United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, FIRST SESSION

Vol. 143 WASHINGTON, FRIDAY, SEPTEMBER 12, 1997 No. 121

House of Representatives

The House was not in session today. Its next meeting will be held on Monday, September 15, 1997, at 12 noon.

Senate

FRIDAY, SEPTEMBER 12, 1997

The Senate met at 10 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, as we conclude this week, we claim Your promise through Isaiah. ''Your ears shall hear a word behind you, saying, ''This is the way, walk in it.''—Isaiah 30:21. We pray for that kind of clear and decisive guidance in the relationships and responsibilities ahead of us. Speak so that we may speak in an echo of both the tone and tenor of Your truth. We tune our minds to the frequency of Your spirit. Help us communicate Your caring and compassion as well as Your justice and righteousness. May our consistent communion with You radiate on our faces, be expressed in our character, and be exuded in positive joy. Fill this Chamber with Your spirit and bless the Senators with strength and courage to listen to You, learn from You, and lean on Your everlasting arms. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader from Washington State is recognized.

SCHEDULE

Mr. GORTON. Mr. President, the Senate will be in session today only for the transaction of morning business. No rollcall votes will occur during today's session of the Senate. On Monday, the Senate will resume consideration of the Interior appropriations bill. As announced, no rollcall votes will occur during Monday's session. The majority leader intends that the Senate conclude debate on the Interior bill by Tuesday. As a consequence, Members are encouraged to contact the managers of the bill to schedule floor action on any possible amendments on Monday or Tuesday.

As Members are aware, this is the next to the last appropriations bill remaining for Senate consideration, so Members' cooperation is appreciated in the scheduling of floor action as we attempt to conclude action on both the Interior appropriations bill and the District of Columbia appropriations bill next week. As a result of this policy, the next rollcall vote will be a cloture vote on the substitute amendment to S. 830, the Food and Drug Administration reform bill, which will occur on Tuesday at 10 a.m. Under rule XXII, all first-degree amendments to S. 830 must be filed by 1 p.m. on Monday. The majority leader thanks his colleagues for their attention.

Mr. President, as manager of the Interior appropriations bill, I have spoken to a number of my colleagues with interest in the National Endowment for the Arts to express my views and those of Senator STEVENS and the majority leader that to the maximum possible extent, amendments relating to the National Endowment for the Arts be presented and debated on Monday. With a single exception, all of the Members who I am aware of who may have such amendments have been contacted and have expressed their cooperation. But for the information of all Members on both sides of the aisle, Monday will provide a time at which the National Endowment for the Arts can be debated at leisure without time constraints or the interference of other matters.

So I do hope that those Members who have an interest in expressing their views on the subject will come to the floor of the Senate on Monday afternoon and let their views be known to other Members of the Senate.

This is not to say, of course, that other amendments will not be in order on Monday, as they will be. We are aware of the possibility of amendments by Senators HELMS and ASHCROFT that would terminate the National Endowment for the Arts in the way that the House of Representatives voted to do; additional amendments by Senator HELMS with respect to content restrictions; a potential amendment by Senator HUTCHINSON of Arkansas, together with Senators SESSIONS and ABRAHAM on block granting most or all of the funds for the National Endowment for the Arts; an amendment by Senator HUTCHISON of Texas to restructure the grant process of NEA; an amendment by Senator JEFFORDS, as the chairman of the authorizing committee for the Endowment, to deal with the committee's authorization proposal as a part of this appropriations debate; and the possibility that Senator COCHRAN may wish to clarify the definition of arts education. That is not to say all these amendments will, in fact, be adopted. It is not to say there are not others. I

may report that there seems to be more interest in debating this issue in a number of different guises than there is of any other part of the Interior appropriations bill. I, obviously, will be here for the day. I hope I am accompanied by the great majority of those who wish to speak on the issue.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. COLLINS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BINGAMAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Madam President, what is the business before the Senate?

MORNING BUSINESS

The PRESIDING OFFICER. Under a previous order, there will be a period of morning business with Senators permitted to speak therein for 10 minutes each.

OPPOSITION TO THE GORTON AMENDMENT

Mr. BINGAMAN. Madam President, I wanted to speak first today about this Gorton amendment that we adopted yesterday as part of the Labor and Human Services appropriation measure.

