amounts 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.

''(2) AVAILABILITY OF AMOUNTS.—Amounts made available under this section shall remain available until expended.''.

**TITLE V—RESEARCH AND INNOVATIVE TECHNOLOGY ADMINISTRATION REAUTHORIZATION ACT OF 2012**

**SEC. 35001. SHORT TITLE.**

This title may be cited as the ''Research and Innovative Technology Administration Reauthorization Act of 2012''.

**SEC. 35002. NATIONAL COOPERATIVE FREIGHT RESEARCH PROGRAM.**

Section 509(d) of title 23, United States Code, is amended by adding at the end the following:

''(6) COORDINATION OF COOPERATIVE RESEARCH.—The National Academy of Sciences shall coordinate research agendas, research project selections, and competitions across all transportation-related cooperative research programs conducted by the National Academy of Sciences to ensure program efficiency, effectiveness, and sharing of research findings.''.

**SEC. 35003. BUREAU OF TRANSPORTATION STATISTICS.**

(a) IN GENERAL.—Subtitle III of title 49, United States Code, is amended by adding at the end the following:

**"CHAPTER 63—BUREAU OF TRANSPORTATION STATISTICS**

''SUBCHAPTER I—BUREAU OF TRANSPORTATION STATISTICS

''Sec.
''6301. Establishment.
''6302. Director.
''6303. Responsibilities.
''6304. National Transportation Library.
''6305. Advisory Council on Transportation Statistics.
''6306. Transportation statistical collection, analysis, and dissemination.
''6307. Furnishing information, data, or reports by Federal agencies.
''6308. Prohibition on certain disclosures.
''6309. Data access.
''6310. Proceeds of data product sales.
''6311. Information collection.
''6312. National transportation atlas database.
''6313. Limitations on statutory construction.
''6314. Research and development grants.
''6315. Transportation statistics annual report.
''6316. Mandatory response authority for data collections.

''SUBCHAPTER I—BUREAU OF TRANSPORTATION STATISTICS

**"§ 6301. Establishment**

''There is established, in the Research and Innovative Technology Administration, a Bureau of Transportation Statistics (referred to in this subchapter as the 'Bureau').

**"§ 6302. Director**

''(a) APPOINTMENT.—The Bureau shall be headed by a Director, who shall be appointed in the competitive service by the Secretary of Transportation.

''(b) 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.

**"§ 6303. Responsibilities**

''(a) DUTIES OF THE DIRECTOR.—The Director, who shall serve as the Secretary of Transportation's senior advisor on data and statistics, shall be responsible for carrying out the following duties:

''(1) Ensuring that the statistics compiled under paragraph (6) 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) Establishing a program, on behalf of the Secretary—

''(A) to effectively integrate safety data across modes; and

''(B) to address gaps in existing safety data programs of the Department of Transportation.

''(3) Working with the operating administrations of the Department of Transportation—

''(A) to establish and implement the Bureau's data programs; and

''(B) to improve the coordination of information collection efforts with other Federal agencies.

''(4) Continually improving surveys and data collection methods to improve the accuracy and utility of transportation statistics.

''(5) 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.

''(6) Collecting, compiling, analyzing, and publishing a comprehensive set of transportation statistics on the performance and impacts of the national transportation system, including statistics on—

''(A) transportation safety across all modes and intermodally;

''(B) the state of good repair of United States transportation infrastructure.

''(C) the extent, connectivity, and condition of the transportation system, building on the national transportation atlas database developed under section 6312;

''(D) economic efficiency throughout the entire transportation sector;

''(E) the effects of the transportation system on global and domestic economic competitiveness;

''(F) demographic, economic, and other variables influencing travel behavior, including choice of transportation mode and goods movement;

''(G) transportation-related variables that influence the domestic economy and global competitiveness;

''(H) the economic costs and impacts for passenger travel and freight movement;

''(I) intermodal and multimodal passenger movement;

''(J) intermodal and multimodal freight movement; and

''(K) the consequences of transportation for the human and natural environment, sustainable transportation, and livable communities.

''(7) Building and disseminating the transportation layer of the National Spatial Data Infrastructure developed under Executive Order 12906, including—

''(A) coordinating the development of transportation geospatial data standards;

''(B) compiling intermodal geospatial data; and

''(C) collecting geospatial data that is not being collected by others.

''(8) Issuing guidelines for the collection of information by the Department of Transportation that is required for transportation statistics, modeling, economic assessment, and program assessment in order to ensure that such information is accurate, reliable, relevant, uniform and in a form that permits systematic analysis by the Department.

''(9) Reviewing and reporting to the Secretary of Transportation on the sources and reliability of—

''(A) the statistics proposed by the heads of the operating administrations of the Department of Transportation to measure outputs and outcomes, as required by the Government Performance and Results Act of 1993 (Public Law 103 62; 107 Stat. 285); and

''(B) other data collected or statistical information published by the heads of the operating administrations of the Department.

''(10) Making the statistics published under this subsection readily accessible to the public, consistent with applicable security constraints and confidentiality interests.

''(b) ACCESS TO FEDERAL DATA.—In carrying out subsection (a)(2), the Director shall be provided access to—

''(1) all safety data held by any agency of the Department; and

''(2) all safety data held by any other Federal Government agency that is germane to carrying out subsection (a), upon written request and subject to any statutory or regulatory restrictions.

''(c) INTERMODAL TRANSPORTATION DATABASE.—

''(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 database for all modes of transportation.

''(2) USE OF DATABASE.—The database established under this subsection shall be suitable for analyses carried out by the Federal Government, the States, and metropolitan planning organizations.

''(3) CONTENTS.—The database established under this section shall include—

''(A) information on the volumes and patterns of movement, including local, interregional, and international movement—

''(i) of goods by all modes of transportation and intermodal combinations, and by relevant classification; and

''(ii) of people by all modes of transportation (including bicycle and pedestrian

modes) and intermodal combinations, and by relevant classification;

''(B) information on the location and connectivity of transportation facilities and services; and

''(C) a national accounting of expenditures and capital stocks on each mode of transportation and intermodal combination.

**''§ 6304. National Transportation Library**

''(a) PURPOSE AND ESTABLISHMENT.—There is established, in the Bureau, a National Transportation Library (referred to in this section as the 'Library'), which shall—

''(1) support the information management and decisionmaking needs of transportation at Federal, State, and local levels;

''(2) be headed by an individual who is highly qualified in library and information science;

''(3) acquire, preserve, and manage transportation information and information products and services for use of the Department of Transportation, other Federal agencies, and the general public;

''(4) provide reference and research assistance;

''(5) serve as a central depository for research results and technical publications of the Department of Transportation;

''(6) provide a central clearinghouse for transportation data and information in the Federal Government;

''(7) serve as coordinator and policy lead for transportation information access;

''(8) provide transportation information and information products and services to the Department of Transportation, other agencies of the Federal Government, public and private organizations, and individuals, within the United States and internationally;

''(9) coordinate efforts among, and cooperate with, transportation libraries, information providers, and technical assistance centers, in conjunction with private industry and other transportation library and information centers, toward the development of a comprehensive transportation information and knowledge network supporting activities described in subparagraphs (A) through (K) of section 6303(a)(6); and

''(10) engage in such other activities as the Director determines appropriate and as the Library's resources permit.

''(b) ACCESS.—The Director shall publicize, facilitate, and promote access to the information products and services described in subsection (a) to improve—

''(1) the ability of the transportation community to share information; and

''(2) the ability of the Director to make statistics and other information readily accessible under section 6303(a)(10).

''(c) AGREEMENTS.—

''(1) IN GENERAL.—The Director may enter into agreements with, award grants to, and receive funds from any State and other political subdivision, organization, business, or individual for the purpose of conducting activities under this section.

''(2) CONTRACTS, GRANTS, AND AGREEMENTS.—The Library may initiate and support specific information and data management, access, and exchange activities in connection with matters relating to Department of Transportation's strategic goals, knowledge networking, and national and international cooperation by entering into contracts or awarding grants for the conduct of such activities.

''(3) FUNDS.—Amounts received under this subsection for payments for library products and services or other activities shall—

''(A) be deposited in the Research and Innovative Technology Administration's general fund account; and

''(B) remain available to the Library until expended.

**''§ 6305. Advisory Council on Transportation Statistics**

''(a) IN GENERAL.—The Director shall maintain an Advisory Council on Transportation Statistics (referred to in this section as the 'Advisory Council').

''(b) FUNCTION.—The Advisory Council shall advise the Director on—

''(1) the quality, reliability, consistency, objectivity, and relevance of transportation statistics and analyses collected, supported, or disseminated by the Bureau and the Department of Transportation; and

''(2) methods to encourage cooperation and interoperability of transportation data collected by the Bureau, the operating administrations of the Department, States, local governments, metropolitan planning organizations, and private sector entities.

''(c) MEMBERSHIP.—

''(1) IN GENERAL.—The Advisory Council shall be composed of not fewer than 9 members and not more than 11 members, who shall be appointed by the Director.

''(2) SELECTION.—In selecting members for the Advisory Council, the Director shall appoint individuals who—

''(A) are not officers or employees of the United States;

''(B) possess expertise in—

''(i) transportation data collection, analysis, or application;

''(ii) economics; or

''(iii) transportation safety; and

''(C) represent a cross section of transportation stakeholders, to the greatest extent possible.

''(3) TERMS OF APPOINTMENT.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), members of the Advisory Council—

''(i) shall be appointed to staggered terms not to exceed 3 years; and

''(ii) may be renominated for 1 additional 3-year term.

''(B) CURRENT MEMBERS.—Members serving on the Advisory Council as of the date of the enactment of the Research and Innovative Technology Administration Reauthorization Act of 2012 shall serve until the end of their appointed terms.

''(d) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (except for section 14 of such Act) shall apply to the Advisory Council.

**''§ 6306. Transportation statistical collection, analysis, and dissemination**

''To ensure that all transportation statistical collection, analysis, and dissemination is carried out in a coordinated manner, the Director may—

''(1) utilize, with their consent, the services, equipment, records, personnel, information, and facilities of other Federal, State, local, and private agencies and instrumentalities with or without reimbursement for such utilization;

''(2) enter into agreements with agencies and instrumentalities referred to in paragraph (1) for purposes of data collection and analysis;

''(3) confer and cooperate with foreign governments, international organizations, States, municipalities, and other local agencies;

''(4) request such information, data, and reports from any Federal agency as may be required to carry out the purposes of this section;

''(5) encourage replication, coordination, and sharing among transportation agencies regarding information systems, information policy, and data; and

''(6) confer and cooperate with Federal statistical agencies as needed to carry out the purposes of this section, including by entering into cooperative data sharing agreements in conformity with all laws and regulations applicable to the disclosure and use of data.

**''§ 6307. Furnishing information, data, or reports by Federal agencies**

''Federal agencies requested to furnish information, data, or reports under section 6303(b) shall provide such information to the Bureau as is required to carry out the purposes of this section.

**''§ 6308. Prohibition on certain disclosures**

''(a) IN GENERAL.—An officer, employee, or contractor of the Bureau may not—

''(1) make any disclosure in which the data provided by an individual or organization under section 6303 can be identified;

''(2) use the information provided under section 6303 for a nonstatistical purpose; or

''(3) permit anyone other than an individual authorized by the Director to examine any individual report provided under section 6303.

''(b) COPIES OF REPORTS.—

''(1) IN GENERAL.—A department, bureau, agency, officer, or employee of the United States (except the Director in carrying out this section) may not require, for any reason, a copy of any report that has been filed under section 6303 with the Bureau or retained by an individual respondent.

''(2) LIMITATION ON JUDICIAL PROCEEDINGS.—A copy of a report described in paragraph (1) that has been retained by an individual respondent or filed with the Bureau or any of its employees, contractors, or agents—

''(A) shall be immune from legal process; and

''(B) may 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 proceedings.

''(3) APPLICABILITY.—This subsection shall only apply to reports that permit information concerning an individual or organization to be reasonably determined by direct or indirect means.

''(c) INFORMING RESPONDENT OF USE OF DATA.—If the Bureau is authorized by statute to collect data or information for a nonstatistical purpose, the Director shall clearly distinguish the collection of such data or information, by rule and on the collection instrument, to inform a respondent who is requested or required to supply the data or information of the nonstatistical purpose.

**''§ 6309. Data access**

''The Director shall be provided access to transportation and transportation-related information in the possession of any Federal agency, except—

''(1) information that is expressly prohibited by law from being disclosed to another Federal agency; or

''(2) information that the agency possessing the information determines could not be disclosed without significantly impairing the discharge of authorities and responsibilities which have been delegated to, or vested by law, in such agency.

**''§ 6310. Proceeds of data product sales**

''Notwithstanding section 3302 of title 31, amounts 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 such expenses.

**''§ 6311. Information collection**

''As the head of an independent Federal statistical agency, the Director may consult directly with the Office of Management and Budget concerning any survey, questionnaire, or interview that the Director considers necessary to carry out the statistical responsibilities under this subchapter.

**"§ 6312. National transportation atlas database**

''(a) IN GENERAL.—The Director shall develop and maintain a national transportation atlas database that is comprised of geospatial databases that depict—

''(1) transportation networks;

''(2) flows of people, goods, vehicles, and craft over the networks; and

''(3) social, economic, and environmental conditions that affect, or are affected by, the networks.

''(b) INTERMODAL NETWORK ANALYSIS.—The databases developed under subsection (a) shall be capable of supporting intermodal network analysis.

**"§ 6313. Limitations on statutory construction**

''Nothing in this subchapter may 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 to independently collect and disseminate data.

**"§ 6314. Research and development grants**

''The Secretary may award 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 section 6303 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 coordinate 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 section 6304; and

''(4) development and improvement of methods for sharing geographic data, in support of the database under section 6303 and the National Spatial Data Infrastructure.

**"§ 6315. Transportation statistics annual report**

''The Director shall submit to the President and Congress a transportation statistics annual report, which shall include—

''(1) information on items referred to in section 6303(a)(6);

''(2) documentation of methods used to obtain and ensure the quality of the statistics presented in the report; and

''(3) recommendations for improving transportation statistical information.

**"§ 6316. Mandatory response authority for data collections**

''Any individual who, as the owner, official, agent, person in charge, or assistant to the person in charge of any corporation, company, business, institution, establishment, organization of any nature or the member of a household, neglects or refuses, after requested by the Director or other authorized officer, employee, or contractor of the Bureau, to answer completely and correctly to the best of the individual's knowledge all questions relating to the corporation, company, business, institution, establishment, or other organization or household, or to make available records or statistics in the individual's official custody, contained in a data collection request prepared and submitted under section 6303(a)—

''(1) shall be fined not more than $500, except as provided under paragraph (2); and

''(2) if the individual willfully gives a false answer to such a question, shall be fined not more than $10,000.''.

(b) RULES OF CONSTRUCTION.—In transferring the provisions under section 111 of title 49, United States Code, to chapter 63 of title 49, as added by subsection (a), the following rules of construction shall apply:

(1) For purposes of determining whether 1 provision of law supersedes another based on enactment later in time, a provision under chapter 63 of title 49, United States Code, is deemed to have been enacted on the date of the enactment of the corresponding provision under section 111 of such title.

(2) A reference to a provision under such chapter 65 is deemed to refer to the corresponding provision under such section 111.

(3) A reference to a provision under such section 111, including a reference in a regulation, order, or other law, is deemed to refer to the corresponding provision under such chapter 65.

(4) A regulation, order, or other administrative action authorized by a provision under such section 111 continues to be authorized by the corresponding provision under such chapter 65.

(5) An action taken or an offense committed under a provision of such section 111 is deemed to have been taken or committed under the corresponding provision of such chapter 65.

(c) CONFORMING AMENDMENTS.—

(1) REPEAL.—Chapter 1 of title 49, United States Code, is amended—

(A) by repealing section 111; and

(B) by striking the item relating to section 111 in the chapter analysis.

(2) ANALYSIS OF SUBTITLE III.—The table of chapters for subtitle III of title 49, United States Code, is amended by inserting after the item for chapter 61 the following:

''63. Bureau of Transportation Statistics ..... 6301''.

**SEC. 35004. 5.9 GHZ VEHICLE-TO-VEHICLE AND VEHICLE-TO-INFRASTRUCTURE COMMUNICATIONS SYSTEMS DEPLOYMENT.**

(a) IN GENERAL.—Subchapter I of chapter 55 of title 49, United States Code, is amended by adding at the end the following:

**"§ 5507. GHz vehicle-to-vehicle and vehicle-to-infrastructure communications systems deployment**

''(a) IN GENERAL.—Not later than 3 years after the date of the enactment of this section, the Secretary shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Energy and Commerce of the House of Representatives that—

''(1) defines a recommended implementation path for Dedicated Short Range Communications (DSRC) technology and applications; and

''(2) includes guidance concerning the relationship of the proposed DSRC deployment to Intelligent Transportation System National Architecture and Standards.

''(b) REPORT REVIEW.—The Secretary shall enter into an agreement for the review of the report submitted under subsection (a) by an independent third party with subject matter expertise.''.

(b) CONFORMING AMENDMENT.—The analysis of chapter 55 of title 49, United States Code, is amended by inserting after the item relating to section 5506, the following:

''5507. 5.9 GHz vehicle-to-vehicle and vehicle-to-infrastructure communications systems deployment.''.

**SEC. 35005. ADMINISTRATIVE AUTHORITY.**

Section 112 of title 49, United States Code, is amended by inserting after subsection (e) the following:

''(f) PROGRAM EVALUATION AND OVERSIGHT.—The Administrator is authorized to expend not more than 1.5 percent of the amounts authorized to be appropriated for each of the fiscal years 2012 and 2013, for necessary expenses for administration and operations of the Research and Innovative Technology Administration for the coordination, evaluation, and oversight of the programs administered by the Administration.

''(g) COLLABORATIVE RESEARCH AND DEVELOPMENT.—

''(1) IN GENERAL.—To encourage innovative solutions to multimodal transportation problems and stimulate the deployment of new technology, the Administrator 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, sole proprietorships, and trade associations that are incorporated or established under the laws of any State;

''(B) Federal laboratories; and

''(C) other Federal agencies.

''(2) COOPERATION, GRANTS, CONTRACTS, AND AGREEMENTS.—Notwithstanding any other provision of law, the Administrator may directly initiate contracts, grants, other transactions, and cooperative research and development agreements (as defined in section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a)) 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, universities, associations, and the agents of such entities to conduct joint transportation research and technology efforts.

''(3) FEDERAL SHARE.—

''(A) IN GENERAL.—The Federal share of the cost of activities carried out under a cooperative research and development agreement entered into under this subsection may not exceed 50 percent unless the Secretary approves a greater Federal share due to substantial public interest or benefit.

''(B) NON-FEDERAL SHARE.—All costs directly incurred by the non-Federal partners, including personnel, travel, facility, and hardware 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.).

''(5) WAIVER OF ADVERTISING REQUIREMENTS.—Section 6101 of title 41 shall not apply to a contract, grant, or other agreement entered into under this chapter.''.

**SEC. 35006. PRIZE AUTHORITY.**

(a) IN GENERAL.—Chapter 3 of title 49, United States Code, is amended by inserting before section 336 the following:

**"SEC. 335. PRIZE AUTHORITY.**

''(a) IN GENERAL.—The Secretary of Transportation may carry out a program, in accordance with this section, to competitively award cash prizes to stimulate innovation in basic and applied research, technology development, and prototype demonstration that have the potential for application to the national transportation system.

''(b) TOPICS.—In selecting topics for prize competitions under this section, the Secretary shall—

''(1) consult with a wide variety of Government and nongovernment representatives; and

''(2) give consideration to prize goals that demonstrate innovative approaches and strategies to improve the safety, efficiency, and sustainability of the national transportation system.

''(c) ADVERTISING.—The Secretary shall encourage participation in the prize competitions through extensive advertising.

''(d) REQUIREMENTS AND REGISTRATION.—For each prize competition, the Secretary shall publish a notice on a public website that describes—

''(1) the subject of the competition;

''(2) the eligibility rules for participation in the competition;

''(3) the amount of the prize; and

''(4) the basis on which a winner will be selected.

''(e) ELIGIBILITY.—An individual or entity may not receive a prize under this section unless the individual or entity—

''(1) has registered to participate in the competition pursuant to any rules promulgated by the Secretary under this section;

''(2) has complied with all the requirements under this section;

''(3)(A) in the case of a private entity, is incorporated in, and maintains a primary place of business in, the United States; or

''(B) in the case of an individual, whether participating singly or in a group, is a citizen or permanent resident of the United States; and

''(4) is not a Federal entity or Federal employee acting within the scope of his or her employment.