The Senate approved that amendment by a narrow vote of 51 to 49. And the effect of the amendment is to convert billions of dollars in Federal education funds into unrestricted block grants that go to school districts, and with very few restrictions or accountability for how the funding is spent. I think the amendment is extremely far-reaching, and it was a mistake by the Senate to go along with this amendment. I hope very much that, in the final analysis in the conference, we can drop the amendment and send to the President a bill that keeps intact the various programs that many of us have worked for on both the Democratic and Republican side of the aisle for many years.

Let me just say, putting it in its baldest terms, that this amendment would eliminate much of the U.S. Department of Education. That is a radical and a misguided effort, which does not have strong public support. This is an issue that was discussed in the last Presidential campaign. It became clear, I believe, during the course of that campaign and in the polling that was done throughout the campaign and since, that the American public does not favor elimination of the Department of Education, either in a formal way or by the gutting of the Department through an amendment such as this.

I have fundamental problems with the notion that there is no national interest in helping parents and schools and students to compete in the world economy. What we are saying is that the local schools in every part of this country can figure out how to prepare their students to compete in the international marketplace if they have no help from outside. I disagree with that. It is not realistic to expect a local school board to have at its disposal the resources and expertise that we can develop at the national level and provide as assistance in the educational process.

So there is an honest disagreement here about whether we as a nation can step up to this responsibility and assist States and local school districts, or whether we need to stay completely out of it. I feel very much that we need to provide assistance and expertise where we can.

The Secretary of Education, in a quotation in the morning paper, says very clearly—this is Secretary Riley in the Washington Post:

> Secretary Riley warned that the Senate's action, which he called a ''back-door attempt to kill the Department of Education'' would abolish many vital programs for students, including Clinton's Goals 2000 grants for school reform.

Madam President, when you look at the roughly $12.5 billion in annual funding for Federal education programs that would go into block grants under this amendment, you see how broad-based this amendment is. Let me just go through the list so the people know what we are talking about here.

First of all, there is the Goals 2000 program that, of course, has been somewhat controversial, but has been a great benefit to many school districts in my State. I go to school district after school district as I travel around New Mexico and talk to those school district administrators and teachers and students about the Goals 2000 program. I find good support for it. I think they appreciate the funding they have received and the assistance that the Federal Government provides. So it would be eliminated.

The School-to-Work Program. The education funds involved in the School-to-Work Program—not the Department of Labor funds, but the Education Department funds—would be eliminated.

Education technology. This has been a concern of mine and of many Senators for many years now as to how do we get additional resources to our schools and to our school districts so that they can put in place the various purchasing of hardware and software and training of teachers that is necessary for them to turn out a technologically literate group of graduates at the end of the high school experience.

Star Schools Program, the regional technology education consortia, the telecommunications demonstration programs that are in place around the country, the challenge grants for technology innovation, technology literacy challenge fund—all of these are specific initiatives that have benefited my State significantly.

I think it would be a major error for us to eliminate the Federal funds. Some will say we are not eliminating Federal funds, we are giving a block grant to the school districts and if they want to spend them on this, they can. The unfortunate reality is that a local school district is under tremendous pressure. The school board members in my State are elected, as they are throughout most of the country. They are under tremendous pressure at the local level to raise salaries, raise salaries for school administrators, to build additional facilities, and to do a whole range of things. If we want funds to go to improve technological literacy and provide educational technology for our schools, we have to specify that is what the money goes for. Otherwise, the reality is that it will be spent for other purposes.

So this Gorton amendment eliminates any requirement that any funds be spent for this purpose. I think that would be a major mistake. In my own State, we have received, this year, about $1.7 million in Federal funds for educational technology. We are expected, this next year, to receive $3.5 million in funds. The total, nationwide, is $425 million. I think this is money well spent. It is cost-effective. It is a cost-effective way for the taxpayers to try to assist in improving education at the local level.

Let me go through some of the others that are covered here. The Eisenhower professional development State grants. These are funds that go to assist teachers in getting additional training so that they can better teach and remain in the profession of teaching. The innovative education program strategies under title 6. The safe and drug-free schools program. Again, in my State, I have gone to many schools and they have been extremely appreciative that the safe and drug-free schools program has allowed them to hire counselors to work at the middle school level, so that when students are beginning to get into difficulties with drugs or beginning to lose interest in school and become truant, they can have counselors there to be an early prevention device to keep those students involved. That safe and drug-free schools money would be eliminated under this amendment.