''(f) LIABILITY.—

''(1) ASSUMPTION OF RISK.—

''(A) IN GENERAL.—A registered participant shall agree to assume any and all risks and waive claims against the Federal Government and its related entities, except in the case of willful misconduct, for any injury, death, damage, or loss of property, revenue, or profits, whether direct, indirect, or consequential, arising from participation in a competition, whether such injury, death, damage, or loss arises through negligence or otherwise.

''(B) RELATED ENTITY.—In this paragraph, the term 'related entity' means a contractor, subcontractor (at any tier), supplier, user, customer, cooperating party, grantee, investigator, or detailee.

''(2) FINANCIAL RESPONSIBILITY.—A participant shall obtain liability insurance or demonstrate financial responsibility, in amounts determined by the Secretary, for claims by—

''(A) a third party for death, bodily injury, or property damage, or loss resulting from an activity carried out in connection with participation in a competition, with the Federal Government named as an additional insured under the registered participant's insurance policy and registered participants agreeing to indemnify the Federal Government against third party claims for damages arising from or related to competition activities; and

''(B) the Federal Government for damage or loss to Government property resulting from such an activity.

''(g) JUDGES.—

''(1) SELECTION.—For each prize competition, the Secretary, either directly or through an agreement under subsection (h), shall assemble a panel of qualified judges to select the winner or winners of the prize competition on the basis described in subsection (d). Judges for each competition shall include individuals from outside the Administration, including the private sector.

''(2) LIMITATIONS.—A judge selected under this subsection may not—

''(A) have personal or financial interests in, or be an employee, officer, director, or agent of, any entity that is a registered participant in a prize competition under this section; or

''(B) have a familial or financial relationship with an individual who is a registered participant.

''(h) ADMINISTERING THE COMPETITION.—The Secretary may enter into an agreement with a private, nonprofit entity to administer the prize competition, subject to the provisions of this section.

''(i) FUNDING.—

''(1) PRIVATE SECTOR FUNDING.—A cash prize under this section may consist of funds appropriated by the Federal Government and funds provided by the private sector. The Secretary may accept funds from other Federal agencies, State and local governments, and metropolitan planning organizations for the cash prizes. The Secretary may not give any special consideration to any private sector entity in return for a donation under this paragraph.

''(2) AVAILABILITY OF FUNDS.—Notwithstanding any other provision of law, amounts appropriated for prize awards under this section—

''(A) shall remain available until expended; and

''(B) may not be transferred, reprogrammed, or expended for other purposes until after the expiration of the 10-year period beginning on the last day of the fiscal year for which the funds were originally appropriated.

''(3) SAVINGS PROVISION.—Nothing in this subsection may be construed to permit the obligation or payment of funds in violation of the Anti-Deficiency Act (31 U.S.C. 1341).

''(4) PRIZE ANNOUNCEMENT.—A prize may not be announced under this section until all the funds needed to pay out the announced amount of the prize have been appropriated or committed in writing by a private source.

''(5) PRIZE INCREASES.—The Secretary may increase the amount of a prize after the initial announcement of the prize under this section if—

''(A) notice of the increase is provided in the same manner as the initial notice of the prize; and

''(B) the funds needed to pay out the announced amount of the increase have been appropriated or committed in writing by a private source.

''(6) CONGRESSIONAL NOTIFICATION.—A prize competition under this section may offer a prize in an amount greater than $1,000,000 only after 30 days have elapsed after written notice has been transmitted to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives.

''(7) AWARD LIMIT.—A prize competition under this section may not result in the award of more than $25,000 in cash prizes without the approval of the Secretary.

''(j) USE OF DEPARTMENT NAME AND INSIGNIA.—A registered participant in a prize competition under this section may use the Department's name, initials, or insignia only after prior review and written approval by the Secretary.

''(k) COMPLIANCE WITH EXISTING LAW.—The Federal Government shall not, by virtue of offering or providing a prize under this section, be responsible for compliance by registered participants in a prize competition with Federal law, including licensing, export control, and non-proliferation laws, and related regulations.''.

(b) CONFORMING AMENDMENT.—The analysis of chapter 3 of title 49, United States Code, is amended by inserting before the item relating to section 336 the following:

''335. Prize authority.''.

**SEC. 35007. TRANSPORTATION RESEARCH AND DEVELOPMENT.**

Section 508(a) of title 23, United States Code, is amended—

(1) in paragraph (1), by striking ''SAFETEA LU'' and inserting ''Research and Innovative Technology Administration Reauthorization Act of 2012''; and

(2) by amending paragraph (2)(A) to read as follows:

''(A) describe the primary purposes of the transportation research and development program, which shall include—

''(i) promoting safety;

''(ii) reducing congestion and improving mobility;

''(iii) promoting security;

''(iv) protecting and enhancing the environment;

''(v) preserving the existing transportation system; and

''(vi) improving transportation infrastructure, in coordination with Department of Transportation strategic goals and planning efforts;''.

**SEC. 35008. USE OF FUNDS FOR INTELLIGENT TRANSPORTATION SYSTEMS ACTIVITIES.**

Section 513 of title 23, United States Code, is amended to read as follows:

**''§ 513. Use of funds for ITS activities**

''(a) IN GENERAL.—The Secretary may use not more than $500,000 of the amounts made available to the Department for each fiscal year to carry out the Intelligent Transportation Systems Program (referred to in this section as 'ITS') on intelligent transportation system outreach, websites, public relations, displays, tours, and brochures.

''(b) PURPOSE.—Amounts authorized for use under subsection (a) are intended to develop, administer, communicate, and promote the use of products of research, technology, and technology transfer programs under this section.

''(c) ITS DEPLOYMENT INCENTIVES.—

''(1) IN GENERAL.—The Secretary may develop and implement incentives to accelerate the deployment of ITS technologies and services within all programs receiving amounts appropriated pursuant to section 35009 of the Research and Innovative Technology Administration Reauthorization Act of 2012.

''(2) COMPREHENSIVE PLAN.—The Secretary shall develop a detailed and comprehensive plan to carry out this subsection that addresses how incentives may be adopted, as appropriate, through the existing deployment activities carried out by surface transportation modal administrations.''.

**SEC. 35009. AUTHORIZATION OF APPROPRIATIONS.**

(a) IN GENERAL.—There are authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account), under the conditions set forth in subsection (b)—

(1) $27,297,000 for fiscal year 2012; and

(2) $27,597,000 for fiscal year 2013.

(b) APPLICABILITY OF TITLE 23, UNITED STATES CODE.—

(1) IN GENERAL.—Except as provided in paragraph (2), amounts appropriated pursuant to 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.

(2) FEDERAL SHARE.—The Federal share of the cost of a project or activity carried out with amounts appropriated pursuant to subsection (a) shall be 50 percent unless another percentage is—

(A) expressly provided under this Act or the amendments made by this Act; or

(B) determined by the Secretary.

(3) AVAILABILITY; TRANSFERABILITY.—Amounts appropriated pursuant to subsection (a) shall remain available until expended and shall not be transferable.

**TITLE VI—NATIONAL RAIL SYSTEM PRESERVATION, EXPANSION, AND DEVELOPMENT ACT OF 2012**

**SEC. 36001. SHORT TITLE.**

This title may be cited as the ''National Rail System Preservation, Expansion, and Development Act of 2012''.

**SEC. 36002. REFERENCES TO 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.

**Subtitle A—Federal and State Roles in Rail Planning and Development Tools**

**SEC. 36101. RAIL PLANS.**

(a) LONG-RANGE NATIONAL RAIL PLAN.—Section 103 is amended by amending subsection (j)(2) to read as follows:

''(2) in coordination with the Secretary of Transportation, develop and routinely update a long-range national rail plan pursuant to chapter 227;''.

(b) NATIONAL RAIL PLAN.—Chapter 227 is amended to read as follows:

**''§ 22701. National Rail Plan**

''(a) IN GENERAL.—The Secretary of Transportation shall—

''(1) not later than 1 year after the date of enactment of the —

''(A) develop a long-range national rail plan—

''(i) in coordination with the Administrator of the Federal Railroad Administration and the Surface Transportation Board; and

''(ii) in consultation with Amtrak, freight railroads, nonprofit employee labor organizations, and other rail industry stakeholders; and

''(B) submit the national rail plan under subparagraph (A) to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives;

''(2) routinely update the national rail plan—

''(A) in coordination with the Administrator of the Federal Railroad Administration and the Surface Transportation Board; and

''(B) in consultation with Amtrak, freight railroads, nonprofit employee labor organizations, and other rail industry stakeholders; and

''(3) submit the updated national rail plan under paragraph (2) at the same time as the President's budget submission.

''(b) NATIONAL RAIL PLAN.—The national rail plan shall—

''(1) be subject to refinement by regional and State rail plans;

''(2) be consistent with the rail needs of the Nation and Federal surface transportation or multi-modal policies and plans, as determined by the Secretary;

''(3) promote an integrated, cohesive, safe, efficient, and optimized national rail system for the movement of goods and people and to support the national economy and other national needs; and

''(4) contain a specific national intercity passenger rail development plan and a freight rail plan that are consistent with other Federal strategy, planning, and investment efforts.

''(c) OBJECTIVES.—The objectives of the national rail plan are—

''(1) to implement a national policy and strategy to support, preserve, improve, and further develop existing and future high-speed and intercity passenger rail transportation and freight rail transportation; and

''(2) to provide a national framework to be refined and implemented by regional rail plans under section 22702 and State rail plans under 22703.

''(d) CONTENTS.—The national rail plan shall include—

''(1) the conditions under which Federal investments in intercity passenger rail and freight rail are justified, including consideration of—

''(A) population size and density;

''(B) projected population and economic growth and changing demographic characteristics;

''(C) connections to local rail and bus transit, alternative transportation options, and multi-modal freight transportation nodes;

''(D) economic profile of specific markets;

''(E) congestion on existing transportation facilities and constraints on future capacity enhancements, in relation to efficient movement of both goods and people;

''(F) distances between markets;

''(G) geographic characteristics;

''(H) demand for present and future freight rail transportation services;

''(I) ability to serve underserved communities and enhance intra-and inter-regional connectivity of mega-regions;

''(J) transportation safety data and analyses;

''(K) travel market size; and

''(L) availability and quality of service from other transportation modes within a market;

''(2) a national map with a prioritized designation of existing and developing markets to be served by specific rail routes and services that meet the criteria described in paragraph (1);

''(3) defined corridor and service categories, including—

''(A) services to be offered;

''(B) peak or average speeds to be achieved;

''(C) frequencies to be offered; and

''(D) populations to be served;

''(4) a schedule and strategy for the phased implementation of corridors and services identified in the plan;

''(5) a discussion of benefits and costs of potential investments in high-speed or intercity passenger rail or freight rail that considers all system user and public benefits and costs from a network perspective, including factors such as potential ridership, travel time reductions and improved reliability, benefits of enhanced mobility of goods and people, environmental benefits, economic development benefits, and other public benefits;

''(6) a strategy for investments in passenger stations, including investment in intermodal stations that are linked to local public transportation, other intercity transportation modes, and non-motorized transportation options, and that connect residential areas, commercial areas, and other nearby transportation facilities that support intercity passenger rail and high-speed rail service, and in freight-related facilities, that is consistent with other Federal strategy, planning, and investment efforts;

''(7) performance standards for fiscal and operational performance of new and enhanced high-speed and intercity passenger rail services;

''(8) analysis of the environmental impacts of the national rail plan;

''(9) recommendations for project financing, management and implementation for corridor development, station development, freight capacity development, and similar projects;

''(10) recommendations for the integration of freight and passenger service in a manner that provides for mutual and complementary growth;

''(11) a plan for integrating any proposed new services with existing services;

''(12) service design and project execution protocols, including design and construction standards, requirements needed to ensure interoperability, and any other protocols the Secretary deems appropriate; and

''(13) additional factors that the Secretary deems relevant.

**''§ 22702. Regional rail plans**

''(a) IN GENERAL.—The Secretary shall—

''(1) develop a regional rail plan for each region, except the Northeast Corridor, that contains a detailed plan for implementing the national rail plan, including any plans for public investment in projects that contribute to efficient movement and increased capacity for freight by—

''(A) regional rail authorities, as defined by the Secretary; or

''(B) any 2 or more States that have entered into interstate compacts, agreements, or organizations for the purpose of developing such plans; and

''(2) in developing each regional rail plan, coordinate with—

''(A) States;

''(B) local communities;

''(C) railroad infrastructure owners;

''(D) regional air quality planning agencies;

''(E) Amtrak;

''(F) passenger rail service operators;

''(G) freight railroad operators;

''(H) metropolitan planning organizations;

''(I) governing authorities for transit systems or airports;

''(J) tribal governments;

''(K) the general public, including low-income and minority populations, people with disabilities, and older Americans; and

''(L) non-profit labor employee organizations.

''(b) PURPOSES.—The purposes of a regional rail plan shall be to refine and advance the implementation of the national rail plan under section 22701.

''(c) CONTENTS.—A regional rail plan shall include—

''(1) a map—

''(A) that indicates detailed alignment alternatives for any new corridor identified in the national rail plan under section 22701; and

''(B) that identifies the location of each potential new station;

''(2) a phasing plan for developing or upgrading specific segments of the regional network;

''(3) the identification of any environmental impact analyses required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) or other laws (including regulations);

''(4) a full capital cost estimate for developing the regional network;

''(5) an analysis of operating financial forecasts;

''(6) a benefit-cost analysis for the regional network that considers both user and public benefits and the costs from a network perspective, including factors such as ridership projections, travel time reductions, enhanced mobility benefits, environmental benefits, economic benefits, and other public benefits;

''(7) an analysis of potential land use policies and strategies for areas near high-speed and intercity passenger rail stations;

''(8) potential non-Federal funding sources, including a detailed consideration of anticipated private sector participation;

''(9) a proposal for the institutional and governance structures that will be necessary to develop the regional network;

''(10) other project implementation considerations, including an analysis of the readiness of specific corridors to proceed for development;

''(11) an examination of multi-modal connections that considers the most cost-effective means for achieving the region's transportation goals and objectives;

''(12) identification of plans for cost-effective, public investment in intercity passenger rail projects that contribute toward the efficient movement and increased capacity for freight rail operations;

''(13) a list of capital projects needed to implement a region's portion of the national rail plan;

''(14) a plan for coordinating service and capital projects with adjacent regions;

''(15) a plan for crossing international borders, as appropriate;

''(16) a plan for integrating any proposed new services with existing service; and

''(17) a description of how the regional rail plan refines and advances the implementation of the national rail plan.

''(d) UPDATES.—Not later than 1 year after the publication of the national rail plan under section 22701 and periodically thereafter, the Secretary shall update each regional rail plan—

''(1) to reflect any material changes to the contents under subsection (c); and

''(2) to include any changes made to the national rail plan under section 22701.

''(e) WAIVER.—The Secretary may waive a content requirement under subsection (c) as necessary to accommodate a unique characteristic or situation in a region.

**''§ 22703. State rail plans**

''(a) IN GENERAL.—A State may prepare and maintain a State rail plan. A State rail plan shall—

''(1) be consistent with the national rail plan under section 22701;

''(2) be consistent with the regional rail plans under section 22702;

''(3) coordinate with other State transportation planning goals and programs, including the statewide transportation plans under section 135 of title 23, and

''(4) set forth rail transportation's role within the State's transportation system.

''(b) PURPOSES.—The purposes of a State rail plan shall be to refine and advance the implementation of the national rail plan and relevant regional rail plan under sections 22701 and 22702.

''(c) OBJECTIVES.—The objectives of a State rail plan shall be—

''(1) to set forth the State's policy on freight and intercity passenger rail transportation, including commuter rail operations, within the State;

''(2) to establish the time period covered by the State rail plan;

''(3) to present the priorities and strategies to enhance rail service within the State that benefits the public; and

''(4) to serve as the basis for Federal and State rail investments within the State.

''(d) REQUIREMENTS.—

''(1) ESTABLISHMENT.—The Secretary shall establish minimum requirements, consistent with sections 22701 and 22702, for the preparation and periodic revision of a State rail plan, including—

''(A) the establishment or designation of a State rail transportation authority to prepare, maintain, coordinate, and administer the State rail plan;

''(B) the establishment or designation of a State approval authority to approve the State rail plan;

''(C) the submission of the State's approved State rail plan to the Secretary for review and approval; and

''(D) the revision and resubmittal of a State-approved State rail plan for review and approval by the Secretary not less than once every 5 years.

''(2) REVIEW.—The Secretary shall prescribe procedures for a State to submit a State rail plan for review and approval, including standardized format and data requirements.

''(3) COMPLIANCE.—The Secretary shall deem a State rail plan to be in compliance with this chapter if the State rail plan—

''(A) is completed before the date of enactment of the ; and

''(B) substantially meets the requirements of chapter 227 as in effect on the day before the date of enactment of .

''(4) UPDATES.—A State rail plan that is deemed in compliance under paragraph (3) shall be updated not later than 1 year after the date of enactment of the .

''(e) CONTENTS.—A State rail plan shall include—

''(1) an inventory of the existing overall rail transportation system and rail services and facilities within the State;

''(2) an analysis of the role of rail transportation within the State's surface transportation system;

''(3) a review of all rail lines within the State, including any proposed high-speed rail corridors and significant rail line segments not currently in service;

''(4) a statement of the State's passenger rail service objectives, including minimum service levels, for rail transportation routes within the State;

''(5) a general analysis of rail's transportation, economic, and environmental impacts within the State, including congestion mitigation, trade and economic development, air quality, land-use, energy-use, and community impacts;

''(6) a long-range rail service and investment program for current and future freight and intercity passenger infrastructure within the State that meets the requirements under subsection (f);

''(7) a statement of the public financing issues for rail projects or service within the State, including a list of current and prospective public capital and operating funding resources, public subsidies, State taxation, and other financial policies relating to rail infrastructure development;

''(8) the identification of rail infrastructure issues within the State, after consulting with relevant stakeholders;

''(9) a review of major passenger and freight intermodal rail connections and facilities within the State, including seaports;

''(10) a list of prioritized options to maximize service integration and efficiency between rail and other modes of transportation within the State;

''(11) a review of publicly funded projects within the State to improve rail transportation safety and security, including major projects funded under section 130 of title 23;

''(12) a performance evaluation of passenger rail services operating in the State, including possible improvements to those services and a description of strategies to achieve the improvements;

''(13) a compilation of studies and reports on high-speed rail corridor development within the State that were not included in a prior plan under this chapter;

''(14) a plan for funding any recommended development of a high-speed rail corridor within the State; and

''(15) a statement that the State is in compliance with the requirements of section 22102.

''(f) LONG-RANGE RAIL SERVICE AND INVESTMENT PROGRAM.—

''(1) CONTENTS.—A long-range rail service and investment program under subsection (e)(6) shall include—

''(A) a prioritized list of any freight or intercity passenger rail capital projects expected to be commenced or supported in whole or in part by the State; and

''(B) a detailed capital and operating funding plan for each rail capital project under subparagraph (A).

''(2) RAIL CAPITAL PROJECTS LIST.—

''(A) CONTENTS.—A list of rail capital projects under paragraph (1)(A) shall include—

''(i) a description of the anticipated public and private benefits of each rail capital project; and

''(ii) a statement of the correlation between—

''(I) public funding contributions for each rail capital project; and

''(II) the public benefits.

''(B) CONSIDERATIONS.—A State rail transportation authority shall consider, when preparing a list of rail capital projects under this subsection—

''(i) contributions made by non-Federal and non-State sources through user fees, matching funds, or other private capital involvement;

''(ii) rail capacity and congestion effects;

''(iii) effects on highway, aviation, and maritime capacity, congestion, and safety;

''(iv) regional balance;

''(v) environmental impact;

''(vi) economic and employment impacts; and

''(vii) projected ridership and other service measures for passenger rail projects.

''(g) A State shall not be eligible to receive financial assistance under chapter 244 or 261 unless the State completes a State rail plan pursuant to this section.

**''§ 22704. Transparency and coordination**

''(a) PREPARATION AND REVIEW.—

''(1) FEDERAL TRANSPARENCY.—The Secretary of Transportation shall provide adequate and reasonable notice and an opportunity for comment to the public, rail carriers, commuter and transit authorities (operating in or affected by rail operations within the region or State), units of local government, and other interested parties when the Secretary prepares or reviews the national rail plan under section 22701 or a regional rail plan under section 22702.

''(2) STATE TRANSPARENCY.—A State shall provide adequate and reasonable notice and an opportunity for comment to the public, rail carriers, commuter and transit authorities (operating in or affected by rail operations within the region or the State), units of local government, and other interested parties, when the State prepares or reviews a State rail plan under section 22703.

''(b) INTERGOVERNMENTAL COORDINATION.—A State shall—

''(1) review the freight and passenger rail service activities and initiatives by regional planning agencies, regional transportation authorities, and municipalities (within the State or within the region in which the State is located) when preparing a State rail plan; and

''(2) include any recommendations made by the regional planning agencies, regional transportation authorities, and municipalities (within the State or within the region in which the State is located), as deemed appropriate by the State.