The magnet schools assistance. That, again, has been very helpful in many school districts around the country. Education for homeless children and youth. Women's educational equity funding. Education for native Hawaiians. Alaska Native education equity funding. Charter schools funding. Funding for Indian education. All of these are specific programs that will not be funded if this amendment prevails. So, clearly, I think we have a major problem. Bilingual and immigration education programs are another example.

The key part of this amendment that I think is most objectionable is that it creates an unmonitored windfall to local school districts that would be used for any of a wide range of purposes. There would be no oversight, no

accountability as to how any of the funds are spent. The various purposes that we have meticulously specified over the years as priorities for the Nation, those priorities will be put aside.

Let me mention one other program, Madam President, that I think is of particular concern as to how it would fare under this amendment, and that is title I. When I talk to elementary schoolteachers and administrators in my State, the one Federal program that they consistently point to and say ''thank you'' for sending the funds to the State and to local districts, it is in this title I area. That is funding for disadvantaged students. It makes a tremendous difference in many of our schools. I think for us to—in an amendment here on the floor, without hearings, without any comprehension of what we are doing—just say we are going to eliminate title I, I think that is highly irresponsible. I believe very strongly that we made a serious mistake when we went that way.

So there is no accountability if this amendment prevails. There is no oversight by the Federal Government as to how these funds are spent if this amendment prevails. We would cut State support networks out of the picture, also, if this amendment prevails. The Gorton amendment fully bypasses State educational agencies. In my State, our State educational agencies help to coordinate and monitor programs. Those are all bypassed under the amendment. Some people think that block granting education funds might give local school districts more control or more funding. The reality is that if we block grant these programs and bypass the entire State education network, we put a huge administrative burden on school districts, which very few of them are equipped to handle at this point. About 6 percent of Federal funds is taken off the top by States for administrative and technical expenses. I wish they didn't have to take any expenses off. But I fear that we will see a duplication at the local district level that will soak up substantially more than 6 percent of the total Federal funds if we bypass the networks that the States have set up.

In my own State, there is really no way to anticipate the total effect of this amendment. It is untried. Funding levels would basically be determined by having each individual district conduct a self-reported census on its own of all school-age children in the district, weigh the district's funding according to each State's average per capita income level. It is not difficult to guess that we won't do nearly as well in my State as some might think. Current formulas already awarding money directly to the school district based on individual community need would be scrapped and many communities would be left to fend for themselves.

Madam President, in summary, let me just say that this amendment should not become law. I am persuaded that if it remains in this bill, the President will veto the bill, as he should.

I think this is the kind of irrational, unwise, misguided action which we sometimes get involved in here in the Senate when we don't have active debate. There was not adequate debate on the Gorton amendment. We have not had hearings in the Education Subcommittee of the Labor and Human Resources Committee on the Gorton amendment. If Senator GORTON and other sponsors of this bill want to pursue this course of action, I believe it should be put out as a piece of legislation that we can have hearings on in the authorizing committee. I am fortunate to be a member of the Labor, Health and Human Resources Committee which has worked long and hard over the years to authorize the various Federal programs being eliminated with this amendment. I think the proper course would be to have a full set of hearings on all of these programs, and determine which of them should be eliminated. If the will of the Senate and the will of the Congress and the will of President is to eliminate some of them, then fine. But coming along with this kind of an amendment absent hearings and absent adequate debate I think is not the responsible way to proceed.

So I would join others here in objecting strenuously to the provision. As Senator DODD suggested yesterday on the floor, if the bill comes back from the appropriations conference with this provision in it, he would commit to filibuster against the 1998 appropriations bill. I hope very much that course is not required. But, obviously, I and many others would have to join him in that course of action, if that amendment remains in the legislation.

Mr. President, how much time remains?

The PRESIDING OFFICER (Mr. FRIST). The Senator's time just expired.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that I be allowed to speak for up to 10 additional minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMPREHENSIVE TEST BAN TREATY

Mr. BINGAMAN. Mr. President, I wanted to speak for a few minutes here on the subject of the Comprehensive Test Ban Treaty. My distinguished colleague from Delaware, Senator BIDEN, spoke about it this week. He, of course, is the ranking member on the Foreign Relations Committee which is one of the key committees with responsibility over this subject matter.

The Comprehensive Test Ban Treaty, as I understand it, is intended to be sent by the administration to the Senate in the very near future. And I want to just reemphasize some of the points that Senator BIDEN made, and highlight the importance of the treaty to our national security and international peace.

In the wake of the cold war, our world remains a very dangerous place in which to live. When the United States and the Soviet Union were still aiming thousands of nuclear warheads at each other during the cold war, all of us understood the danger that existed—perhaps only a half an hour away. But with the fall of international communism, the world breathed a huge sigh of relief, and hoped that we could move into a postnuclear age. The Comprehensive Test Ban Treaty is a major part of the hope and a major part of what needs to be done in order to move into that postnuclear age.

No greater threat to our national security or international peace exists than the proliferation of nuclear weapons. The potential damage that such weapons could do remains no less a threat than the one that we feared during the cold war. Think for a moment about the possibility of terrorists armed with nuclear weapons having been in the Tokyo subway instead of terrorists there with nerve gas. Think of the possibility of terrorists having been in Oklahoma City with a small nuclear weapon instead of with the weapon that was there. Perhaps my colleagues have read recent reports about the suitcase-sized nuclear weapons being unaccounted for in Russia. Whether these reports are true or not I recently had the chance to visit Russia and observe a model of the nuclear weapons that existed there; the size of artillery shells. And I am told that is also a weapon that we have had in our own inventory at various times. Such miniature nuclear weapons are indeed, feasible. They pose a realistic threat to the post-cold war world in which we live.

The Comprehensive Test Ban Treaty is a critical element in the spectrum of policies and actions that we need to take to prevent the spread of nuclear weapons of whatever size—prevent the spread of them to rogue nations, to terrorist organizations, to individuals bent on some type of irrational destructive behavior. For countries that have no nuclear weapons, it is impossible for them to develop nuclear weapons and be confident that they will work without being able to test them.

Senator BIDEN recently stated that the proof of this belief is manifested by the current reluctance of Pakistan and India to sign the Comprehensive Test Ban Treaty. These nations currently prefer to be able to test their weapons in order to ensure that they work—thereby demonstrating their nuclear capability and supporting their foreign policy goals. The danger of a nuclear conflict between these two nations and the potential impact such a war could have on the entire planet should be very clear to everyone who serves here in the Senate.

But India and Pakistan, and other potential nuclear powers, will not step

back from the nuclear brink if the United States and the other nuclear powers do not take convincing steps toward controlling, reducing, and eliminating nuclear weapons through arms control treaties, specifically through the Comprehensive Test Ban Treaty.

The recent seismic event that occurred off the coast of northern Russia reminds us of how important it is for the Senate to ratify and for the world to implement this test ban treaty. In this case the experts disagree among themselves about the exact nature of the event. Article IV of the treaty will ensure that we could take steps to clarify whether or not that incident was a nuclear explosion or an underground earthquake. But, without the treaty, the experts will continue to massage the data in search for definitive answers. With the treaty, we could observe some answers directly through on-site inspection.

Without the treaty, potential nuclear powers might well conclude that today's superpowers are ignoring their promises to discontinue nuclear testing—that, therefore, license exists for these nonnuclear powers who have the ambition to become nuclear powers to proceed on their own path toward development of nuclear weapons with impunity. If we put this treaty in place, those same potential nuclear powers would recognize that current nuclear powers should be held accountable for their promises not to test nuclear weapons. With the treaty in place, they would know that the commitment of today's nuclear powers to nonproliferation was a genuine commitment and one that we would abide by.

It serves the peaceful interests of the United States and the peaceful interests of countries throughout the world to take this important step to ratify the Comprehensive Test Ban Treaty and eliminate nuclear testing. At the same time it serves the security interests of this Nation to ensure that our nuclear weapons remain a viable deterrent force. The science-based Stockpile Stewardship Program that we have in place today as part of our defense strategy is the means by which the United States can achieve this dual goal—the goal of a comprehensive test ban to ensure nonproliferation, and also a reliable nuclear deterrent force, should we ever need such weapons in the future. I will be working hard, and I urge all my colleagues in the Senate both to ratify the Comprehensive Test Ban Treaty and to ensure that the Stockpile Stewardship Program is fully funded and implemented. The Nation's prospects for a peaceful world and our national security demand that we move ahead on world fronts.

I urge my colleagues to examine these and other important issues surrounding the Comprehensive Test Ban Treaty very carefully during the coming months. I hope that we can have this treaty presented to the Senate in the next few weeks. I hope that we can begin the hearing process this fall. I hope that early next year we can act favorably upon it.