**''§ 22705. Definitions**

''In this chapter:

''(1) PRIVATE BENEFIT.—The term 'private benefit' means a benefit—

''(A) that is determined on a project-by-project basis, based upon an agreement between the parties;

''(B) that is accrued to a person or private entity, other than Amtrak, that directly improves the economic and competitive condition of the person or private entity through improved assets, cost reductions, service improvements, or other means as defined by the Secretary; or

''(C) that is defined by the Secretary, with advice from the States and rail carriers if the Secretary deems such advice necessary.

''(2) PUBLIC BENEFIT.—The term 'public benefit' means a benefit—

''(A) that is determined on a project-by-project basis, based upon an agreement between the parties;

''(B) that is accrued to the public, including Amtrak, in the form of enhanced mobility of people or goods, environmental protection or enhancement, congestion mitigation, enhanced trade and economic development, improved air quality or land use, more efficient energy use, enhanced public safety or security, reduction of public expenditures due to improved transportation efficiency or infrastructure preservation, and any other positive community effects as defined by the Secretary; or

''(C) that is defined by the Secretary, with advice from the States and rail carriers if the Secretary deems such advice necessary.

''(3) STATE.—The term 'State' means any of the 50 States and the District of Columbia.

''(4) STATE RAIL TRANSPORTATION AUTHORITY.—The term 'State rail transportation authority' means the State agency or official responsible under the direction of the Governor of the State or a State law for the preparation, maintenance, coordination, and administration of the State rail plan.''.

**SEC. 36102. IMPROVED DATA ON DELAY.**

Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation, in coordination with Amtrak, freight railroads, and other parties, as appropriate, shall develop guidance for developing improved, including automated, means of measuring on-time performance delays.

**SEC. 36103. DATA AND MODELING.**

(a) DATA.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall conduct a data needs assessment, in consultation with the Surface Transportation Board, Amtrak, freight railroads, and State and local governments, to support the development of an efficient and effective intercity passenger rail network. The data needs assessment shall, among other things—

(1) identify the data needed to conduct cost-effective modeling and analysis for high-speed and intercity passenger rail development programs;

(2) determine limitations to the data used for inputs and develop a strategy to address the limitations;

(3) identify barriers to accessing existing data;

(4) include recommendations regarding whether the authorization of additional data collection for intercity passenger rail travel is warranted; and

(5) determine which entities will be responsible for generating or collecting needed data.

(b) MODELING.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall develop or improve modeling capabilities to support the development of an efficient and effective intercity passenger rail network, including service development, capacity expansion, cost-effectiveness, and ridership estimates.

(c) BENEFIT-COST ANALYSIS.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall enhance the usefulness of assessments of benefits and costs, for both intercity passenger rail and freight rail projects by—

(1) providing ongoing guidance and training on developing benefit and cost information for rail projects;

(2) providing more direct and consistent requirements for assessing benefits and costs across transportation funding programs, including the appropriate use of discount rates;

(3) requiring an applicant to clearly communicate the methodology that is used to calculate the project benefits and costs, including information on assumptions underlying calculations, strengths and limitations of data used, and the level of uncertainty in estimates of project benefits and costs; and

(4) ensuring that an applicant receives clear and consistent guidance on values to apply for key assumptions used to estimate potential project benefits and costs.

(d) CONFIDENTIAL DATA.—For the purposes of this section, the Secretary of Transportation shall protect any confidential data from public disclosure and such confidential data shall only be provided on the basis of a voluntary agreement.

**SEC. 36104. SHARED-USE CORRIDOR STUDY.**

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary shall complete a shared-use corridor study, in consultation with the Surface Transportation Board, Amtrak, freight railroads, States, non-profit employee labor organizations, and other users of the rail system, as appropriate, to evaluate the best means to enhance and support the further development of high-speed and intercity passenger rail service within United States shared-use corridors.

(b) CONTENTS.—In conducting the shared-use corridor study, the Secretary shall—

(1) survey the access arrangements for high-speed and intercity passenger rail service for use of rail infrastructure, assets and facilities owned by freight railroads, commuter authorities, or other entities, and standard processes for the resolution of disputes relating to such access;

(2) evaluate the roles and responsibilities of high-speed and intercity passenger rail, freight rail, and commuter rail service providers and infrastructure owners in complying with Federal, State, and local applicable requirements within United States shared-use corridors;

(3) evaluate the roles and responsibilities of Federal, State, and local governments, infrastructure owners, and high speed and intercity passenger rail, freight rail, and commuter rail service providers in supporting both the preservation and expansion of high-speed and intercity passenger rail service, freight transportation, and commuter transportation on shared infrastructure or rights-of-way;

(4) evaluate the roles and responsibilities of high-speed and intercity passenger rail, freight rail, and commuter rail service providers in achieving satisfactory on time performance for passenger and freight rail services in shared use corridors; and

(5) evaluate other issues identified by the Secretary.

(c) REPORT.—Not later than 90 days after the date the shared-use corridor study is completed under subsection (a), the Secretary shall—

(1) report the results of the shared-use corridor study to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure; and

(2) make the shared-use corridor study available to the public on the Department of Transportation's website.

**SEC. 36105. COOPERATIVE EQUIPMENT POOL.**

(a) IN GENERAL.—The Next Generation Corridor Equipment Pool Committee established under section 305 of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24101 note) shall continue to implement its authorized functions, as appropriate, and shall maintain and update, as needed, the specifications created by the Committee.

(b) EQUIPMENT POOLING ENTITY.—Section 305 of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24101 note), is amended by adding at the end the following:

''(f) EQUIPMENT POOLING ENTITY.—

''(1) ESTABLISHMENT.—Not later than 1 year after the date of enactment of the , the Committee shall create an equipment pooling entity that includes—

''(A) Amtrak;

''(B) States that purchase, with Federal funds, intercity passenger rail rolling stock and equipment that is built in accordance with the specifications created by the Next Generation Corridor Equipment Pool Committee; and

''(C) other States and entities, as appropriate.

''(2) IN GENERAL.—The equipment pooling entity—

''(A) may—

''(i) be a corporation or other cooperative entity; and

''(ii) be owned or jointly-owned by Amtrak, a participating State, or other entity; and

''(B) shall be authorized to—

''(i) lease or acquire intercity passenger rail rolling stock and equipment used in State-supported corridor services on routes that are not more than 750 miles between end points, including by entering into agreements for the funding, financing, procurement, remanufacture, ownership, and disposal of the intercity passenger rail rolling stock and equipment;

''(ii) maintain, manage, and allocate intercity passenger rail rolling stock and equipment for use in State-supported corridor services, including by charging appropriate amounts for the use (including depreciation and financing costs) of the intercity passenger rail rolling stock and equipment; and

''(iii) ensure adequate quantity and quality of appropriate intercity passenger rail rolling stock and equipment to support the State-supported corridor services' needs as identified in the national rail plan, regional rail plans, or State rail plans under chapter 227.

''(3) TRANSFER OF EQUIPMENT.—Amtrak, after consultation with the Secretary, may sell, lease, or otherwise transfer equipment currently owned or leased by Amtrak to the equipment pooling entity. The operation and utilization of any equipment transferred to the equipment pooling entity shall be covered by section 24405(b).

''(4) TRANSFER REQUIREMENT.—A State shall sell, lease, or otherwise transfer equipment built in accordance with the specifications created by the Next Generation Corridor Equipment Pool Committee and purchased with Federal funds to the equipment pooling entity unless the Secretary exempts a State from this requirement.

''(g) GRANT FUNDING.—A capital project to carry out this section shall be eligible for grants under chapter 244. The equipment pooling entity shall be an eligible grant recipient under chapter 244.''.

**SEC. 36106. PROJECT MANAGEMENT OVERSIGHT AND PLANNING.**

Section 101(d) of the Passenger Rail Investment and Improvement Act of 2008 (122 Stat. 4908) is amended—

(1) by striking ''½ of''; and

(2) by inserting ''and joint capital planning'' after ''oversight''.

**SEC. 36107. IMPROVEMENTS TO THE CAPITAL ASSISTANCE PROGRAMS.**

(a) AMENDMENTS TO CHAPTER 244.—Chapter 244 is amended—

(1) in section 24401(1)—

(A) by striking ''or'' the first place it appears; and

(B) by striking ''service.'' and inserting ''service, or Amtrak.'';

(2) by amending section 24402(b) to read as follows:

''(b) PROJECT AS PART OF THE NATIONAL RAIL PLAN, REGIONAL RAIL PLANS, OR STATE RAIL PLANS.—

''(1) GRANT APPROVAL.—The Secretary may not approve a grant for a project under this section unless the Secretary finds that—

''(A) the project is part of the national rail plan, a regional rail plan, or a State rail plan under chapter 227; or

''(B) the project is part of the capital spending plan under section 211 of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24902 note); and

''(C) the applicant or recipient has or will have directly or through appropriate agreements with other entities, as approved by the Secretary—

''(i) the legal, financial, and technical capacity to carry out the project;

''(ii) satisfactory continuing control over the use of the equipment or facilities; and

''(iii) the capability and willingness to maintain the equipment or facilities.

''(2) PROVISION OF INFORMATION.—An applicant or recipient shall provide sufficient information for the Secretary to make the required findings under this subsection.

''(3) JUSTIFICATION.—An applicant or recipient, except for Amtrak, that did not select the proposed operator of its service competitively shall provide written justification to the Secretary substantiating—

''(A) why the proposed operator is the best, taking into account price and other factors; and

''(B) that the use of the proposed operator will not unnecessarily increase the cost of the project.'';

(3) in section 24402(c)—

(A) by amending paragraph (1)(A) to read as follows:

''(1) that the project be part of the national rail plan, a regional rail plan, or a State rail plan under chapter 227, or the capital spending plan under section 211 of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24902 note);'';

(B) in paragraph (1)(D), by inserting '', except for Amtrak,'' after ''an applicant'';

(C) by amending paragraph (1)(F) to read as follows:

''(F) that each project be compatible with and operate in conformance with plans developed pursuant to the requirements of section 135 of title 23, United States Code;'';

(D) in paragraph (2)(C), by striking ''and'';

(E) in paragraph (3)(B)(iii), by striking the period and inserting ''; and''; and

(F) by adding at the end the following:

''(4) achieve the appropriate mix of projects selected for funding to ensure the advancement of the national rail plan, including both the development of new or expanded routes and services and the maintenance and improvement of the current rail system.'';

(4) by amending section 24402(d) to read as follows:

''(d) STATE RAIL PLANS.—State rail plans completed before the date of enactment of the Passenger Rail Investment and Improvement Act of 2008 (122 Stat. 4907) that substantially meet the requirements of chapter 227 as in effect on the day before the date of enactment of the , shall be deemed by the Secretary to have met the requirements of subsection (c)(1)(A) of this section.'';

(5) by amending section 24402(e) to read as follows:

''(e) PROJECT TRANSFERS.—The Secretary may permit a recipient under this section to enter into a cooperative agreement to transfer the grant and related responsibilities and requirements to Amtrak to expedite, enhance, or otherwise facilitate the completion of the project and any such transfer shall be subject to the requirements of this chapter.'';

(6) in the heading of section 24402(f), by striking ''AND EARLY SYSTEMS WORK AGREEMENTS'';

(7) by amending section 24402(f)(1) to read as follows:

''(1) In implementing this section, the Secretary may issue a letter of intent to an applicant announcing an intention to obligate, for a major 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.'';

(8) in section 24402(g) by—

(A) amending paragraph (1)(B) to read as follows:

''(B) A grant—

''(i) for a project designated as part of a priority corridor or service by the national rail plan and scheduled within the national rail plan to be implemented within a time frame consistent with the grant application shall not exceed 80 percent of the project net capital cost;

''(ii) for a project to implement a performance improvement plan under section 24710 shall not exceed 100 percent of the net project capital cost; and

''(iii) for any other project shall not exceed 50 percent of the net project capital cost.'';

and

(B) by adding at the end the following:

''(5) When Amtrak is an applicant under this chapter, it may use ticket and other revenues generated from its operations and other sources to satisfy the non-Federal share requirements under this subsection, except that Amtrak may not use Federal funds authorized under subsections (a) or (c) of section 101 of the Passenger Rail Investment and Improvement Act of 2008 (122 Stat. 4908).'';

(9) in section 24402(h), by striking ''2'' each place it appears and inserting ''3'';

(10) in section 24402(i)(1), by striking ''A metropolitan planning organization, State transportation department, or other project sponsor'' and inserting ''An applicant'';

(11) by amending section 24402(k) to read as follows:

''(k) SMALL CAPITAL PROJECTS.—The Secretary shall make not less than 5 percent annually available from the amounts appropriated under section 24406 beginning in fiscal year 2009 for grants for capital projects eligible under this section not exceeding $10,000,000, including costs eligible under section 209(d) of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24101 note). For grants awarded under this subsection, the Secretary may waive one or more of the requirements of this section, including State rail plan requirements, or of section 24405(c)(1)(B), as appropriate.'';

(12) by amending section 24403(b) to read as follows:

''(b) SECRETARIAL OVERSIGHT AND PARTICIPATION.—

''(1) The Secretary may use not more than 1 percent of amounts made available in a fiscal year for capital projects under this chapter to participate in the planning, management, and oversight of the development and implementation of any such projects.

''(2) The Secretary may use amounts available under paragraph (1) to directly undertake or make contracts for project planning and design participation or safety, procurement, management, and financial compliance reviews and audits of a recipient of grants awarded under this chapter.

''(3) The Federal Government shall pay the entire cost of carrying out a contract under this subsection.''; and

(13) in section 24405 by adding ''or between Amtrak and the railroad'' after ''railroad'' in subsection (c)(1).

(b) CHAPTER 244 GRANT PROCEDURES.—Not later than 180 days after the date of enactment of this Act, the Secretary of Transportation shall issue a final rule establishing grant procedures, as required by section 24402(a) of title 49, United States Code.

(c) AMENDMENTS TO CHAPTER 261.—Chapter 261 is amended—

(1) in section 26106—

(A) by amending subsection (a) to read as follows:

''(a) IN GENERAL.—The Secretary of Transportation shall establish and implement a high-speed rail corridor program consistent with the national rail plan, regional rail plans, and State rail plans required by chapter 227 of title 49, United States Code.'';

(B) by amending subsection (b)(2) to read as follows:

''(2) CORRIDOR.—The term 'corridor' means—

''(A) a corridor designated by the Secretary pursuant to section 104(d)(2) of title 23; or

''(B) a corridor expected to achieve high-speed service pursuant to section 22701 of title 49.'';

(C) in subsection (e)(2)(A)—

(i) in clause (ii), by inserting '', directly or through appropriate agreements with other entities,'' after ''have'';

(ii) in clause (v), by inserting '', except for Amtrak,'' after ''applicant'';

(iii) in clause (vi), by striking ''; and'' and inserting a semicolon;

(iv) in clause (vii)(II), by striking ''(if it is available)''; and

(v) by adding at the end the following:

''(viii) that the project and the high-speed rail services it supports are coordinated and integrated with existing and planned conventional intercity passenger rail services;

''(ix) that the Secretary, and Amtrak at the Secretary's request, are permitted to participate in the planning, design, management, and delivery of the project, as necessary to ensure project success and promote interstate commerce; and

''(x) that the Federal government is accorded an appropriate participation, oversight, ownership, or control in the project commensurate with the level of Federal investment as determined by the Secretary;''; and

(D) in subsection (e)(4), by striking ''pursuant to section 22506 of this title''.

(d) CONGESTION GRANTS.—Section 24105 is amended—

(1) in subsection (a)—

(A) by striking ''in cooperation with States'' and ''high priority rail corridor'';

(B) by striking ''congestion'' and inserting ''freight or commuter railroad congestion that impacts intercity passenger trains, enhance route performance, preserve service,''; and

(C) by striking the period and inserting ''on routes defined under section 24102(5)(C).'';

(2) in subsection (b)—

(A) by inserting ''or the Federal Railroad Administration'' after ''Amtrak'';

(B) by striking ''congestion'' and inserting ''freight or commuter railroad congestion

that impacts intercity passenger trains, enhance route performance, preserve service,'';

(C) by striking ''; and'' and inserting a period; and

(D) by striking paragraph (3);

(3) in subsection (c), by striking ''80'' and inserting ''100''; and

(4) in subsection (d), by inserting '', except that the Secretary may waive the requirements of section 24405(c)(1)(B), as appropriate, for grants totaling less than $10,000,000'' after ''title''.

(e) ADDITIONAL HIGH-SPEED RAIL PROJECTS.—The Passenger Rail Investment and Improvement Act of 2008 (122 Stat. 4907) is amended by striking section 502.

**SEC. 36108. LIABILITY.**

(a) CLARIFICATION OF COMMUTER RAIL LIABILITY.—Section 28103 is amended—

(1) in subsection (a)(2), by inserting, '', including commuter rail passengers,'' after ''rail passengers,'';

(2) by amending subsection (b) to read as follows:

''(b) CONTRACTUAL OBLIGATIONS.—A provider of rail passenger transportation may enter into contracts that allocate financial responsibility for claims. Such contracts shall be enforceable notwithstanding any other provision of law, common law, or public policy, or the nature of the conduct giving rise to the damages or liability.''; and

(3) in subsection (e)—

(A) by striking ''and'' at the end of paragraph (2);

(B) by striking the period at the end of paragraph (3) and inserting ''; and''; and

(C) by adding at the end the following:

''(4) the term 'rail passenger transportation' includes commuter rail transportation.''.

(b) STUDY.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall conduct a study regarding options for clarifying and improving passenger rail liability requirements and arrangements, including those related to environmental liability, necessary for supporting the continued development and improvement of the national passenger rail system and the furtherance of the national rail plan under chapter 227 of title 49, United States Code. The study shall consider—

(A) whether to expand statutory liability limits to third parties; and

(B) whether to revise the current statutory liability limits based on inflation or other methods to improve the certainty of liability coverage.

(2) REPORT.—Not later than 90 days after the date of completion of the study, the Secretary shall submit the results of the study and any associated recommendations to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

**SEC. 36109. DISADVANTAGED BUSINESS ENTERPRISES.**

(a) DEFINITIONS.—In this section:

(1) SECRETARY.—The term ''Secretary'' means the Secretary of Transportation.

(2) SMALL BUSINESS CONCERN.—The term ''small business concern'' has the meaning given the term in section 3 of the Small Business Act (15 U.S.C. 632), except the term does not include any concern or group of concerns that—

(A) are controlled by the same socially and economically disadvantaged individual or individuals; and

(B) have average annual gross receipts over the preceding 3 fiscal years in excess of $22,410,000, as adjusted annually by the Secretary for inflation.

(3) SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS.—

(A) IN GENERAL.—

(i) SOCIALLY DISADVANTAGED INDIVIDUALS.—The term ''socially disadvantaged individuals'' has the meaning given the term in section 8(a)(5)of the Small Business Act (15 U.S.C. 637(a)(5)), and relevant subcontracting regulations issued pursuant to that Act.

(ii) ECONOMICALLY DISADVANTAGED INDIVIDUALS.—The term ''economically disadvantaged individuals'' has the meaning given the term in section 8(a)(6) of the Small Business Act (15 U.S.C. 637(a)(6)), and relevant subcontracting regulations issued pursuant to that Act.

(B) INCLUSIONS.—For purposes of this section, women shall be presumed to be socially and economically disadvantaged individuals.

(b) IN GENERAL.—Except to the extent that the Secretary determines otherwise, not less than 10 percent of the amounts made available for any program under chapter 244, section 24105, or section 26106 of title 49, United States Code, shall be expended through a small business concern owned and controlled by 1 or more socially and economically disadvantaged individuals.

(c) ANNUAL LISTING OF DISADVANTAGED SMALL BUSINESS CONCERNS.—Each State shall annually—

(1) survey each small business concern in the State;

(2) compile a list of all of the small business concerns in the State, including the location of each small business concern in the State; and

(3) notify the Secretary, in writing, of the percentage of the small business concerns that—

(A) are controlled by women;

(B) are controlled by socially and economically disadvantaged individuals (except for women); and

(C) are controlled by individuals who are women and who are socially and economically disadvantaged individuals.

(d) UNIFORM CERTIFICATION.—The Secretary shall establish minimum uniform criteria for State governments to use in certifying whether a small business concern qualifies under this section. The minimum uniform criteria shall include—

(1) an on-site visit;

(2) a personal interview;

(3) a license;

(4) an analysis of stock ownership;

(5) an analysis of bonding capacity;

(6) the listing of equipment;

(7) the listing of work completed; and

(8) a resume of each principal owner, the financial capacity, and the type of work preferred.

(e) REPORTING.—The Secretary shall establish minimum requirements for State governments to use in reporting to the Secretary information concerning disadvantaged business enterprise awards, commitments, and achievements, and such other information as the Secretary determines appropriate for the proper monitoring of the disadvantaged business enterprise program.