I have written a letter to the chairman and the ranking member of the Armed Services Committee requesting that we hold hearings on this Comprehensive Test Ban Treaty at our earliest opportunity—hopefully, before we adjourn this fall. I look forward to that debate.

I am confident that the Senate will choose to ratify the treaty since it is so much in our national interest to do so and in the interests of world peace, once we have all the facts.

Mr. President, I think it is essential that we spend some of our valuable time between now and final adjournment this fall focused on this treaty so that we can understand those facts and act responsibly on this matter.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HIDDEN COSTS OF THE TOBACCO SETTLEMENT

Mr. KENNEDY. Mr. President, 30 years ago this week, Senator Robert Kennedy addressed the World Conference on Smoking and Health in New York City on ways to address the mounting death rate attributed to cigarette smoking. He spoke to the conference about the difficulty of convincing people, particularly the Nation's youth, that smoking can kill them. He emphasized the grim statistics of premature death and illness caused by smoking.

Today, 30 years later, little has changed. Over 400,000 Americans die from smoking-related diseases each year. In fact, in 1993, smoking was attributed to one in every five deaths—more than alcohol, car accidents, fires, homicides, suicides, drugs, and AIDS combined.

This chart, Mr. President, shows very accurately what the impact of cigarettes is in terms of the mortality of Americans—the red line being 418,000. These are all statistics from the Centers for Disease Control—from alcohol, 105,000; car accidents, 46,000; suicides, 30,000, and so on. This is a very clear graph about the magnitude of the impact of the use of cigarettes, of which 90 percent of smokers start when they are children of 14 or 15 years of age. It is an issue that must be addressed in any kind of agreement that this body is going to sanction or support.

One million young people between the ages of 12 and 17 take up the deadly habit every year, 3,000 new smokers a day, and 90 percent of the current adult smokers began to smoke before they reached the age of 18. If nothing is done to reverse this trend in adolescent smoking, the Centers for Disease Control and Prevention estimate that 5 million of today's children will die prematurely from smoking-caused illnesses.

Congress and President Clinton have a historic opportunity to protect current and future generations from the scourge of nicotine addiction and tobacco-induced illnesses.

Study after study has shown that the most powerful weapon in reducing smoking, particularly by the Nation's youth, is to raise the price of cigarettes. A $1.50 price increase, as Dr. Koop and Dr. Kessler have advocated, would have a double benefit. It would reduce youth smoking by more than half over the next decade and provide some compensation to the Federal Government for the damage that smoking has done.

Most health economists agree that in addition to Medicaid, tobacco imposes a heavy toll, exceeding $20 billion a year, on numerous other Federal health programs, including Medicare, the Department of Defense health programs for military personnel, veterans health programs, and the Federal employees health benefit programs.

To compensate the Federal Government fairly for these high costs, the total settlement would have to be more than doubled from its current figure.

The State attorneys general have done a very impressive job in working out the tobacco settlement, but their primary focus was on reimbursing the States for the States' participation in the Medicaid Program. They did not have the responsibility to try to ensure the protection for the Federal Treasury in terms of these other health-related programs—Medicare, the veterans programs and others.

If you evaluate those programs and the costs, as Professor Harris has done in his testimony before the Senate Judiciary Committee and also before the Labor and Human Resources Committee, you would see that the cost of treating tobacco-related illnesses to Medicare alone are approximately $9.3 billion, and others have calculated the Medicare costs to be substantially higher. Yet the proposed settlement provides not a single penny to the Federal Government for the recovery of these expenses.

As I mentioned, the State attorneys general have obtained a fair reimbursement under the pending settlement for the costs imposed on Medicaid. It would be unreasonable and irresponsible for Congress and the Clinton administration to let Joe Camel and the Marlboro man off the hook for the high costs imposed on Federal health programs.

Already this year the tobacco industry had the audacity to write a special-interest loophole in the budget legislation requiring the Federal Government to deduct the $50 billion amount generated by the increased cigarette tax devoted to children's health from the

amount the industry would pay under the tobacco settlement. I am pleased that the Senate voted to repeal this flagrant provision earlier this week, and I commend Senator DURBIN and Senator COLLINS for their outstanding effort. But its surreptitious inclusion in the budget legislation demonstrates that nothing has changed in big tobacco's continuing efforts to subvert reasonable legislation.

The Federal Government has the same claim for recovering health costs as the States that are suing the tobacco industry for billions of dollars in Medicaid expenses.