(f) COMPLIANCE WITH COURT ORDERS.—Nothing in this section shall limit the eligibility of a person to receive funds made available under chapter 244, section 24105, or section 26106 of title 49, United States Code, if the person is prevented, in whole or in part, from complying with subsection (b) because a Federal court issues a final order in which the court finds that the requirement of subsection (b) or the program established under subsection (b) is unconstitutional.

**SEC. 36110. WORKFORCE DEVELOPMENT.**

Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall, in consultation with the States, local governments, Amtrak, freight railroad, and non-profit employee labor organizations—

(1) complete a study regarding workforce development needs in the passenger and freight rail industry, including what knowledge and skill gaps in planning, financing, engineering, and operating passenger and freight rail systems exist, to assist in creating programs to help improve the rail industry;

(2) make recommendations based on the results of the study; and

(3) report the findings and recommendations to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

**SEC. 36111. VETERANS EMPLOYMENT.**

Not later than 180 days after the date of enactment of this Act, the Secretary of Transportation shall—

(1) conduct a study to evaluate the best means for providing a preference to veterans in the awarding of contracts and subcontracts using amounts made available under chapter 244, and sections 24105 and 26104 of title 49, United States Code;

(2) make recommendations based on the results of the study; and

(3) report the findings and recommendations to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

**Subtitle B—Amtrak**

**SEC. 36201. STATE-SUPPORTED ROUTES.**

(a) GRANT AVAILABILITY.—In addition to the uses permitted under section 209(d) of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24101 note), a State may use funds provided under section 24406 of title 49, United States Code, to temporarily pay Amtrak some or all of the operating costs for services identified under section 24102(5)(D) of title 49, United States Code, determined under the methodology established pursuant to section 209 of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24101 note), that exceed—

(1) the operating costs (adjusted for inflation) that the State paid Amtrak for the same services in the year prior to the implementation of section 209 of that Act; or

(2) if the services were not fully State-supported in that year, the full cost the State would have paid Amtrak under the State-supported service costing methodology then in effect.

(b) TRANSITION ASSISTANCE GUIDANCE.—Not later than 180 days after the Surface Transportation Board determines the appropriate methodology pursuant to section 209 of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24101 note), the Secretary shall develop a transition assistance guidance that includes—

(1) criteria for phasing-out the temporary operating assistance under this section not later than October 1, 2017;

(2) a grant application process that permits—

(A) States to apply for such funds individually or collectively; and

(B) Amtrak to be considered the grant recipient of such funds upon an agreement between a State or States and Amtrak; and

(3) policies governing financial terms, repayment conditions, and other terms of financial assistance.

(c) ELIGIBILITY.—To be eligible for Federal transition assistance, an intercity passenger rail service shall provide high-speed or intercity passenger rail revenue operation on routes that are subject to section 209 of the

Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24101 note).

(d) FEDERAL SHARE.—The Federal share of grants under this paragraph for eligible costs may be up to 100 percent of the total costs under subsection (a).

**SEC. 36202. NORTHEAST CORRIDOR INFRASTRUCTURE AND OPERATIONS ADVISORY COMMISSION.**

(a) NORTHEAST CORRIDOR INFRASTRUCTURE AND OPERATIONS ADVISORY COMMISSION IMPROVEMENTS.—Section 24905 is amended—

(1) by amending the section heading to read as follows:

**"SEC. 24905. NORTHEAST CORRIDOR INFRASTRUCTURE AND OPERATIONS ADVISORY COMMISSION IMPROVEMENTS.";**

(2) by redesignating subsection (e) as subsection (g);

(3) by striking subsections (a), (b), (c), (d), and (f) and inserting before subsection (g), as redesignated, the following:

''(a) NORTHEAST CORRIDOR INFRASTRUCTURE AND OPERATIONS ADVISORY COMMISSION.—

''(1) IN GENERAL.—The Secretary of Transportation shall establish a Northeast Corridor Infrastructure and Operations Advisory Commission (referred to in this section as the 'Commission') to foster the creation and implementation of a unified, regional, long-term investment strategy for the Northeast Corridor and to promote mutual cooperation and planning pertaining to the capital investment, rail operations and related activities of the Northeast Corridor. The Commission shall be made up of—

''(A) members representing Amtrak;

''(B) members representing the Department of Transportation, including the Federal Railroad Administration and the Office of the Secretary;

''(C) 1 member from each of the States (including the District of Columbia) that constitute the Northeast Corridor as defined in section 24102, designated by, and serving at the pleasure of, the chief executive officer thereof; and

''(D) non-voting representatives of freight railroad carriers using the Northeast Corridor selected by the Secretary.

''(2) MEMBERSHIP.—The Secretary shall ensure that the membership belonging to any of the groups enumerated under paragraph (1) shall not constitute a majority of the Commission's memberships.

''(3) MEETINGS.—The Commission shall—

''(A) establish a schedule and location for convening meetings;

''(B) meet not less than 4 times per fiscal year; and

''(C) develop rules and procedures to govern the Commission's proceedings.

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

''(5) 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.

''(6) CHAIRPERSON.—The Chairperson of the Commission shall be elected by the members.

''(7) PERSONNEL.—The Commission may appoint and fix the pay of such personnel as the Commission considers appropriate.

''(8) DETAILEES.—Upon request of the Commission, the head of any department or agency of the United States may detail, on a reimbursable basis, any of the personnel of that department or agency to the Commission to assist it in carrying out its duties under this section.

''(9) ADMINISTRATIVE SUPPORT.—Upon the request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its responsibilities under this section.

''(10) CONSULTATION WITH OTHER ENTITIES.—The Commission shall consult with other entities as appropriate.

''(b) STATEMENT OF GOALS AND RECOMMENDATIONS.—

''(1) STATEMENT OF GOALS.—The Commission shall develop a statement of goals concerning the future of Northeast Corridor rail infrastructure and operations based on achieving expanded and improved intercity, commuter, and freight rail services operating with greater safety and reliability, reduced travel times, increased frequencies, and enhanced intermodal connections designed to address airport and highway congestion, reduce transportation energy consumption, improve air quality, and increase economic development of the Northeast Corridor region.

''(2) RECOMMENDATIONS.—The Commission shall develop recommendations based on the statement of goals developed under this section addressing, as appropriate—

''(A) short-term and long-term capital investment needs beyond those specified in the state-of-good-repair plan under section 211 of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24902 note);

''(B) future funding requirements for capital improvements and maintenance;

''(C) operational improvements of intercity passenger rail, commuter rail, and freight rail services;

''(D) opportunities for additional non-rail uses of the Northeast Corridor;

''(E) scheduling and dispatching;

''(F) safety and security enhancements;

''(G) equipment design;

''(H) marketing of rail services;

''(I) future capacity requirements; and

''(J) potential funding and financing mechanisms for projects of corridor-wide significance.

''(c) NORTHEAST CORRIDOR HIGH SPEED AND INTERCITY SERVICE DEVELOPMENT PLAN.—

''(1) LONG-RANGE NORTHEAST CORRIDOR SERVICE DEVELOPMENT PLAN.—The Federal Railroad Administration, in coordination with the Commission, Amtrak, the States, and other corridor users, shall complete a long-range Northeast Corridor Service Development Plan not later than December 31, 2014.

''(2) COLLABORATION AND COOPERATION.—The parties comprising the Commission, acting separately and collectively, shall collaborate and cooperate to the maximum extent permitted by law in—

''(A) the preparation of the service development plan;

''(B) the programmatic environmental review process; and

''(C) the subsequent requirements required by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), including the development of supporting documentation.

''(d) COMPREHENSIVE LONG-RANGE NORTHEAST CORRIDOR STRATEGY.—

''(1) IN GENERAL.—Not later than 1 year after completion of the service development plan under subsection (c), the Commission shall develop a comprehensive long-range strategy for the future high-speed, intercity, commuter, and freight rail utilization of the Northeast Corridor that considers—

''(A) the statement of goals developed under subsection (b)(1);

''(B) the recommendations developed under subsection (b)(2);

''(C) the economic development report under subsection (h);

''(D) the service development plan and related alternatives developed through the programmatic environmental review for the Northeast Corridor;

''(E) the capital and operating plans of all entities operating on the Northeast Corridor;

''(F) improvement programs and service initiatives planned by corridor owners and users;

''(G) relevant local, State, and Federal transportation plans; and

''(H) other plans, as appropriate.

''(2) STRATEGY COMPONENTS.—The comprehensive long-range strategy shall include—

''(A) a comprehensive program containing a description and the planned phasing of all Northeast Corridor improvement programs, investments, and other anticipated changes;

''(B) the impacts of the comprehensive program on:

''(i) highway and aviation congestion;

''(ii) economic development;

''(iii) job creation; and

''(iv) the environment;

''(C) the potential financing sources for the comprehensive program, including Federal, State, local, and private sector sources;

''(D) new institutional or other structures necessary to implement the comprehensive program;

''(E) the types of collaboration, participation, arrangements, and support between Amtrak and the Federal Government, the State and local governments in the Northeast Corridor, the commuter rail authorities and freight railroads that utilize the Northeast Corridor, the private sector, and others, as appropriate, that are necessary to achieve the comprehensive program; and

''(F) any regulatory or statutory changes necessary to efficiently advance the comprehensive program.

''(e) ACCESS COSTS.—

''(1) DEVELOPMENT OF STANDARDIZED FORMULA.—Not later than September 30, 2013, the Commission shall—

''(A) develop a standardized formula for determining and allocating costs, revenues, and compensation for Northeast Corridor commuter rail passenger transportation (as defined in section 24102) on the Northeast Corridor main line between Boston, Massachusetts, and Washington, District of Columbia, and the Northeast Corridor branch lines connecting to Harrisburg, Pennsylvania, Springfield, Massachusetts, and Spuyten Duyvil, New York, that use Amtrak facilities or services or that provide such facilities or services to Amtrak that ensures that—

''(i) there is no cross-subsidization of commuter rail passenger, intercity rail passenger, or freight rail transportation;

''(ii) each service is assigned the costs incurred only for the benefit of that service, and a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than 1 service; and

''(iii) all financial contributions made by an operator of a service that benefit an infrastructure owner other than the operator are considered, including any capital infrastructure investments and in-kind services;

''(B) develop a proposed timetable for implementing the formula not later than December 31, 2014;

''(C) transmit the proposed timetable to the Surface Transportation Board; and

''(D) at the request of a Commission member, petition the Surface Transportation Board to appoint a mediator to assist the Commission members through non-binding mediation to reach an agreement under this section.

''(2) IMPLEMENTATION.—Amtrak and public authorities providing commuter rail passenger transportation on the Northeast Corridor shall implement new agreements for usage of facilities or services based on the standardized formula under paragraph (1) in accordance with the timetable established

therein. If the entities fail to implement the new agreements in accordance with the timetable, the Commission shall petition the Surface Transportation Board to determine the appropriate compensation amounts for such services under section 24904(c). The Surface Transportation Board shall enforce its determination on the party or parties involved.

''(3) REVISIONS.—The Commission may make necessary revisions to the standardized formula developed under paragraph (1), including revisions based on Amtrak's financial accounting system developed under section 203 of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24101 note).

''(f) TRANSMISSION OF STATEMENT OF GOALS, RECOMMENDATIONS, AND PLANS.—The Commission shall transmit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives—

''(1) not later than 60 days after the date of enactment of the , the statement of goals under subsection (b);

''(2) annually beginning on December 31, 2012, the recommendations under subsection (b)(2) and the standardized formula and timetable under subsection (e)(1); and

''(3) the comprehensive long-range strategy under this section.''.; and

(4) by inserting after subsection (g), as redesignated, the following

''(h) REPORT ON NORTHEAST CORRIDOR ECONOMIC DEVELOPMENT.—Not later than September 30, 2013, the Commission shall transmit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the role of Amtrak's Northeast Corridor service between Washington, District of Columbia, and Boston, Massachusetts, in the economic development of the Northeast Corridor region. The report shall examine how to enhance the utilization of the Northeast Corridor for greater economic development, including—

''(1) improving real estate utilization;

''(2) improved intercity, commuter, and freight services; and

''(3) improving optimum utility utilization.

''(i) NORTHEAST CORRIDOR SAFETY COMMITTEE.—

''(1) IN GENERAL.—The Secretary shall establish a Northeast Corridor Safety Committee composed of members appointed by the Secretary. The members shall be representatives of—

''(A) the Department of Transportation, including the Federal Railroad Administration;

''(B) Amtrak;

''(C) freight carriers operating more than 150,000 train miles a year on the main line of the Northeast Corridor;

''(D) commuter rail agencies;

''(E) rail passengers;

''(F) rail labor; and

''(G) other individuals and organizations the Secretary decides have a significant interest in rail safety or security.

''(2) FUNCTION; MEETINGS.—The Secretary shall consult with the Committee about safety and security improvements on the Northeast Corridor main line. The Committee shall meet not less than 2 times per year to consider safety and security matters on the main line.

''(3) REPORT.—At the beginning of the first session of each Congress, the Secretary shall submit a report to the Commission and to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the status of efforts to improve safety and security on the Northeast Corridor main line. The report shall include the safety and security recommendations of the Committee and the comments of the Secretary on those recommendations.''.

(b) CONFORMING AMENDMENT.—The table of contents for chapter 249 is amended by striking the item relating to section 24905 and inserting the following:

''24905. Northeast corridor infrastructure and operations advisory commission improvements.''.

**SEC. 36203. NORTHEAST CORRIDOR HIGH-SPEED RAIL IMPROVEMENT PLAN.**

(a) PLANS.—Not later than 180 days after the date of enactment of this Act, Amtrak shall—

(1) complete a refined vision for an integrated program of improvements on the Northeast Corridor that will result in, by 2040—

(A) the development and operation of a new high-speed rail system capable of high capacity, 200 mile-per-hour or greater operation between Washington, District of Columbia and Boston, Massachusetts;

(B) the completion of the improvements identified in the Northeast Corridor Infrastructure Master Plan published by Amtrak on May 19, 2010; and

(C) the continued operation of existing and currently planned intercity, commuter, and freight services utilizing the Northeast Corridor during the implementation of the program; and

(2) complete a business and financing plan to achieve the program under paragraph (1) that identifies the estimated—

(A) benefits and costs of the program, including ridership, revenues, capital and operating costs, and cash flow projections;

(B) implementation schedule, including the phasing of the program into achievable segments that maximize the benefits and support the ultimate completion of the program;

(C) potential financing sources for the program, including Federal, State, local, and private sector sources; and

(D) organization changes, new institutional or corporate arrangements, partnerships, procurement techniques, and other structures necessary to implement the program.

(b) SUPPORT.—The Secretary of Transportation shall provide appropriate support, assistance, oversight, and guidance to Amtrak during the preparation of the plans under subsection (a).

(c) SUBMISSION.—Amtrak shall submit the refined vision and an appropriate elements of the business and financing plan to the Federal Railroad Administration and the Northeast Corridor Infrastructure and Operations Advisory Commission for use in the development of the Northeast Corridor High Speed and Intercity Service Development Plan and the Comprehensive Long-Range Northeast Corridor Strategy.

**SEC. 36204. NORTHEAST CORRIDOR ENVIRONMENTAL REVIEW PROCESS.**

(a) NORTHEAST CORRIDOR.—Not later than 90 days after the date of enactment of this Act, the Secretary shall complete a plan and a schedule for the completion of the programmatic environmental review for the Northeast Corridor. The schedule shall require the completion of the programmatic environmental review for the Northeast Corridor not later than 3 years after the date of enactment of this Act.

(b) COORDINATION WITH THE NORTHEAST CORRIDOR INFRASTRUCTURE AND OPERATIONS ADVISORY COMMISSION.—The Federal Railroad Administration shall closely coordinate the programmatic environmental review process with the Northeast Corridor Infrastructure and Operations Advisory Commission.

**SEC. 36205. DELEGATION AUTHORITY.**

(a) DELEGATION OF AUTHORITY.—In carrying out programmatic or project level environmental reviews for high speed and intercity passenger rail programs, projects, or services, the Secretary may delegate to Amtrak any or all of the Secretary's authority and responsibility under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470f), section 4(f) of the Department of Transportation Act (80 Stat. 934), section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344), and section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536), and may provide to Amtrak any related funding provided to the Secretary for such purposes as the Secretary deems necessary if—

(1) Amtrak agrees in writing to assume the delegated authority and responsibility;

(2) Amtrak has or can obtain sufficient resources or the Secretary provides such resources to Amtrak to appropriately carry out such authority or responsibility; and

(3) delegating the authority and responsibility will improve the quality or timeliness of the environmental review.

**SEC. 36206. AMTRAK INSPECTOR GENERAL.**

(a) IN GENERAL.—Chapter 243 is amended by adding after section 24316 the following:

**''§ 24317. Inspector general**

''(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Office of the Inspector General of Amtrak the following amounts:

''(1) For fiscal year 2009, $20,000,000.

''(2) For fiscal year 2010, $21,000,000.

''(3) For fiscal year 2011, $22,000,000.

''(4) For fiscal year 2012, $22,000,000.

''(5) For fiscal year 2013, $23,000,000.

''(b) AUTHORITY.—The Inspector General of Amtrak shall have all necessary authority, in carrying out the duties specified in the Inspector General Act of 1978 (5 U.S.C. App.), to investigate allegations of fraud, including false statements to the Government under section 1001 of title 18, by any person or entity that is an employee or contractor of Amtrak.

''(c) SERVICES.—The Inspector General of Amtrak may obtain services under sections 502(a) and 602 of title 40, from the Administrator of General Services. The Administrator of General Services may provide services under sections 502(a) and 602 of title 40, to the Inspector General.''.

(b) MANAGEMENT ASSESSMENT.—Section 24310 is amended to read as follows:

''(a) IN GENERAL.—Not later than 3 years after the date of enactment of the Passenger Rail Investment and Improvement Act of 2008 (122 Stat. 4907) and 2 years thereafter—

''(1) the Inspector General of the Department of Transportation shall complete an overall assessment of the progress made by the Department of Transportation in implementing the provisions of that Act; and

''(2) the Inspector General of Amtrak shall complete an overall assessment of the progress made by Amtrak management in implementing the provisions of the Passenger Rail Investment and Improvement Act of 2008 (122 Stat. 4907).

''(b) ASSESSMENT.—The management assessment by the Amtrak Inspector General may include a review of—

''(1) the effectiveness in improving annual financial planning;

''(2) the effectiveness in improving financial accounting;

''(3) Amtrak management's efforts to implement minimum train performance standards;

''(4) Amtrak management's progress toward maximizing revenues, minimizing Federal subsidies, and improving financial results; and

''(5) any other aspect of Amtrak operations that the Amtrak Inspector General finds appropriate.''.

(c) INSPECTOR GENERAL POLICIES AND PROCEDURES.—The Amtrak Inspector General and Amtrak shall—

(1) continue to follow the policies and procedures for interacting with one another in a manner that is consistent with the Inspector General Act of 1978 (5 U.S.C. App.), as approved by the Council of the Inspectors General on Integrity and Efficiency; and

(2) work toward establishing proper protocols and firewalls to maintain the Amtrak Inspector General's independence, as appropriate.

(d) IMPROVEMENTS.—The Amtrak Inspector General and Amtrak shall identify any funding needs and authority improvements necessary to effectuate the policies, procedures, protocols, and firewalls under subsection (c) and submit a report of the necessary funding and authority improvements as part of their annual budget requests.

(e) TECHNICAL AMENDMENT.—Section 101 of the Passenger Rail Investment and Improvement Act of 2008 (122 Stat. 4907), is amended by striking subsection (b) and inserting the following:

''(b) [Reserved].''.

(f) CLERICAL AMENDMENT.—The table of contents for chapter 243 is amended by adding at the end the following:

''24317. Inspector General.''.

**SEC. 36207. COMPENSATION FOR PRIVATE-SECTOR USE OF FEDERALLY-FUNDED ASSETS.**

If capital assets that are owned by a public entity or Amtrak built or improved with Federal funds authorized under subtitle V of title 49, United States Code, are made available for exclusive use by a for-profit entity, except for an entity owned or controlled by the Department of Transportation, for the purpose of providing intercity passenger rail service, the Secretary may require, as appropriate, that the for-profit entity provide adequate compensation, as determined by the Secretary, to the United States for the use of the capital assets in an amount that reflects the benefit of the Federal funding to the for-profit entity.

**SEC. 36208. ON-TIME PERFORMANCE.**

Where the on time performance of any intercity passenger train averages less than 80 percent for any 2 consecutive calendar quarters and the failure to meet such performance levels is solely the responsibility of the host railroad, Amtrak shall not pay the host railroad any incentive payments for on time performance of the subject intercity passenger train during such calendar quarters.

**SEC. 36209. BOARD OF DIRECTORS.**

Section 24302(a)(3) is amended by striking ''5'' the second place it appears and inserting ''4''.

## Subtitle C—Rail Safety Improvements

**SEC. 36301. POSITIVE TRAIN CONTROL.**

(a) REVIEW AND APPROVAL.—Section 20157(c) is amended to read as follows:

''(c) REVIEW AND APPROVAL.—

''(1) REVIEW.—Not later than 90 days after the Secretary receives a proposed plan, the Secretary shall review and approve or disapprove it. If a proposed plan is not approved, the Secretary shall notify the affected railroad carrier or other entity as to the specific deficiencies in the proposed plan. The railroad carrier or other entity shall correct the deficiencies not later than 30 days after receipt of the written notice.

''(2) AMENDMENTS.—The Secretary shall review any amendments to a plan in the time frame required by section (1).

''(3) ANNUAL REVIEW.—The Secretary shall conduct an annual review to ensure that each railroad carrier and entity is complying with its plan, including a railroad carrier or entity that elects to fully implement a positive train control system prior to the required deadline.''.

(b) REPORT CRITERIA.—Section 20157(d) is amended to read as follows:

''(d) REPORT.—Not later than June 30, 2012, the Secretary shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the progress of the railroad carriers in implementing the positive train control systems, including—

''(1) the likelihood that each railroad will meet the December 31, 2015 deadline;

''(2) the obstacles to each railroad's successful implementation, including the obstacles identified in the General Accountability Office's report issued on December 15, 2010, and titled 'Rail Safety: Federal Railroad Administration Should Report on Risks to Successful Implementation of Mandated Safety Technology' (GAO 11 133); and

''(3) the actions that Congress, railroads, relevant Federal entities, and other stakeholders can take to mitigate obstacles to successful implementation.''.

(c) EXTENSION AUTHORITY.—Section 20157 is amended—

(1) by redesignating subsections (h) and (i) as subsections (i) and (j), respectively; and

(2) by inserting after subsection (g), the following:

''(h) EXTENSION.—

''(1) IN GENERAL.—After completing the report under subsection (d), the Secretary may extend in 1 year increments, upon application, the implementation deadline for an entity providing rail freight transportation or regularly scheduled intercity or commuter rail passenger transportation, if the Secretary determines that full implementation will likely be infeasible due to circumstances beyond the control of the entity, including funding availability, spectrum acquisition, and interoperability standards. The Secretary may not extend the deadline for implementation beyond December 31, 2018.

''(2) APPLICATION REVIEW.—The Secretary shall review an application submitted pursuant to paragraph (1) and approve or disapprove the application not later than 10 days after the application is received.''

(d) APPLICABILITY.—Section 20157 is amended by striking ''transported;'' in subsection (a)(1)(B) and inserting ''transported on or after December 31, 2015;''.

**SEC. 36302. ADDITIONAL ELIGIBILITY FOR RAILROAD REHABILITATION AND IMPROVEMENT FINANCING.**

(a) POSITIVE TRAIN CONTROL SYSTEMS.—Section 502(b)(1) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822(b)(1)), is amended—

(1) in subparagraph (B) by striking ''or'';

(2) in subparagraph (C) by striking ''facilities.'' and inserting ''facilities; or''; and

(3) by adding at the end the following:

''(D) implement a positive train control system, as required by section 20157 of title 49, United States Code.''.

(b) POSITIVE TRAIN CONTROL COLLATERAL.—Section 502(h)(2) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822(h)(2)), is amended by adding at the end the following:

''For purposes of making a finding under subsection (g)(4) for a loan for positive train control, the total cost of the labor and materials associated with installing positive train control shall be deemed to be equal to the collateral value of that asset.''.

**SEC. 36303. FCC STUDY OF SPECTRUM AVAILABILITY.**

(a) SPECTRUM NEEDS ASSESSMENT.—Not later than 120 days after the date of enactment of this Act, the Secretary of Transportation and the Chairman of the Federal Communications Commission shall coordinate to assess spectrum needs and availability for implementing positive train control systems, as defined in section 20157 of title 49, United States Code. In conducting the spectrum needs assessment, the Secretary and the Chairman shall—

(1) evaluate the information provided in the Federal Communications Commission WT 11 79 proceeding;

(2) evaluate the positive train control implementations plans and any subsequent amendments or waivers to those plans provided to the Federal Railroad Administration; and

(3) evaluate individual railroad spectrum demand studies.

(b) RECOMMENDATIONS.—Not later than 90 days after the completion of the spectrum needs assessment under subsection (a), the Secretary and the Chairman shall submit a plan to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives, for approximate resolution to any issues that may prevent railroad carriers or entities from complying with the December 31, 2015, positive train control implementation deadline.

## Subtitle D—Freight Rail

**SEC. 36401. RAIL LINE RELOCATION.**

Section 20154 is amended—

(1) in subsection (b)—

(A) by striking ''either'';

(B) by striking ''or'' at the end of paragraph (1);

(C) by striking the period at the end of paragraph (2) and inserting ''; or''; and

(D) by adding at the end the following:

''(3) involves a lateral or vertical relocation of any portion of a road.'';

(2) in subsection (e)(1), by striking ''10'' and inserting ''20''; and

(3) in subsection (h)(3), by inserting ''a public agency,'' after ''of a State,''.

**SEC. 36402. COMPILATION OF COMPLAINTS.**

(a) IN GENERAL.—Section 704 is amended—

(1) by striking the section heading and inserting the following:

**''§ 704. Reports'';**

(2) by inserting ''(a) ANNUAL REPORT.—'' before ''The Board''; and

(3) by adding at the end the following:

''(b) COMPLAINTS.—

''(1) IN GENERAL.—The Board shall establish and maintain a database of complaints received by the Board.

''(2) QUARTERLY REPORT.—The Board shall post a quarterly report of formal and informal service complaints received by the Board during the previous quarter that includes—

''(A) a list of the type of each complaint;

''(B) the geographic region of the complaint; and

''(C) the resolution of the complaint, if appropriate.

''(3) WRITTEN CONSENT.—The quarterly report may identify a complainant that submitted an informal complaint only upon the written consent of the complainant.

''(4) WEBSITE POSTING.—The report shall be posted on the Board's public website.''.

(b) CONFORMING AMENDMENT.—The table of contents for chapter 7 is amended by striking the item relating to section 704 and inserting the following:

''704. Reports.''.

**SEC. 36403. MAXIMUM RELIEF IN CERTAIN RATE CASES.**

(a) IN GENERAL.—The Surface Transportation Board shall revise the maximum amount of rate relief available to railroad shippers in cases brought pursuant to the method developed under section 10701(d)(3) of title 49, United States Code, as that section existed as of the date of enactment of this Act, to be as follows:

(1) $1,500,000 in a rate case brought using the Surface Transportation Board's ''three-benchmark'' procedure.

(2) $10,000,000 in a rate case brought using the Surface Transportation Board's ''simplified stand-alone cost'' procedure.

(b) PERIODIC REVIEW.—The Board shall periodically review the amounts established by subsection (a) and revise the amounts, as appropriate.

**SEC. 36404. RATE REVIEW TIMELINES.**

In stand-alone cost rate challenges, the Surface Transportation Board shall comply with the following timelines unless it extends them, after a request from any party or in the interest of due process:

(1) For discovery, 150 days after the date on which the challenge is initiated.

(2) For development of the evidentiary record, 155 days after that date.

(3) For submission of parties' closing briefs, 60 days after that date.

(4) For a final Board decision, 180 days after the date on which the parties submit closing briefs.

**SEC. 36405. REVENUE ADEQUACY STUDY.**

(a) REVENUE ADEQUACY STUDY.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Surface Transportation Board shall initiate a study to provide further guidance on how it will apply its revenue adequacy constraint.

(2) CONSIDERATIONS.—In conducting the study, the Surface Transportation Board shall consider whether to apply the revenue adequacy constrain using replacement costs to value the assets of rail facilities and equipment.

(b) PUBLIC NOTICE.—In conducting the study under subsection (a), the Surface Transportation Board shall—

(1) provide public notice;

(2) an opportunity for comment; and

(3) conduct 1 or more public hearings.

(c) REPORT.—Not later than 60 days after the study under subsection (a) is complete, the Surface Transportation Board shall submit the findings of the study to the Commerce, Science, and Transportation Committee of the Senate and the Transportation and Infrastructure Committee of the House of Representatives.

**SEC. 36406. QUARTERLY REPORTS.**

Not later than 60 days after the date of enactment of this Act, the Surface Transportation Board shall provide quarterly reports to the Commerce, Science, and Transportation Committee of the Senate and the Transportation and Infrastructure Committee of the House of Representatives on the Surface Transportation Board's progress toward addressing issues raised in unfinished regulatory proceedings, regardless of whether a proceeding is subject to a statutory or regulatory deadline.

**SEC. 36407. WORKFORCE REVIEW.**

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Chairman of the Surface Transportation Board, in consultation with the Director of the Office of Personnel Management, shall conduct a review of the Surface Transportation Board workforce to assist in the development of a comprehensive, long-term human capital improvement plan.

(b) PLAN.—Not later than 180 days after the review under subsection (a) is complete, the Chairman shall develop a comprehensive, long-term human capital improvement plan for Surface Transportation Board personnel to identify—

(1) the optimal workforce size of the Surface Transportation Board to address its current and future program needs;

(2) the hiring, training, managing, and compensation needs to recruit and retain qualified personnel, including experts to assess long-standing and emerging railroad industry trends;

(3) the means for improving the current organizational structure and workforce to most efficiently execute the Surface Transportation Board's mission; and

(4) any recommendations for potential coordination with colleges, universities, or other non-profit organizations for training programs to support workforce development.

(c) REPORT.—The Chairman shall submit the plan to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

**SEC. 36408. RAILROAD REHABILITATION AND IMPROVEMENT FINANCING.**

(a) CONDITIONS OF ASSISTANCE.—Section 502(h)(2) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822(h)(2)), as amended by section 36302 of this Act, is amended by adding at the end the following:

''The Secretary shall accept, for the purpose of making a finding with regard to adequate collateral for a public entity, the net present value on a future stream of State or local subsidy income or a dedicated revenue as collateral offered to secure a loan.''.

(b) ELIGIBLE PURPOSES.—Section 502(b)(1) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822(b)(1)), as amended by section 36302 of this Act, is further amended—

(1) by striking ''or'' at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting ''; or''; and

(3) by adding at the end the following:

''(E) conduct preliminary engineering, environmental review, permitting, or other pre-construction activities.''.

(c) STUDY.—The Secretary shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives detailing recommendations for improving the Railroad Rehabilitation and Improvement Financing program administration, including timely processing of applications, expansion of eligibilities, and other issues that impede passenger and rail carriers from utilizing the program.

**Subtitle E—Technical Corrections**

**SEC. 36501. TECHNICAL CORRECTIONS.**

(a) RAIL SAFETY IMPROVEMENT ACT OF 2008.—

(1) The table of contents in section 1(b) of the Rail Safety Improvement Act of 2008 (122 Stat. 4848) is amended—

(A) by striking the item relating to section 201 and inserting the following:

''Sec. 201. Pedestrian safety at or near railroad passenger stations.''; and

(B) by striking the item relating to section 403 and inserting the following:

''Sec. 403. Study and rulemaking on track inspection time; rulemaking on concrete crossties.''.

(2) Section 2(a)(1) of the Rail Safety Improvement Act of 2008 (49 U.S.C. 20102 note), is amended by inserting a comma after ''railroad tracks at grade''.

(3) Section 102(a) of the Rail Safety Improvement Act of 2008 (49 U.S.C. 20101 note), is amended—

(A) by striking '', at a minimum,'';

(B) in paragraph (1), by inserting a comma after ''railroads''; and

(C) by amending paragraph (6) to read as follows:

''(6) Improving the safety of railroad bridges, tunnels, and related infrastructure to prevent accidents, incidents, injuries, and fatalities caused by catastrophic and other failures of such infrastructure.''.

(4) Section 108(f)(1) of the Rail Safety Improvement Act of 2008 (49 U.S.C. 21101 note), is amended by striking ''requirements for recordkeeping and reporting for Hours of Service of Railroad Employees'' and inserting ''requirements for record keeping and reporting for hours of service of railroad employees''.

(5) Section 201 of the Rail Safety Improvement Act of 2008 (49 U.S.C. 20134 note), is amended—

(A) in the section heading, by striking ''**PEDESTRIAN CROSSING SAFETY.**'' and inserting ''**PEDESTRIAN SAFETY AT OR NEAR RAILROAD PASSENGER STATIONS.**'';

(B) by striking ''strategies and methods to prevent pedestrian accidents, incidents, injuries, and fatalities at or near passenger stations, including'' and inserting ''strategies and methods to prevent train-related accidents, incidents, injuries, and fatalities that involve a pedestrian at or near a railroad passenger station, including''; and

(C) in paragraph (1) by striking ''at railroad passenger stations''.

(6) Section 206(a) of the Rail Safety Improvement Act of 2008 (49 U.S.C. 22501 note), is amended by striking ''Public Service Announcements'' and inserting ''public service announcements''.

(7) Section 403 of the Rail Safety Improvement Act of 2008 (49 U.S.C. 20142 note), is amended—

(A) in the section heading, by striking ''**TRACK INSPECTION TIME STUDY.**'' and inserting ''**STUDY AND RULEMAKING ON TRACK INSPECTION TIME; RULEMAKING ON CONCRETE CROSSTIES.**''; and

(B) in subsection (d)—

(i) by striking ''CROSS TIES'' in the subsection heading and inserting ''CROSSTIES'';

(ii) by striking ''cross ties'' and inserting ''crossties''; and

(iii) in paragraph (2), by striking ''cross tie'' and inserting ''crosstie''.

(8) Section 405 of the Rail Safety Improvement Act of 2008 (49 U.S.C. 20103 note), is amended—

(A) in subsection (a), by striking ''cell phones'' and inserting ''cellular telephones''; and

(B) in subsection (d)—

(i) by striking ''of Transportation''; and

(ii) by striking ''cell phones'' and inserting ''cellular telephones''.

(9) Section 411(a) of the Rail Safety Improvement Act of 2008 (49 U.S.C. 5103 note), is amended—

(A) by striking ''5101(a)'' and inserting ''5105(a)''; and

(B) by striking ''5101(b)'' and inserting ''5105(b)''.

(10) Section 412 of the Rail Safety Improvement Act of 2008 (49 U.S.C. 20140 note), is amended by striking ''of Transportation''.

(11) Section 414(2) of the Rail Safety Improvement Act of 2008 (49 U.S.C. 20103 note), is amended—

(A) by striking ''parts'' and inserting ''sections''; and

(B) by striking ''part'' and inserting ''section''.

(12) Section 416 of the Rail Safety Improvement Act of 2008 (49 U.S.C. 20107 note), is amended—

(A) by striking ''of Transportation'';

(B) in paragraphs (3) and (4), by striking ''Federal Railroad Administration'' and inserting ''Secretary''; and

(C) in paragraph (4), by striking ''subsection'' and inserting ''section''.

(13) Section 417(c) of the Rail Safety Improvement Act of 2008 (49 U.S.C. 20103 note), is amended by striking ''each railroad'' and inserting ''each railroad carrier''.

(14) Section 503 of the Rail Safety Improvement Act of 2008 (49 U.S.C. 1139 note), is amended—

(A) in subsection (a), by striking ''rail accidents'' and inserting ''rail passenger accidents'';

(B) in subsection (b)—

(i) by striking ''passenger rail accidents'' and inserting ''rail passenger accidents''; and

(ii) by striking ''passenger rail accident'' each place it appears and inserting ''rail passenger accidents''; and

(C) by adding at the end the following:

''(d) DEFINITIONS.—In this section, the terms 'passenger', 'rail passenger accident', and 'rail passenger carrier' have the meanings given the terms in section 1139 of title 49, United States Code.''

''(e) FUNDING.—Out of the funds appropriated pursuant to section 20117(a)(1)(A) of title 49, United States Code, there shall be made available to the Secretary of Transportation $500,000 for fiscal year 2009 to carry out this section. Amounts made available pursuant to this subsection shall remain available until expended.''.

(b) PASSENGER RAIL INVESTMENT AND IMPROVEMENT ACT OF 2008.—

(1) Section 206(a) of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24101 note), is amended by inserting ''of this division'' after ''302''.

(2) Section 211 of the Passenger Rail Investment and Improvement Act of 2008 (49 U.S.C. 24902 note), is amended—

(A) in subsection (d), by inserting ''of this division'' after ''101(c)''; and

(B) in subsection (e), by inserting ''of this division'' after ''101(d)''.

(c) TITLE 49 OF THE UNITED STATES CODE.—

(1) Section 1139 is amended—

(A) in subsection (a)(1), by striking ''phone number'' and inserting ''telephone number'';

(B) in subsection (a)(2), by striking ''post trauma'' and inserting ''post-trauma'';

(C) in subsections (h)(1)(A) and (h)(2)(A)—

(i) by striking ''interstate''; and

(ii) by striking ''such term is'';

(D) in subsection (g)(1), by striking ''board'' in the heading and inserting ''BOARD'';

(E) in subsections (h)(1)(B) and (h)(2)(B)—

(i) by striking ''interstate or intrastate''; and

(ii) by striking ''such term is'';

(F) in subsection (j)(1)—

(i) by striking ''(other than subsection (g))'' and inserting ''(except for subsections (g) and (k))''; and

(ii) by striking ''railroad passenger accident'' and inserting ''rail passenger accident''; and

(G) in subsection (j)(2), by striking ''railroad passenger accident'' and inserting ''rail passenger accident''.

(2) Section 10909(b) is amended—

(A) by striking ''Railroad'' and inserting ''Railroads''; and

(B) in paragraph (2), by inserting a comma after ''comment''.

(3) Section 20109 is amended—

(A) in subsection (c)(1), by striking ''the railroad shall promptly arrange'' and inserting ''the railroad carrier shall promptly arrange'';

(B) in subsection (d)(2)(A)(i), by striking ''(d)'' and inserting ''paragraph'' after ''under'';

(C) in subsection (d)(2)(A)(iii), by inserting ''section'' after ''set forth in''; and

(D) in subsection (d)(4)(i), by striking ''must'' and inserting ''shall''.

(4) Section 20120(a) is amended—

(A) by striking ''(a) IN GENERAL'' and inserting ''Not'';

(B) in paragraph (2)(G), by inserting ''and'' after the semicolon;

(C) in paragraph (4), by striking ''provide'' and inserting ''provides'';

(D) in paragraph (5)(B), by striking ''Administrative Hearing Officer or Administrative Law Judge'' and inserting ''administrative hearing officer or administrative law judge''; and

(E) in paragraph (7), by striking ''its'' and inserting ''the Secretary's or the Federal Railroad Administrator's''.

(5) Section 20151(d)(1) is amended by striking ''to drive around a grade crossing gate'' and inserting ''to drive through, around, or under a grade crossing gate''.

(6) Section 20152(b) is amended by striking ''rail carriers'' and inserting ''railroad carriers''.

(7) Section 20156 is amended—

(A) in subsection (c), by inserting a comma after ''In developing its railroad safety risk reduction program''; and

(B) in subsection (g)(1), by striking ''nonprofit'' and inserting ''nonprofit''.

(8) Section 20157(a)(1) is amended—

(A) by striking ''Class I railroad carrier'' and inserting ''Class I railroad''; and

(B) by striking ''parts'' and inserting ''sections''.

(9) Section 20158(b)(3) is amended by striking ''20156(e)(2)'' and inserting ''20156(e)''.

(10) Section 20159 is amended by inserting ''of Transportation'' after ''the Secretary''.

(11) Section 20160 is amended—

(A) in subsection (a)(1), by striking ''or with respect to'' and inserting ''with respect to'';

(B) in subsection (b)(1), by striking ''On a periodic basis beginning not'' and inserting ''Not''; and

(C) in subsection (b)(1)(A), by striking ''or with respect to'' and inserting ''with respect to''.

(12) Section 20162(a)(3) is amended by striking ''railroad compliance with Federal standards'' and inserting ''railroad carrier compliance with Federal standards''.

(13) Section 20164(a) is amended by striking ''Railroad Safety Enhancement Act of 2008'' and inserting ''Rail Safety Improvement Act of 2008''.

(14) Section 21102(c)(4) is amended by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively.

(15) Section 22106(b) is amended by striking ''interest thereof'' and inserting ''interest thereon''.

(16) Section 24101(b) is amended by striking ''subsection (d)'' and inserting ''subsection (c)''.

(17) Section 24316 is amended by striking subsection (g).

(18) The item relating to section 24316 in the table of contents for chapter 243 is amended by striking ''assist'' and inserting ''address needs of''.

(19) Section 24702(a) is amended by striking ''not included in the national rail passenger transportation system''.