You could have a situation where one person was in a hospital bed under the Medicaid Program, in the next bed a person might be under the Medicare Program, and in another bed somebody might be there under the Veterans' Administration health care program. All of the patients may have the same kind of illness as a result of their addiction to nicotine.

The attorneys general looked out for the individuals who receive Medicaid. But certainly the taxpayers and the Medicare trust fund ought to be able to receive compensation for the costs to the Medicare system.

If the tobacco industry understood and agreed to compensation under Medicaid, it is difficult for me to see why they should not also agree to the compensation under Medicare, the veterans health care programs, or other health programs which are supported by the American taxpayers.

The tobacco companies admitted that cigarettes are deadly. They have accepted the necessity for broad new restrictions on cigarette marketing and advertising. They have admitted their liability for billions of dollars in compensation for tobacco-induced illnesses. Having made these admissions and concessions, the industry can no longer put up a smokescreen and maintain its past position of total denial. Clearly, the tobacco industry should pay more and can pay more. Given Joe Camel's deep pockets and the substantial toll that tobacco imposes on the Federal Government, doubling the final settlement is reasonable, justifiable, and affordable.

A doubling of the settlement would have a number of important public health benefits. I believe that the test ought to be what the impact of the settlement will have on the public health of this nation, primarily in terms of youth smoking.

Mr. President, the doubling of the settlement would require that the tobacco industry increase the price of their products by about $1.50 to compensate the Federal Government and the States for the costs of smoking.

Professor Harris estimates that under the current settlement, cigarette prices would only rise by 62 cents a pack. Since teenage smokers are very sensitive to price increases because of their lack of income, a 62-cent price hike would reduce tobacco use by the Nation's youth by only 18 percent over the next decade, which is significantly less than the settlement's requirement that teenage smoking drop by 58 percent in 10 years.

There have been extensive studies and extensive review of what has happened when the price of cigarettes has gone up and what the impact has been upon youth smoking.

We have also seen that, where the price has gone up and the tobacco industry has redoubled their efforts in advertising, still young people will go out and purchase cigarettes. There are studies that make the clear case that when you have a significant increase in the price of tobacco products and have effective advertising restrictions, you have a dramatic impact in reducing teenage smoking. That ought to be our objective, and it ought to be our objective at the beginning of the process, not at the end of the process.

The best estimates by those who have reviewed what the price increase ought to be in order to discourage young people from purchasing cigarettes is at least $1.50 a pack. Such an increase would move us much closer to the objective which has been agreed to in the settlement of a reduction of 58 percent in youth smoking over the next several years. With a $1.50 increase, the tobacco industry will be able to meet these youth smoking reduction targets, and will at least partially compensate Federal health care programs for their expenditures due to tobacco-induced illnesses.

Doubling of the settlement would also bring cigarette prices in the United States in line with other industrial nations. With a 62-cent increase, cigarette prices in Europe will still be far higher than in America. With the 62-cent increase, we are talking about the price in the United States being $2.56 a pack. In Canada, it is $3.06 a pack. In Germany, it is $3.18 a pack. If we have a $1.50 increase, the United States will be at $3.44. This figure is, in effect, doubling the amount of resources that would be paid by the cigarette companies.

This is the price increase recommended by Dr. Kessler and Dr. Koop, which would have a dramatic result in reducing teenage smoking. When you look at that increase, even though it appears to be quite significant, it still puts a pack of cigarettes cheaper in the United States than it would be in France, where it is $3.47 a pack, or in Denmark, where it is $4.75, or Ireland, at $4.94, or the United Kingdom, at $5.27. We would still be in the lower range of the industrialized nations of the world. The best estimate and review by those who understand the workings of the tobacco companies believe that they can afford that.

So, doubling the settlement amount would raise an additional $10 to $15 billion a year over the next quarter century to improve the health of the Nation's citizens or other important purposes. For example, we could extend the recently enacted children's health insurance program for low- and moderate-income working adults. We are talking about the sons and daughters of working families who are starting off as teachers or as police officers or social service workers—all starting out at $28,000 or $29,000 a year. We could also act on the new knowledge about the important role of the first 3 years in a child's life by launching an initiative to transform the lives of millions of children. We have learned dramatically in the last several years that early intervention has a significant impact in building skills and confidence in young people. With all of the research that has been done on the brain and early development, we are finding out that children in those first years have immense capacity for learning. We know the vacuum that is out there in so many different parts of America. There are children who are not being encouraged to expand their horizons. Even at the very earliest age, we ought to be about trying to find the ways that we can stimulate that early learning experience for children.