(20) Section 24706 is amended—

(A) in subsection (a)(1), by striking ''a discontinuance under section 24704 or or'';

(B) in subsection (a)(2), by striking ''section 24704 or''; and

(C) in subsection (b), by striking ''section 24704 or''.

(21) Section 24709 is amended by striking ''The Secretary of the Treasury and the Attorney General,'' and inserting ''The Secretary of Homeland Security,''.

**SEC. 36502. CONDEMNATION AUTHORITY.**

Section 24311(c) is amended—

(1) in paragraph (1), by striking ''Interstate Commerce Commission'' and inserting ''Surface Transportation Board'';

(2) in paragraph (2), by striking ''Commission's'' and inserting ''Board's''; and

(3) by striking ''Commission'' each place it appears and inserting ''Board''.

**Subtitle F—Licensing and Insurance Requirements for Passenger Rail Carriers**

**SEC. 36601. CERTIFICATION OF PASSENGER RAIL CARRIERS.**

(a) Section 10901 is amended by adding at the end the following:

''(e) Not later than 2 years after the date of enactment of the National Rail System Preservation, Expansion, and Development Act of 2012, the Board shall establish a certification process to authorize a person to provide passenger rail transportation over a railroad line that is subject to the jurisdiction of the Board, except that such certification shall not be required for or apply to a freight railroad providing or hosting passenger rail transportation over its own railroad line.

''(f) After the certification process is established under subsection (e), no person may provide passenger rail transportation over a railroad line subject to the jurisdiction of the Board unless the person is granted a certificate under subsection (e).

''(g) The certification process under subsection (e) shall—

''(1) permit a person to initiate a proceeding for a certificate by filing an application with the Board; and

''(2) require the Board to provide reasonable public notice that a proceeding was initiated, including notice to the Governor of any affected State, not later than 30 days after receipt of the application under paragraph (1).

''(h) The Board may grant a certificate under subsection (e) if the Board determines after consultation with the Secretary of Transportation or the Secretary of Homeland Security, as appropriate, that the applicant—

''(1) has or will have in effect a voluntary agreement with the infrastructure owner over which the passenger rail transportation will be provided or contractual or statutory authority that provides for access to such infrastructure;

''(2) demonstrates sufficient financial capacity and operating experience to provide passenger rail transportation;

''(3) meets all applicable safety and security requirements under the law;

''(4) maintains a total minimum liability coverage for claims through insurance and self-insurance of not less than the amount required by section 28103(a)(2) per accident or incident; and

''(5) complies with any additional requirements the Board determines are appropriate, including reporting requirements to ensure continued compliance with this section.

''(i) A certificate granted under subsection (e) shall specify the person to provide or authorized to provide passenger rail transportation, if different from the applicant.

''(j) The Board may promulgate regulations—

''(1) for determining the adequacy of liability insurance coverage, including self-insurance; and

''(2) for suspending or canceling a certificate if the person to provide or authorized to provide passenger rail transportation fails to comply with subsection (h).

''(k) This section shall not apply to tourist, historical, or excursion passenger rail transportation or other rail carrier that has already obtained construction or operating authority from the Board.''.

(b) Section 24301(c) is amended by adding ''10901(e),'' after ''sections'' in the first sentence.

(c) Section 10501(c)(3)(A) is amended—

(1) in clause (ii), by striking ''and'';

(2) in clause (iii), by striking the period at the end and inserting '' ; and''; and

(3) by adding at the end the following:

''(iv) section 10901(e).''.

(d) Section 14901 is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

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

''(f) CERTIFICATION REQUIRED.—A person shall be subject to a penalty of $300 for each passenger transported if the person—

''(1) provides passenger rail transportation subject to jurisdiction under section 10501(a); and

''(2) does not hold a certificate required under section 10901(e).''; and

(3) in subsection (g), as redesignated, by striking ''through (e)'' and inserting ''through (f)''.

(e) Section 10502(g) is amended to read as follows:

''(g) The Board may not exercise its authority under this section to relieve a rail carrier of its obligation to protect the interests of employees as required by this part, or of the requirements of section 10901(g).''.

## TITLE VII—SPORT FISH RESTORATION AND RECREATIONAL BOATING SAFETY ACT OF 2012

**SEC. 37001. SHORT TITLE.**

This title may be cited as the ''Sport Fish Restoration and Recreational Boating Safety Act of 2012''.

**SEC. 37002. AMENDMENT OF FEDERAL AID IN SPORT FISH RESTORATION ACT.**

Section 4 of the Federal Aid in Fish Restoration Act (16 U.S.C. 777c) is amended—

(1) in subsection (a), by striking ''of fiscal years 2006 through 2011 and for the period beginning on October 1, 2011, and ending on March 31, 2012,'' and inserting ''fiscal year through 2013,''; and

(2) in subsection (b)(1)(A), by striking ''of fiscal years 2006 through 2011 and for the period beginning on October 1, 2011, and ending on March 31, 2012,'' and inserting ''fiscal year through 2013,''.

**SEC. 37003. AMENDMENT OF TRUST FUND CODE.**

Section 9504(d)(2) of the Internal Revenue Code of 1986 is amended by striking ''April 1, 2012'' and inserting ''October 1, 2013''.

## DIVISION D—FINANCE

**SEC. 40001. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This division may be cited as the ''Highway Investment, Job Creation, and Economic Growth Act of 2012''.

(b) TABLE OF CONTENTS.—The table of contents for this division is as follows:

DIVISION D—FINANCE

Sec. 40001. Short title; table of contents.

TITLE I—EXTENSION OF HIGHWAY TRUST FUND EXPENDITURE AUTHORITY AND RELATED TAXES

Sec. 40101. Extension of trust fund expenditure authority.

Sec. 40102. Extension of highway-related taxes.

TITLE II—OTHER PROVISIONS

Sec. 40201. Temporary increase in small issuer exception to tax-exempt interest expense allocation rules for financial institutions.

Sec. 40202. Temporary modification of alternative minimum tax limitations on tax-exempt bonds.

Sec. 40203. Issuance of TRIP bonds by State infrastructure banks.

Sec. 40204. Extension of parity for exclusion from income for employer-provided mass transit and parking benefits.

Sec. 40205. Exempt-facility bonds for sewage and water supply facilities.

TITLE III—REVENUE PROVISIONS

Sec. 40301. Transfer from Leaking Underground Storage Tank Trust Fund to Highway Trust Fund.

Sec. 40302. Portion of Leaking Underground Storage Tank Trust Fund financing rate transferred to Highway Trust Fund.

Sec. 40303. Transfer of gas guzzler taxes to Highway Trust Fund.

Sec. 40304. Revocation or denial of passport in case of certain unpaid taxes.

Sec. 40305. 100 percent continuous levy on payments to Medicare providers and suppliers.

Sec. 40306. Transfer of amounts attributable to certain duties on imported vehicles into the Highway Trust Fund.

Sec. 40307. Treatment of securities of a controlled corporation exchanged for assets in certain reorganizations.

Sec. 40308. Internal Revenue Service levies and Thrift Savings Plan Accounts.

Sec. 40309. Depreciation and amortization rules for highway and related property subject to long-term leases.

Sec. 40310. Extension for transfers of excess pension assets to retiree health accounts.

Sec. 40311. Transfer of excess pension assets to retiree group term life insurance accounts.

Sec. 40312. Pension funding stabilization.

## TITLE I—EXTENSION OF HIGHWAY TRUST FUND EXPENDITURE AUTHORITY AND RELATED TAXES

**SEC. 40101. EXTENSION OF TRUST FUND EXPENDITURE AUTHORITY.**

(a) HIGHWAY TRUST FUND.—Section 9503 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''April 1, 2012'' in subsections (b)(6)(B), (c)(1), and (e)(3) and inserting ''October 1, 2013''; and

(2) by striking ''Surface Transportation Extension Act of 2011, Part II'' in subsections (c)(1) and (e)(3) and inserting ''Moving Ahead for Progress in the 21st Century Act''.

(b) SPORT FISH RESTORATION AND BOATING TRUST FUND.—Section 9504 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''Surface Transportation Extension Act of 2011, Part II'' each place it appears in subsection (b)(2) and inserting ''Moving Ahead for Progress in the 21st Century Act''; and

(2) by striking ''April 1, 2012'' in subsection (d)(2) and inserting ''October 1, 2013''.

(c) LEAKING UNDERGROUND STORAGE TANK TRUST FUND.—Paragraph (2) of section 9508(e) of the Internal Revenue Code of 1986 is amended by striking ''April 1, 2012'' and inserting ''October 1, 2013''.

(d) ESTABLISHMENT OF SOLVENCY ACCOUNT.—Section 9503 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(g) ESTABLISHMENT OF SOLVENCY ACCOUNT.—

''(1) CREATION OF ACCOUNT.—There is established in the Highway Trust Fund a separate account to be known as the 'Solvency Account' consisting of such amounts as may be transferred or credited to the Solvency Account as provided in this section or section 9602(b).

''(2) TRANSFERS TO SOLVENCY ACCOUNT.—The Secretary of the Treasury shall transfer to the Solvency Account the excess of—

''(A) any amount appropriated to the Highway Trust Fund before October 1, 2013, by reason of the provisions of, and amendments made by, the Highway Investment, Job Creation, and Economic Growth Act of 2012, over

''(B) the amount necessary to meet the required expenditures from the Highway Trust Fund under subsection (c) for the period ending before October 1, 2013.

''(3) EXPENDITURES FROM ACCOUNT.—Amounts in the Solvency Account shall be available for transfers to the Highway Account (as defined in subsection (e)(5)(B)) and the Mass Transit Account in such amounts as determined necessary by the Secretary to ensure that each account has a surplus balance of $2,800,000,000 on September 30, 2013.

''(4) TERMINATION OF ACCOUNT.—The Solvency Account shall terminate on September 30, 2013, and the Secretary shall transfer any remaining balance in the Account on such date to the Highway Trust Fund.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 2012.

**SEC. 40102. EXTENSION OF HIGHWAY-RELATED TAXES.**

(a) IN GENERAL.—

(1) Each of the following provisions of the Internal Revenue Code of 1986 is amended by striking ''March 31, 2012'' and inserting ''September 30, 2015'':

(A) Section 4041(a)(1)(C)(iii)(I).

(B) Section 4041(m)(1)(B).

(C) Section 4081(d)(1).

(2) Each of the following provisions of such Code is amended by striking ''April 1, 2012'' and inserting ''October 1, 2015'':

(A) Section 4041(m)(1)(A).

(B) Section 4051(c).

(C) Section 4071(d).

(D) Section 4081(d)(3).

(b) EXTENSION OF TAX, ETC., ON USE OF CERTAIN HEAVY VEHICLES.—Each of the following provisions of the Internal Revenue Code of 1986 is amended by striking ''2012'' and inserting ''2015'':

(1) Section 4481(f).

(2) Subsections (c)(4) and (d) of section 4482.

(c) FLOOR STOCKS REFUNDS.—Section 6412(a)(1) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''April 1, 2012'' each place it appears and inserting ''October 1, 2015'';

(2) by striking ''September 30, 2012'' each place it appears and inserting ''March 31, 2016''; and

(3) by striking ''July 1, 2012'' and inserting ''January 1, 2016''.

(d) EXTENSION OF CERTAIN EXEMPTIONS.—Sections 4221(a) and 4483(i) of the Internal Revenue Code of 1986 are each amended by striking ''April 1, 2012'' and inserting ''October 1, 2015''.

(e) EXTENSION OF TRANSFERS OF CERTAIN TAXES.—

(1) IN GENERAL.—Section 9503 of the Internal Revenue Code of 1986 is amended—

(A) in subsection (b)—

(i) by striking ''April 1, 2012'' each place it appears in paragraphs (1) and (2) and inserting ''October 1, 2015'';

(ii) by striking ''APRIL 1, 2012'' in the heading of paragraph (2) and inserting ''OCTOBER 1, 2015'';

(iii) by striking ''March 31, 2012'' in paragraph (2) and inserting ''September 30, 2015''; and

(iv) by striking ''January 1, 2013'' in paragraph (2) and inserting ''July 1, 2016''; and

(B) in subsection (c)(2), by striking ''January 1, 2013'' and inserting ''July 1, 2016''.

(2) MOTORBOAT AND SMALL-ENGINE FUEL TAX TRANSFERS.—

(A) IN GENERAL.—Paragraphs (3)(A)(i) and (4)(A) of section 9503(c) of such Code are each amended by striking ''April 1, 2012'' and inserting ''October 1, 2015''.

(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. 4601 11(b)) is amended—

(i) by striking ''April 1, 2013'' each place it appears and inserting ''October 1, 2016''; and

(ii) by striking ''April 1, 2012'' and inserting ''October 1, 2015''.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on April 1, 2012.

(2) SUBSECTION (b)(2).—The amendment made by subsection (b)(2) shall apply to periods beginning after September 30, 2012.

## TITLE II—OTHER PROVISIONS

**SEC. 40201. TEMPORARY INCREASE IN SMALL ISSUER EXCEPTION TO TAX-EXEMPT INTEREST EXPENSE ALLOCATION RULES FOR FINANCIAL INSTITUTIONS.**

(a) IN GENERAL.—Subparagraph (G) of section 265(b)(3) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''2009 or 2010'' in clause (i) and inserting ''2009, 2010, or 2012'',

(2) by striking ''2009 or 2010'' each place it appears in clauses (ii) and (iii) and inserting ''2009, 2010, or the period beginning after the date of the enactment of the Highway Investment, Job Creation, and Economic Growth Act of 2012 and before January 1, 2013'', and

(3) by striking ''2009 AND 2010'' in the heading and inserting ''2009, 2010, AND 2012''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

**SEC. 40202. TEMPORARY MODIFICATION OF ALTERNATIVE MINIMUM TAX LIMITATIONS ON TAX-EXEMPT BONDS.**

(a) INTEREST ON PRIVATE ACTIVITY BONDS NOT TREATED AS TAX PREFERENCE ITEMS.—Clause (vi) of section 57(a)(5)(C) of the Internal Revenue Code of 1986 is amended—

(1) in subclause (I) by inserting '', or after the date of enactment of the Highway Investment, Job Creation, and Economic Growth Act of 2012 and before January 1, 2013'' after ''January 1, 2011'';

(2) in subclause (III) by inserting ''before January 1, 2011'' after ''which is issued''; and

(3) by striking ''AND 2010'' in the heading and inserting '', 2010, AND PORTIONS OF 2012''.

(b) NO ADJUSTMENT TO ADJUSTED CURRENT EARNINGS.—Clause (iv) of section 56(g)(4)(B) of the Internal Revenue Code of 1986 is amended—

(1) in subclause (I) by inserting '', or after the date of enactment of the Highway Investment, Job Creation, and Economic Growth Act of 2012 and before January 1, 2013'' after ''January 1, 2011'';

(2) in subclause (III) by inserting ''before January 1, 2011'' after ''which is issued''; and

(3) by striking ''AND 2010'' in the heading and inserting '', 2010, AND PORTIONS OF 2012''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of enactment of this Act.

**SEC. 40203. ISSUANCE OF TRIP BONDS BY STATE INFRASTRUCTURE BANKS.**

Section 610(d) of title 23, United States Code, is amended—

(1) by redesignating paragraphs (4), (5), and (6) as paragraphs (5), (6), and (7), respectively,

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

''(4) TRIP BOND ACCOUNT.—

''(A) IN GENERAL.—A State, through a State infrastructure bank, may issue TRIP bonds and deposit proceeds from such issuance into the TRIP bond account of the bank.

''(B) TRIP BOND.—For purposes of this section, the term 'TRIP bond' means any bond issued as part of an issue if—

''(i) 100 percent of the available project proceeds of such issue are to be used for expenditures incurred after the date of the enactment of this paragraph for 1 or more qualified projects pursuant to an allocation of such proceeds to such project or projects by a State infrastructure bank,

''(ii) the bond is issued by a State infrastructure bank and is in registered form (within the meaning of section 149(a) of the Internal Revenue Code of 1986),

''(iii) the State infrastructure bank designates such bond for purposes of this section, and

''(iv) the term of each bond which is part of such issue does not exceed 30 years.

''(C) QUALIFIED PROJECT.—For purposes of this subparagraph, the term 'qualified project' means the capital improvements to any transportation infrastructure project of any governmental unit or other person, including roads, bridges, rail and transit systems, ports, and inland waterways proposed and approved by a State infrastructure bank, but does not include costs of operations or maintenance with respect to such project.'',

(3) by adding at the end of paragraph (5), as redesignated by paragraph (1), the following new subparagraph:

''(D) TRIP BOND ACCOUNT..—Funds deposited into the TRIP bond account shall constitute for purposes of this section a capitalization grant for the TRIP bond account of the bank.'', and

(4) by adding at the end the following new paragraph:

''(8) SPECIAL RULES FOR TRIP BOND ACCOUNT FUNDS.—

''(A) IN GENERAL.—The State shall develop a transparent competitive process for the award of funds deposited into the TRIP bond account that considers the impact of qualified projects on the economy, the environment, state of good repair, and equity.

''(B) APPLICABILITY OF FEDERAL LAW.—The requirements of any Federal law, including this title and titles 40 and 49, which would otherwise apply to projects to which the United States is a party or to funds made available under such law and projects assisted with those funds shall apply to—

''(i) funds made available under the TRIP bond account for similar qualified projects, and

''(ii) similar qualified projects assisted through the use of such funds.''.

**SEC. 40204. EXTENSION OF PARITY FOR EXCLUSION FROM INCOME FOR EMPLOYER-PROVIDED MASS TRANSIT AND PARKING BENEFITS.**

(a) IN GENERAL.—Paragraph (2) of section 132(f) of the Internal Revenue Code of 1986 is amended by striking ''January 1, 2012'' and inserting ''January 1, 2013''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to months after December 31, 2011.

**SEC. 40205. EXEMPT-FACILITY BONDS FOR SEWAGE AND WATER SUPPLY FACILITIES.**

(a) BONDS FOR WATER AND SEWAGE FACILITIES TEMPORARILY EXEMPT FROM VOLUME CAP ON PRIVATE ACTIVITY BONDS.—Subsection (g) of section 146 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''and'' at the end of paragraph (3),

(2) by striking the period at the end of paragraph (4) and inserting '', and'', and

(3) by inserting after paragraph (4) the following new paragraph:

''(5) any exempt facility bonds issued before January 1, 2018, as part of an issue described in paragraph (4) or (5) of section 142(a).''.

(b) CONFORMING CHANGE.—Paragraphs (2) and (3)(B) of section 146(k) of the Internal Revenue Code of 1986 are both amended by striking ''paragraph (4), (5), (6), or (10) of section 142(a)'' and inserting ''paragraph (4) or (5) of section 142(a) with respect to bonds issued after December 31, 2017, or paragraph (6) or (10) of section 142(a)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

## TITLE III—REVENUE PROVISIONS

**SEC. 40301. TRANSFER FROM LEAKING UNDERGROUND STORAGE TANK TRUST FUND TO HIGHWAY TRUST FUND.**

(a) IN GENERAL.—Subsection (c) of section 9508 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''Amounts'' and inserting:

''(1) IN GENERAL.—Except as provided in paragraph (2), amounts'', and

(2) by adding at the end the following new paragraph:

''(2) TRANSFER TO HIGHWAY TRUST FUND.—Out of amounts in the Leaking Underground Storage Tank Trust Fund there is hereby appropriated $3,000,000,000 to be transferred under section 9503(f)(3) to the Highway Trust Fund.''.

(b) TRANSFER TO HIGHWAY TRUST FUND.—

(1) IN GENERAL.—Subsection (f) of section 9503 of the Internal Revenue Code of 1986 is amended by inserting after paragraph (2) the following new paragraph:

''(3) INCREASE IN FUND BALANCE.—There is hereby transferred to the Highway Trust Fund amounts appropriated from the Leaking Underground Storage Tank Trust Fund under section 9508(c)(2).''.

(2) CONFORMING AMENDMENTS.—Paragraph (4) of section 9503(f) of such Code is amended—

(A) by inserting ''or transferred'' after ''appropriated'', and

(B) by striking ''APPROPRIATED'' in the heading thereof.

**SEC. 40302. PORTION OF LEAKING UNDERGROUND STORAGE TANK TRUST FUND FINANCING RATE TRANSFERRED TO HIGHWAY TRUST FUND.**

(a) IN GENERAL.—Subsection (b) of section 9503 of the Internal Revenue Code of 1986 is amended by inserting after paragraph (2) the following new paragraph:

''(3) PORTION OF LEAKING UNDERGROUND STORAGE TANK TRUST FUND FINANCING RATE.—There are hereby appropriated to the Highway Trust Fund amounts equivalent to one-third of the taxes received in the Treasury under—

''(A) section 4041(d) (relating to additional taxes on motor fuels),

''(B) section 4081 (relating to tax on gasoline, diesel fuel, and kerosene) to the extent attributable to the Leaking Underground Storage Tank Trust Fund financing rate under such section, and

''(C) section 4042 (relating to tax on fuel used in commercial transportation on inland waterways) to the extent attributable to the Leaking Underground Storage Tank Trust Fund financing rate under such section.

For purposes of this paragraph, there shall not be taken into account the taxes imposed by sections 4041 and 4081 on diesel fuel sold for use or used as fuel in a diesel-powered boat.''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraphs (1), (2), and (3) of section 9508(b) of the Internal Revenue Code of 1986 are each amended by inserting ''two-thirds of the'' before ''taxes''.

(2) Paragraph (4) of section 9503(b) of such Code is amended by striking subparagraphs (A) and (B) and by redesignating subparagraphs (C) and (D) as subparagraphs (A) and (B), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxes received after the date of the enactment of this Act.

**SEC. 40303. TRANSFER OF GAS GUZZLER TAXES TO HIGHWAY TRUST FUND.**

(a) IN GENERAL.—Paragraph (1) of section 9503(b) of the Internal Revenue Code of 1986 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:

''(B) section 4064 (relating to gas guzzler tax),''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxes received after the date of the enactment of this Act.

**SEC. 40304. REVOCATION OR DENIAL OF PASSPORT IN CASE OF CERTAIN UNPAID TAXES.**

(a) IN GENERAL.—Subchapter D of chapter 75 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**''SEC. 7345. REVOCATION OR DENIAL OF PASSPORT IN CASE OF CERTAIN TAX DELINQUENCIES.**

''(a) IN GENERAL.—If the Secretary receives certification by the Commissioner of Internal Revenue that any individual has a seriously delinquent tax debt in an amount in excess of $50,000, the Secretary shall transmit such certification to the Secretary of State for action with respect to denial, revocation, or limitation of a passport pursuant to section 4 of the Act entitled 'An Act to regulate the issue and validity of passports, and for other purposes', approved July 3, 1926 (22 U.S.C. 211a et seq.), commonly known as the 'Passport Act of 1926'.

''(b) SERIOUSLY DELINQUENT TAX DEBT.—For purposes of this section, the term 'seriously delinquent tax debt' means an outstanding debt under this title for which a notice of lien has been filed in public records pursuant to section 6323 or a notice of levy has been filed pursuant to section 6331, except that such term does not include—

''(1) a debt that is being paid in a timely manner pursuant to an agreement under section 6159 or 7122, and

''(2) a debt with respect to which collection is suspended because a collection due process hearing under section 6330, or relief under subsection (b), (c), or (f) of section 6015, is requested or pending.

''(c) ADJUSTMENT FOR INFLATION.—In the case of a calendar year beginning after 2012, the dollar amount in subsection (a) shall be increased by an amount equal to—

''(1) such dollar amount, multiplied by

''(2) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year, determined by substituting 'calendar year 2011' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $1,000, such amount shall be rounded to the next highest multiple of $1,000.''.

(b) CLERICAL AMENDMENT.—The table of sections for subchapter D of chapter 75 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

''Sec. 7345. Revocation or denial of passport in case of certain tax delinquencies.''.

(c) AUTHORITY FOR INFORMATION SHARING.—

(1) IN GENERAL.—Subsection (l) of section 6103 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(23) DISCLOSURE OF RETURN INFORMATION TO DEPARTMENT OF STATE FOR PURPOSES OF PASSPORT REVOCATION UNDER SECTION 7345.—

''(A) IN GENERAL.—The Secretary shall, upon receiving a certification described in section 7345, disclose to the Secretary of State return information with respect to a taxpayer who has a seriously delinquent tax debt described in such section. Such return information shall be limited to—

''(i) the taxpayer identity information with respect to such taxpayer, and

''(ii) the amount of such seriously delinquent tax debt.

''(B) RESTRICTION ON DISCLOSURE.—Return information disclosed under subparagraph (A) may be used by officers and employees of the Department of State for the purposes of, and to the extent necessary in, carrying out the requirements of section 4 of the Act entitled 'An Act to regulate the issue and validity of passports, and for other purposes', approved July 3, 1926 (22 U.S.C. 211a et seq.), commonly known as the 'Passport Act of 1926'.''.

(2) CONFORMING AMENDMENT.—Paragraph (4) of section 6103(p) of such Code is amended by striking ''or (22)'' each place it appears in subparagraph (F)(ii) and in the matter preceding subparagraph (A) and inserting ''(22), or (23)''.

(d) REVOCATION AUTHORIZATION.—The Act entitled ''An Act to regulate the issue and validity of passports, and for other purposes'', approved July 3, 1926 (22 U.S.C. 211a et seq.), commonly known as the ''Passport Act of 1926'', is amended by adding at the end the following:

**''SEC. 4. AUTHORITY TO DENY OR REVOKE PASSPORT.**

''(a) INELIGIBILITY.—

''(1) ISSUANCE.—Except as provided under subsection (b), upon receiving a certification described in section 7345 of the Internal Revenue Code of 1986 from the Secretary of the Treasury, the Secretary of State may not issue a passport or passport card to any individual who has a seriously delinquent tax debt described in such section.

''(2) REVOCATION.—The Secretary of State shall revoke a passport or passport card previously issued to any individual described in subparagraph (A).

''(b) EXCEPTIONS.—

''(1) EMERGENCY AND HUMANITARIAN SITUATIONS.—Notwithstanding subsection (a), the Secretary of State may issue a passport or passport card, in emergency circumstances or for humanitarian reasons, to an individual described in subsection (a)(1).

''(2) LIMITATION FOR RETURN TO UNITED STATES.—Notwithstanding subsection (a)(2), the Secretary of State, before revocation, may—

''(A) limit a previously issued passport or passport card only for return travel to the United States; or

''(B) issue a limited passport or passport card that only permits return travel to the United States.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2013.

**SEC. 40305. 100 PERCENT CONTINUOUS LEVY ON PAYMENTS TO MEDICARE PROVIDERS AND SUPPLIERS.**

(a) IN GENERAL.—Paragraph (3) of section 6331(h) of the Internal Revenue Code of 1986 is amended by striking the period at the end and inserting '', or to a Medicare provider or supplier under title XVIII of the Social Security Act.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made after the date of the enactment of this Act.

**SEC. 40306. TRANSFER OF AMOUNTS ATTRIBUTABLE TO CERTAIN DUTIES ON IMPORTED VEHICLES INTO THE HIGHWAY TRUST FUND.**

Section 9503(b) of the Internal Revenue Code of 1986, as amended by this Act, is amended by adding at the end the following new paragraph:

''(8) CERTAIN DUTIES ON IMPORTED VEHICLES.—There are hereby appropriated to the Highway Trust Fund amounts equivalent to the amounts received in the Treasury that are attributable to duties collected on or after October 1, 2011, and before October 1, 2016, on articles classified under subheading 8703.22.00 or 8703.24.00 of the Harmonized Tariff Schedule of the United States.''.

**SEC. 40307. TREATMENT OF SECURITIES OF A CONTROLLED CORPORATION EXCHANGED FOR ASSETS IN CERTAIN REORGANIZATIONS.**

(a) IN GENERAL.—Section 361 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(d) SPECIAL RULES FOR TRANSACTIONS INVOLVING SECTION 355 DISTRIBUTIONS.—In the case of a reorganization described in section 368(a)(1)(D) with respect to which stock or securities of the corporation to which the assets are transferred are distributed in a transaction which qualifies under section 355—

''(1) this section shall be applied by substituting 'stock other than nonqualified preferred stock (as defined in section 351(g)(2))' for 'stock or securities' in subsections (a) and (b)(1), and

''(2) the first sentence of subsection (b)(3) shall apply only to the extent that the sum of the money and the fair market value of the other property transferred to such creditors does not exceed the adjusted bases of such assets transferred (reduced by the amount of the liabilities assumed (within the meaning of section 357(c))).''.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 361(b) is amended by striking the last sentence.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to exchanges after the date of the enactment of this Act.

(2) TRANSITION RULE.—The amendments made by this section shall not apply to any exchange pursuant to a transaction which is—

(A) made pursuant to a written agreement which was binding on February 6, 2012, and at all times thereafter;

(B) described in a ruling request submitted to the Internal Revenue Service on or before February 6, 2012; or

(C) described on or before February 6, 2012, in a public announcement or in a filing with the Securities and Exchange Commission.

**SEC. 40308. INTERNAL REVENUE SERVICE LEVIES AND THRIFT SAVINGS PLAN ACCOUNTS.**

Section 8437(e)(3) of title 5, United States Code, is amended by inserting '', the enforcement of a Federal tax levy as provided in section 6331 of the Internal Revenue Code of 1986,'' after ''(42 U.S.C. 659)''.

**SEC. 40309. DEPRECIATION AND AMORTIZATION RULES FOR HIGHWAY AND RELATED PROPERTY SUBJECT TO LONG-TERM LEASES.**

(a) ACCELERATED COST RECOVERY.—

(1) IN GENERAL.—Section 168(g)(1) of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of subparagraph (D), by redesignating subparagraph (E) as subparagraph (F), and by inserting after subparagraph (D) the following new subparagraph:

''(E) any applicable leased highway property,''.

(2) RECOVERY PERIOD.—The table contained in subparagraph (C) of section 168(g)(2) of such Code is amended by redesignating clause (iv) as clause (v) and by inserting after clause (iii) the following new clause:

''(iv) Applicable leased highway property ..... 45 years.''.

(3) APPLICABLE LEASED HIGHWAY PROPERTY DEFINED.—

(A) IN GENERAL.—Section 168(g) of such Code is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following new paragraph:

''(7) APPLICABLE LEASED HIGHWAY PROPERTY.—For purposes of paragraph (1)(E)—

''(A) IN GENERAL.—The term 'applicable leased highway property' means property to which this section otherwise applies which—

''(i) is subject to an applicable lease, and

''(ii) is placed in service before the date of such lease.

''(B) APPLICABLE LEASE.—The term 'applicable lease' means a lease or other arrangement—

''(i) which is between the taxpayer and a State or political subdivision thereof, or any agency or instrumentality of either, and

''(ii) under which the taxpayer—

''(I) leases a highway and associated improvements,

''(II) receives a right-of-way on the public lands underlying such highway and improvements, and

''(III) receives a grant of a franchise or other intangible right permitting the taxpayer to receive funds relating to the operation of such highway.''.

(B) CONFORMING AMENDMENT.—Subparagraph (F) of section 168(g)(1) (as redesignated by subsection (a)(1)) is amended by striking ''paragraph (7)'' and inserting ''paragraph (8)''.

(b) AMORTIZATION OF INTANGIBLES.—Section 197(f) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(11) INTANGIBLES RELATING TO APPLICABLE LEASED HIGHWAY PROPERTY.—In the case of any amortizable section 197 intangible property which is acquired in connection with an applicable lease (as defined in section 168(g)(7)(B)), the amortization period under this section shall not be less than the term of the applicable lease. For purposes of the preceding sentence, rules similar to the rules of section 168(i)(3)(A) shall apply in determining the term of the applicable lease.''.

(c) NO PRIVATE ACTIVITY BOND FINANCING OF APPLICABLE LEASED HIGHWAY PROPERTY.—Section 147(e) of the Internal Revenue Code of 1986 is amended by inserting '', or to finance any applicable leased highway property (as defined in section 168(g)(7)(A))'' after ''premises''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to leases entered into after the date of the enactment of this Act.

(2) NO PRIVATE ACTIVITY BOND FINANCING.—The amendment made by subsection (c) shall apply to bonds issued after the date of the enactment of this Act.

**SEC. 40310. EXTENSION FOR TRANSFERS OF EXCESS PENSION ASSETS TO RETIREE HEALTH ACCOUNTS.**

(a) IN GENERAL.—Paragraph (5) of section 420(b) of the Internal Revenue Code of 1986 is amended by striking ''December 31, 2013'' and inserting ''December 31, 2021''.

(b) CONFORMING ERISA AMENDMENTS.—

(1) Sections 101(e)(3), 403(c)(1), and 408(b)(13) of the Employee Retirement Income Security Act of 1974 are each amended by striking ''Pension Protection Act of 2006'' and inserting ''Highway Investment, Job Creation, and Economic Growth Act of 2012''.

(2) Section 408(b)(13) of such Act (29 U.S.C. 1108(b)(13)) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2022''.

(c) EFFECTIVE DATE.—The amendments made by this Act shall take effect on the date of the enactment of this Act.

**SEC. 40311. TRANSFER OF EXCESS PENSION ASSETS TO RETIREE GROUP TERM LIFE INSURANCE ACCOUNTS.**

(a) IN GENERAL.—Subsection (a) of section 420 of the Internal Revenue Code of 1986 is amended by inserting '', or an applicable life insurance account,'' after ''health benefits account''.

(b) APPLICABLE LIFE INSURANCE ACCOUNT DEFINED.—

(1) IN GENERAL.—Subsection (e) of section 420 of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively, and by inserting after paragraph (3) the following new paragraph:

''(4) APPLICABLE LIFE INSURANCE ACCOUNT.—The term 'applicable life insurance account' means a separate account established and maintained for amounts transferred under this section for qualified current retiree liabilities based on premiums for applicable life insurance benefits.''.

(2) APPLICABLE LIFE INSURANCE BENEFITS DEFINED.—Paragraph (1) of section 420(e) of such Code is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

''(D) APPLICABLE LIFE INSURANCE BENEFITS.—The term 'applicable life insurance benefits' means group-term life insurance coverage provided to retired employees who, immediately before the qualified transfer, are entitled to receive such coverage by reason of retirement and who are entitled to pension benefits under the plan, but only to the extent that such coverage is provided under a policy for retired employees and the cost of such coverage is excludable from the retired employee's gross income under section 79.''.

(3) COLLECTIVELY BARGAINED LIFE INSURANCE BENEFITS DEFINED.—

(A) IN GENERAL.—Paragraph (6) of section 420(f) of such Code is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

''(D) COLLECTIVELY BARGAINED LIFE INSURANCE BENEFITS.—The term 'collectively bargained life insurance benefits' means, with respect to any collectively bargained transfer—

''(i) applicable life insurance benefits which are provided to retired employees who, immediately before the transfer, are entitled to receive such benefits by reason of retirement, and

''(ii) if specified by the provisions of the collective bargaining agreement governing the transfer, applicable life insurance benefits which will be provided at retirement to employees who are not retired employees at the time of the transfer.''.

(B) CONFORMING AMENDMENTS.—

(i) Clause (i) of section 420(e)(1)(C) of such Code is amended by striking ''upon retirement'' and inserting ''by reason of retirement''.

(ii) Subparagraph (C) of section 420(f)(6) of such Code is amended—

(I) by striking ''which are provided to'' in the matter preceding clause (i),

(II) by inserting ''which are provided to'' before ''retired employees'' in clause (i),

(III) by striking ''upon retirement'' in clause (i) and inserting ''by reason of retirement'', and

(IV) by striking ''active employees who, following their retirement,'' and inserting ''which will be provided at retirement to employees who are not retired employees at the time of the transfer and who''.

(c) MAINTENANCE OF EFFORT.—

(1) IN GENERAL.—Subparagraph (A) of section 420(c)(3) of the Internal Revenue Code of 1986 is amended by inserting '', and each group-term life insurance plan under which applicable life insurance benefits are provided,'' after ''health benefits are provided''.

(2) CONFORMING AMENDMENTS.—

(A) Subparagraph (B) of section 420(c)(3) of such Code is amended—

(i) by redesignating subclauses (I) and (II) of clause (i) as subclauses (II) and (III) of such clause, respectively, and by inserting before subclause (II) of such clause, as so redesignated, the following new subclause:

''(I) separately with respect to applicable health benefits and applicable life insurance benefits,'', and

(ii) by striking ''for applicable health benefits'' and all that follows in clause (ii) and inserting ''was provided during such taxable year for the benefits with respect to which the determination under clause (i) is made.''.

(B) Subparagraph (C) of section 420(c)(3) of such Code is amended—

(i) by inserting ''for applicable health benefits'' after ''applied separately'', and

(ii) by inserting '', and separately for applicable life insurance benefits with respect to individuals age 65 or older at any time during the taxable year and with respect to individuals under age 65 during the taxable year'' before the period.

(C) Subparagraph (E) of section 420(c)(3) of such Code is amended—

(i) in clause (i), by inserting ''or retiree life insurance coverage, as the case may be,'' after ''retiree health coverage'', and

(ii) in clause (ii), by inserting ''FOR RETIREE HEALTH COVERAGE'' after ''COST REDUCTIONS'' in the heading thereof, and

(iii) in clause (ii)(II), by inserting ''with respect to applicable health benefits'' after ''liabilities of the employer''.

(D) Paragraph (2) of section 420(f) of such Code is amended by striking ''collectively bargained retiree health liabilities'' each place it occurs and inserting ''collectively bargained retiree liabilities''.

(E) Clause (i) of section 420(f)(2)(D) of such Code is amended—

(i) by inserting '', and each group-term life insurance plan or arrangement under which applicable life insurance benefits are provided,'' in subclause (I) after ''applicable health benefits are provided'',

(ii) by inserting ''or applicable life insurance benefits, as the case may be,'' in subclause (I) after ''provides applicable health benefits'',

(iii) by striking ''group health'' in subclause (II), and

(iv) by inserting ''or collectively bargained life insurance benefits'' in subclause (II) after ''collectively bargained health benefits''.

(F) Clause (ii) of section 420(f)(2)(D) of such Code is amended—

(i) by inserting ''with respect to applicable health benefits or applicable life insurance benefits'' after ''requirements of subsection (c)(3)'', and

(ii) by adding at the end the following: ''Such election may be made separately with respect to applicable health benefits and applicable life insurance benefits. In the case of an election with respect to applicable life insurance benefits, the first sentence of this clause shall be applied as if subsection (c)(3) as in effect before the amendments made by such Act applied to such benefits.''

(G) Clause (iii) of section 420(f)(2)(D) of such Code is amended—

(i) by striking ''retiree'' each place it occurs, and

(ii) by inserting ", collectively bargained life insurance benefits, or both, as the case may be," after "health benefits" each place it occurs.

(d) COORDINATION WITH SECTION 79.—Section 79 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(f) EXCEPTION FOR LIFE INSURANCE PURCHASED IN CONNECTION WITH QUALIFIED TRANSFER OF EXCESS PENSION ASSETS.—Subsection (b)(3) and section 72(m)(3) shall not apply in the case of any cost paid (whether directly or indirectly) with assets held in an applicable life insurance account (as defined in section 420(e)(4)) under a defined benefit plan.".

(e) CONFORMING AMENDMENTS.—

(1) Section 420 of the Internal Revenue Code of 1986 is amended by striking "qualified current retiree health liabilities" each place it appears and inserting "qualified current retiree liabilities".

(2) Section 420 of such Code is amended by inserting ", or an applicable life insurance account," after "a health benefits account" each place it appears in subsection (b)(1)(A), subparagraphs (A), (B)(i), and (C) of subsection (c)(1), subsection (d)(1)(A), and subsection (f)(2)(E)(ii).

(3) Section 420(b) of such Code is amended—

(A) by adding the following at the end of paragraph (2)(A): "If there is a transfer from a defined benefit plan to both a health benefits account and an applicable life insurance account during any taxable year, such transfers shall be treated as 1 transfer for purposes of this paragraph.", and

(B) by inserting "to an account" after "may be transferred" in paragraph (3).

(4) The heading for section 420(c)(1)(B) of such Code is amended by inserting "OR LIFE INSURANCE" after "HEALTH BENEFITS".

(5) Paragraph (1) of section 420(e) of such Code is amended—

(A) by inserting "and applicable life insurance benefits" in subparagraph (A) after "applicable health benefits", and

(B) by striking "HEALTH" in the heading thereof.

(6) Subparagraph (B) of section 420(e)(1) of such Code is amended—

(A) in the matter preceding clause (i), by inserting "(determined separately for applicable health benefits and applicable life insurance benefits)" after "shall be reduced by the amount",

(B) in clause (i), by inserting "or applicable life insurance accounts" after "health benefit accounts", and

(C) in clause (i), by striking "qualified current retiree health liability" and inserting "qualified current retiree liability".

(7) The heading for subsection (f) of section 420 of such Code is amended by striking "HEALTH" each place it occurs.

(8) Subclause (II) of section 420(f)(2)(B)(ii) of such Code is amended by inserting "or applicable life insurance account, as the case may be," after "health benefits account".

(9) Subclause (III) of section 420(f)(2)(E)(i) of such Code is amended—

(A) by inserting "defined benefit" before "plan maintained by an employer", and

(B) by inserting "health" before "benefit plans maintained by the employer".

(10) Paragraphs (4) and (6) of section 420(f) of such Code are each amended by striking "collectively bargained retiree health liabilities" each place it occurs and inserting "collectively bargained retiree liabilities".

(11) Subparagraph (A) of section 420(f)(6) of such Code is amended—

(A) in clauses (i) and (ii), by inserting ", in the case of a transfer to a health benefits account," before "his covered spouse and dependents", and

(B) in clause (ii), by striking "health plan" and inserting "plan".

(12) Subparagraph (B) of section 420(f)(6) of such Code is amended—

(A) in clause (i), by inserting ", and collectively bargained life insurance benefits," after "collectively bargained health benefits",

(B) in clause (ii)—

(i) by adding at the end the following: "The preceding sentence shall be applied separately for collectively bargained health benefits and collectively bargained life insurance benefits.", and

(ii) by inserting ", applicable life insurance accounts," after "health benefit accounts", and

(C) by striking "HEALTH" in the heading thereof.

(13) Subparagraph (E) of section 420(f)(6) of such Code, as redesignated by subsection (b), is amended—

(A) by striking "bargained health" and inserting "bargained",

(B) by inserting ", or a group-term life insurance plan or arrangement for retired employees," after "dependents" , and

(C) by striking "HEALTH" in the heading thereof.

(14) Section 101(e) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(e)) is amended—

(A) in paragraphs (1) and (2), by inserting "or applicable life insurance account" after "health benefits account" each place it appears, and

(B) in paragraph (1), by inserting "or applicable life insurance benefit liabilities" after "health benefits liabilities".

(f) TECHNICAL CORRECTION.—Clause (iii) of section 420(f)(6)(B) is amended by striking "416(I)(1)" and inserting "416(i)(1)".

(g) REPEAL OF DEADWOOD.—

(1) Subparagraph (A) of section 420(b)(1) of the Internal Revenue Code of 1986 is amended by striking "in a taxable year beginning after December 31, 1990".

(2) Subsection (b) of section 420 of such Code is amended by striking paragraph (4) and by redesignating paragraph (5), as amended by this Act, as paragraph (4).

(3) Paragraph (2) of section 420(b) of such Code, as amended by this section, is amended—

(A) by striking subparagraph (B), and

(B) by striking "PER YEAR.—" and all that follows through "No more than" and inserting "PER YEAR.—No more than".

(4) Paragraph (2) of section 420(c) of such Code is amended—

(A) by striking subparagraph (B),

(B) by moving subparagraph (A) two ems to the left, and

(C) by striking "BEFORE TRANSFER.—" and all that follows through "The requirements of this paragraph" and inserting the following: "BEFORE TRANSFER.—The requirements of this paragraph".

(5) Paragraph (2) of section 420(d) of such Code is amended by striking "after December 31, 1990".

(h) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to transfers made after the date of the enactment of this Act.

(2) CONFORMING AMENDMENTS RELATING TO PENSION PROTECTION ACT.—The amendments made by subsections (b)(3)(B) and (f) shall take effect as if included in the amendments made by section 841(a) of the Pension Protection Act of 2006.

**SEC. 40312. PENSION FUNDING STABILIZATION.**

(a) AMENDMENTS TO INTERNAL REVENUE CODE OF 1986.—

(1) IN GENERAL.—Subparagraph (C) of section 430(h)(2) of the Internal Revenue Code of 1986 is amended by adding at the end the following new clause:

"(iv) SEGMENT RATE STABILIZATION.—If a segment rate described in clause (i), (ii), or (iii) with respect to any applicable month (determined without regard to this clause) is less than 85 percent, or more than 115 percent, of the average of the segment rates (determined on an annual basis by the Secretary) described in such clause for years in the 10-year period ending with September 30 of the calendar year preceding the calendar year in which the plan year begins, then the segment rate described in such clause with respect to the applicable month shall be equal to 85 or 115 percent of such average, whichever is closest.".

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (6) of section 404(o) of such Code is amended by inserting "(determined by not taking into account any adjustment under clause (iv) of subsection (h)(2)(C) thereof)" before the period.

(B) Subparagraph (F) of section 430(h)(2) of such Code is amended by inserting "and the averages determined under subparagraph (C)(iv)" after "subparagraph (C)".

(C) Subparagraphs (C) and (D) of section 417(e)(3) of such Code are each amended by striking "section 430(h)(2)(C)" and inserting "section 430(h)(2)(C) (determined by not taking into account any adjustment under clause (iv) thereof)".

(b) AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) IN GENERAL.—Subparagraph (C) of section 303(h)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(h)(2)) is amended by adding at the end the following new clause:

"(iv) SEGMENT RATE STABILIZATION.—If a segment rate described in clause (i), (ii), or (iii) with respect to any applicable month (determined without regard to this clause) is less than 85 percent, or more than 115 percent, of the average of the segment rates (determined on an annual basis by the Secretary of the Treasury) described in such clause for years in the 10-year period ending with September 30 of the calendar year preceding the calendar year in which the plan year begins, then the segment rate described in such clause with respect to the applicable month shall be equal to 85 or 115 percent of such average, whichever is closest.".

(2) CONFORMING AMENDMENTS.—

(A) Subparagraph (F) of section 303(h)(2) of such Act (29 U.S.C. 1083(h)(2)) is amended by inserting "and the averages determined under subparagraph (C)(iv)" after "subparagraph (C)".

(B) Clauses (ii) and (iii) of section 205(g)(3)(B) of such Act (29 U.S.C. 1055(g)(3)(B)) are each amended by striking "section 303(h)(2)(C)" and inserting "section 303(h)(2)(C) (determined by not taking into account any adjustment under clause (iv) thereof)".

(C) Clause (iv) of section 4006(a)(3)(E) of such Act (29 U.S.C. 1306(a)(3)(E)) is amended by striking "section 303(h)(2)(C)" and inserting "section 303(h)(2)(C) (notwithstanding any regulations issued by the corporation, determined by not taking into account any adjustment under clause (iv) thereof)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to plan years beginning after December 31, 2011.

(d) TRANSFER TO HIGHWAY TRUST FUND.—Subsection (f) of section 9503 of the Internal Revenue Code of 1986, as amended by this Act, is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

"(4) ADDITIONAL APPROPRIATION TO FUND.—Out of money in the Treasury not otherwise appropriated, there is hereby appropriated $1,588,000,000 to the Highway Trust Fund.".

**SA 1731.** Mr. MANCHIN (for himself and Mr. BLUMENTHAL) submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title I of division C, add the following:

**SEC. 31115. NATIONAL YELLOW DOT PROGRAM.**

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the National Highway Traffic Safety Administration of the Department of Transportation.

(2) COORDINATOR.—The term ''Coordinator'' means the national coordinator of the Yellow Dot Program, who has been so designated by the Administrator.

(3) PROGRAM PARTICIPANT.—The term ''program participant'' means a person who has agreed to participate in the Yellow Dot Program.

(4) YELLOW DOT PROGRAM.—The term ''Yellow Dot Program'' means the Yellow Dot Program established under subsection (b).

(b) YELLOW DOT PROGRAM.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Administrator shall establish a national Yellow Dot Program to assist law enforcement and emergency services personnel to efficiently gather relevant medical information in the event of a motor vehicle accident or other medical emergency involving motor vehicles.

(B) COORDINATOR.—

(i) DESIGNATION.—The Administrator shall designate a person within the Department of Transportation to serve as Coordinator of the Yellow Dot Program.

(ii) RESPONSIBILITIES.—The Coordinator shall—

(I) provide information, training, and materials for the Yellow Dot Program to assist the State officials designated pursuant to subparagraph (C)(ii) in the implementation of the Yellow Dot Program;

(II) compile national statistics on Yellow Dot Program participation rates, broken down by State and age; and

(III) collaborate with States that have programs similar to the Yellow Dot Program to improve national consistency in training materials, participant forms and information, and subsequent data collection methods.

(C) STATE PARTICIPATION.—Each State that elects to participate in the Yellow Dot Program shall—

(i) notify the Coordinator of such election;

(ii) designate a State official to oversee the Yellow Dot Program throughout the State; and

(iii) comply with the requirements set forth in paragraph (2).

(2) STATE RESPONSIBILITIES.—Each participating State shall—

(A) work with local law enforcement and emergency services agencies to publicize the Yellow Dot Program throughout the State;

(B) distribute to program participants—

(i) for each motor vehicle in which the program participant anticipates regularly driving or riding, a yellow sticker and a yellow folder; and

(ii) for each driver or passenger, a blank form with space to enter medical conditions of, prescriptions taken by, and other vital information of the program participant;

(C) instruct local law enforcement and emergency services personnel about the purposes and requirements of the Yellow Dot Program; and

(D) submit an annual report to the Coordinator that identifies the number of program participants in the State, broken down by age.

(3) PROGRAM PARTICIPANT RESPONSIBILITIES.—Each program participant shall—

(A) place the sticker distributed pursuant to paragraph (2)(B)(i) in the bottom left corner of the rear window of each vehicle in which the program participant anticipates regularly driving or riding;

(B) place the completed form distributed pursuant to paragraph (2)(B)(ii) in the folder distributed pursuant to paragraph (2)(B)(i); and

(C) place the folder with the relevant completed forms in the glove compartment of each vehicle in which the program participant anticipates regularly driving or riding.

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**SA 1732.** Mr. MANCHIN submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

On page 469, after line 22, add the following:

**SEC. 15___. POLICIES APPLICABLE TO ECONOMICALLY SIGNIFICANT ARC ROAD PROJECTS.**

(a) APPLICABILITY OF SECTION.—This section and the amendments made by this section apply to any road project (including a road project under development as of the date of enactment of this Act) that—

(1) is carried out within the territory of the Appalachian Regional Commission; and

(2) as determined by each State in which the road project is located, will have a direct and significant economic impact.

(b) STATE WATER QUALITY STANDARDS.—

(1) STATE WATER QUALITY STANDARDS.—Section 303(c)(4) of the Federal Water Pollution Control Act (33 U.S.C. 1313(c)(4)) is amended—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by striking ''(4)'' and inserting ''(4)(A)'';

(C) in the matter following subparagraph (A)(ii) (as redesignated by subparagraphs (A) and (B)), by striking ''The Administrator shall promulgate'' and inserting the following:

''(iii) The Administrator shall promulgate''; and

(D) by adding at the end the following:

''(B) Notwithstanding subparagraph (A)(ii), the Administrator may not promulgate a revised or new standard for a pollutant in any case in which the State has submitted to the Administrator and the Administrator has approved a water quality standard for that pollutant, unless the State concurs with the determination of the Administrator that the revised or new standard is necessary to meet the requirements of this Act.''.

(2) FEDERAL LICENSES AND PERMITS.—Section 401(a) of the Federal Water Pollution Control Act (33 U.S.C. 1341(a)) is amended by adding at the end the following:

''(7) NO SUPERSEDING ACTION.—With respect to any discharge, if a State or interstate agency having jurisdiction over the navigable waters at the point at which the discharge originates or will originate determines under paragraph (1) that the discharge will comply with the applicable provisions of sections 301, 302, 303, 306, and 307, the Administrator may not take any action to supersede the determination.''.

(3) STATE NPDES PERMIT PROGRAMS.—Section 402(c) of the Federal Water Pollution Control Act (42 U.S.C. 1342(c)) is amended by adding at the end the following:

''(5) LIMITATION ON AUTHORITY OF ADMINISTRATOR TO WITHDRAW APPROVAL OF STATE PROGRAMS.—The Administrator may not withdraw approval of a State program under paragraph (3) or (4), or limit Federal financial assistance for the State program, on the basis that the Administrator disagrees with the State regarding—

''(A) the implementation of any water quality standard that has been adopted by the State and approved by the Administrator under section 303(c); or

''(B) the implementation of any Federal guidance that directs the interpretation of the water quality standards of the State.''.

(4) LIMITATION ON AUTHORITY OF ADMINISTRATOR TO OBJECT TO INDIVIDUAL PERMITS.—Section 402(d) of the Federal Water Pollution Control Act (33 U.S.C. 1342(d)) is amended by adding at the end the following:

''(5) PROHIBITION ON OBJECTIONS.—The Administrator may not object under paragraph (2) to the issuance of a permit by a State on the basis of—

''(A) the interpretation by the Administrator of a water quality standard that has been adopted by the State and approved by the Administrator under section 303(c); or

''(B) the implementation of any Federal guidance that directs the interpretation of the water quality standards of the State.''.

(c) PERMITS FOR DREDGED OR FILL MATERIAL.—

(1) AUTHORITY OF EPA ADMINISTRATOR.—Section 404(c) of the Federal Water Pollution Control Act (33 U.S.C. 1344(c)) is amended—

(A) by striking ''(c) The Administrator'' and inserting the following:

''(c) RESTRICTIONS ON DISPOSAL SITES.—

''(1) IN GENERAL.—The Administrator''; and

(B) by adding at the end the following:

''(2) EXCEPTION.—Paragraph (1) shall not apply to any permit if the State in which the discharge originates or will originate does not concur with the determination of the Administrator that the discharge will result in an unacceptable adverse effect as described in paragraph (1).''.

(2) STATE PERMIT PROGRAMS.—The first sentence of section 404(g)(1) of the Federal Water Pollution Control Act (33 U.S.C. 1344(g)(1)) is amended by striking ''The Governor of any State desiring to administer its own individual and general permit program for the discharge'' and inserting ''The Governor of any State desiring to administer an individual and general State permit program for some or all of the discharges''.

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**SA 1733.** Mrs. MURRAY (for herself, Ms. MURKOWSKI, Ms. CANTWELL, Mr. BEGICH, Mrs. GILLIBRAND, and Mr. SCHUMER) submitted an amendment intended to be proposed by her to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title I, insert the following:

**SEC. _____. CONSTRUCTION OF FERRY BOATS AND FERRY TERMINAL FACILITIES.**

(a) IN GENERAL.—The repeal of section 147 of title 23, United States Code, under subsections (b) and (c)(1) of section 1516 shall have no force or effect.

(b) CONSTRUCTION OF FERRY BOATS AND FERRY TERMINAL FACILITIES.—Section 147 of title 23, United States Code, is amended by striking subsections (c), (d), and (e) and inserting the following:

''(c) DISTRIBUTION OF FUNDS.—Of the amounts made available to ferry systems and public entities responsible for developing ferries under this section in a fiscal year, 100 percent shall be allocated in accordance with the formula set forth in subsection (d).

''(d) FORMULA.—Of the amounts allocated pursuant to subsection (c)—

''(1) 50 percent shall be allocated among eligible entities in the ratio that—

''(A) the number of ferry passengers carried by each ferry system in the most recent fiscal year; bears to

''(B) the number of ferry passengers carried by all ferry systems in the most recent fiscal year;

''(2) 25 percent shall be allocated among eligible entities in the ratio that—

''(A) the number of vehicles carried by each ferry system in the most recent fiscal year; bears to

''(B) the number of vehicles carried by all ferry systems in the most recent fiscal year; and

''(3) 25 percent shall be allocated among eligible entities in the ratio that—

''(A) the total route miles serviced by each ferry system; bears to

''(B) the total route miles serviced by all ferry systems.

''(e) FUNDING.—

''(1) IN GENERAL.—There is authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) $100,000,000 for each of the fiscal years 2012 through 2013 to carry out this section.

''(2) PERIOD OF AVAILABILITY.—Notwithstanding section 118(b), amounts apportioned to carry out this section shall remain available until expended.''.

**SEC. _____. ELIGIBILITY OF FERRIES FOR CLEAN FUELS GRANT PROGRAM.**

Section 5308 of title 49, United States Code, is amended—

(1) in subsection (a)(2)—

(A) in clause (i), by inserting '', or ferries'' before the semicolon at the end; and

(B) in clause (iii), by inserting ''or ferries'' before the semicolon at the end; and

(2) in subsection (c)—

(A) in the subsection heading, by inserting ''AND FERRIES'' after ''BUSES''; and

(B) by inserting ''or ferries'' before the period at the end.

**SEC. _____. FERRY JOINT PROGRAM OFFICE.**

(a) ESTABLISHMENT AND PURPOSE.—

(1) ESTABLISHMENT.—The Secretary shall establish within the Department of Transportation a Ferry Joint Program Office (referred to in this section as the ''Office'') for the purposes described in paragraph (2).

(2) PURPOSES.—The purposes of the Office shall be—

(A) to coordinate Federal programs affecting ferry and ferry facility construction, maintenance, operations, and security; and

(B) to promote transportation by ferry as a component of the United States transportation system.

(b) FUNCTIONS.—The head of the Office shall—

(1) coordinate programs related to ferry transportation carried out by—

(A) the Department of Transportation, including programs carried out by the Federal Highway Administration, the Federal Transit Administration, the Maritime Administration, and the Research and Innovative Technology Administration;

(B) the Department of Homeland Security; and

(C) other Federal and State agencies, as appropriate;

(2) ensure resource accountability for programs carried out by the Secretary related to ferry transportation;

(3) provide strategic leadership for research, development, testing, and deployment of technologies related to ferry transportation;

(4) promote ferry transportation as a means to reduce social, economic, and environmental costs associated with traffic congestion; and

(5) develop energy efficient operating models to reduce carbon emissions associated with ferry transportation.

**SEC. _____. NATIONAL FERRY DATABASE.**

Section 1801(e) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (23 U.S.C. 129 note; Public Law 109 59) is amended—

(1) in paragraph (2), by inserting '', including any Federal, State, and local government funding sources,'' after ''sources''; and

(2) in paragraph (4)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) by redesignating subparagraph (C) as subparagraph (D);

(C) by inserting after subparagraph (B), the following:

''(C) ensure that the database is consistent with the national transit database maintained by the Federal Transit Administration; and''; and

(D) in subparagraph (D) (as redesignated by subparagraph (B)), by striking ''2009'' and inserting ''2018''.

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**SA 1734.** Mr. NELSON of Florida submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

On page 134, between lines 7 and 8, insert the following:

''(3) OLDER DRIVERS.—If the fatality and serious injury rates for drivers and pedestrians over the age of 65 in a State increases during the most recent 2-year period for which data are available, that State shall be required to file a corrective action based on the recommendations included in the publication of the Federal Highway Administration entitled 'Highway Design Handbook for Older Drivers and Pedestrians' (FHWA-RD-01-103), and dated May 2001, or any version of that publication that is revised and updated pursuant to section 103.

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**SA 1735.** Mr. NELSON of Florida submitted an amendment intended to be proposed by him to the bill S. 1813, to reauthorize Federal-aid highway and highway safety construction programs, and for other purposes; which was ordered to lie on the table; as follows:

On page 469, after line 22, add the following:

**SEC. 15___. MILITARY FACILITIES LOCATED ON EVACUATION ROUTES.**

Each State shall give priority consideration to improvements to evacuation routes and to the transportation needs of facilities operated by the armed forces (as defined in section 101(a) of title 10, United States Code) located on or adjacent to evacuation routes when allocating funds apportioned to the State under title 23, United States Code, for the construction of Federal-aid highways.

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## UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that on Monday, February 27, 2012, at 4:30 p.m., the Senate proceed to executive session to consider the following nomination: Calendar No. 409; that there be 60 minutes for debate equally divided in the usual form; that upon the use or yielding back of that time, the Senate proceed to vote without intervening action or debate on that nomination, the motion to reconsider be considered made and laid upon the table, with no intervening action or debate, and that there be no further motions in order; that any related statements be printed in the Record; that the President be immediately notified of the Senate's action, and the Senate then resume legislative session.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

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## RECOGNIZING THE 2012 WORLD CHOIR GAMES

Mr. REID. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further action on S. Res. 325.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 325) recognizing the 2012 World Choir Games in Cincinnati, Ohio, as a global event of cultural significance to the United States and expressing support for designation of July 2012 as World Choir Games Month in the United States.

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motions to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 325) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 325

Whereas the World Choir Games, the largest choral competition in the world, takes place every 2 years, is known as the ''Olympics of choral music'', and has the goal of uniting people from all countries through singing in peaceful competition;

Whereas, from July 4 through July 14, 2012, Cincinnati, Ohio, will be first city in the United States to host the World Choir Games;

Whereas the Seventh World Choir Games are expected to include more than 400 choirs from more than 70 countries, 20,000 official participants, including performers, event officials, delegations, and international jury members, and up to 200,000 spectators;

Whereas choirs will compete in 23 different musical genres evaluated by an impartial international jury of choral music experts;

Whereas the genres of barbershop and show choir will be added as competition categories for the first time in recognition of their popularity in the United States;

Whereas the uniting of the people of the world through singing in peaceful competition in the United States in 2012 affirms the commitment of the United States to global cultural awareness, understanding, and appreciation; and

Whereas it is appropriate to designate July 2012 as World Choir Games Month in the United States: Now, therefore, be it

*Resolved,* That the Senate—

(1) recognizes the global significance of the Seventh World Choir Games to be hosted in Cincinnati, Ohio, from July 4 through July 14, 2012;