This is a matter of national importance. President Clinton has made a strong commitment to improving the early years of children. We would have an opportunity to really respond to that very, very important human need—the need that families are facing.

The tobacco industry can easily afford the $1.50 increase in prices. There is broad support within the public health community for a price increase as high as $2 a pack. Dr. Koop and Dr. Kessler and the members of the commission have endorsed such an increase, and so has the American Cancer Society.

Doubling the settlement payment is the right thing to do. It will provide a fair measure of compensation to the Federal Government and the American taxpayer for the hundreds of billions of dollars that smoking-induced illnesses have cost us.

Robert Kennedy closed his speech 30 years ago with these words which are equally true today:

> We must be equal to the task, for the stakes involved are nothing less than the lives and the health of millions. . . . But this is a battle which can be won.

Congress and President Clinton should accept nothing less than a doubling of the tobacco settlement, and I urge my colleagues' support.

Mr. President, I think most of us would agree this Congress is going to be hard pressed this year to get about the business of resolving this issue. But the tobacco settlement will be a matter of enormous importance and consequence at the beginning of the next Congress. It is important that we begin to establish some parameters in which to consider these various agreements. It is important to provide some criteria by which we can judge whether the proposal is beneficial to the country or whether it is a proposal that needs to

be enhanced, as I believe this one does need to be.

So, this is a matter of enormous importance for the public health of the American people for the future. We must make sure we are not going to involve the nation's children in the nicotine addiction which has brought such tragedy and loss of life into so many families of this country. We can do something about it. It is a challenge for all of us, and I hope we are going to be up to the task.

I yield the floor.

The PRESIDING OFFICER (Mr. ALLARD). The Chair recognizes the Senator from Montana. I remind the Senator from Montana there is a 10-minute limitation.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. BAUCUS. Mr. President, we Americans are very lucky. We live in the most beautiful place on Earth. Our mountain chains, our Great Plains, our national parks, our coasts and forests are a heritage no other country can match. It is our responsibility, through this annual bill, to protect our heritage, to manage it so ranchers and the natural resource industry workers prosper and, as much as possible, to hand it down to the next generation

At the same time, in this bill, we have a responsibility to keep our promise to our more than 500 Indian tribes and an opportunity to support and stimulate the creativity of our artists and authors. Unfortunately, this bill falls far short.

If we act now, in the coming debate—if we adopt some good amendments, we can create a very good bill, something we can all be proud of and, just as important, something President Clinton can sign, so we are not just wasting our time over here. But if we fail to improve this bill, we will have a bill that doesn't measure up and will not become law.

Let me begin by saying that this bill is quite good in some areas. For example, one of the West's real glories is its fishing. Norman Maclean spoke for quite a few Montana families when, in the opening lines of his book ''A River Runs Through It'' he writes, ''In our family, there was no clear line between religion and fly fishing.''

Today, this way of life is under threat. A parasite now found in many western rivers threatens the fish with whirling disease, and the Interior budget makes a commitment to protect these fish. It funds the Fish Technology Center in Bozeman, MT, as well as the Creston fish hatchery in the Flathead Valley. As well, this bill contains crucial research dollars for the nationally recognized Wild Trout Research Laboratory at Montana State University. It also provides $1 million to the U.S. Fish and Wildlife Service to fund the western Montana project, which will acquire conservation easements to protect land in Montana's Blackfoot Valley, where Norman Maclean grew up, the basis for his book and movie, ''A River Runs Through It.'' These are just a couple of important projects that I believe help both Montana and the country.

I would like to address a few sections in this bill which I think must be improved. The first crucial issue is the New World Mine. Of all our country's natural treasures, the finest might be Yellowstone National Park. It is America's first national park, home to the world-famous Old Faithful geyser, Yellowstone Lake and its wild trout, paint pots, mountain streams, and America's only free-ranging buffalo herd.

Several years ago, a Canadian company filed a patent to mine land in the mountains just north of Yellowstone Park. Such a mine, nearly 2 miles in the air, would have been a permanent threat to the park's water resources. Every generation of Montana children and every American child would have lived with it. Last year, the Clinton administration worked out an agreement to buy out the New World Mine, using the Land and Water Conservation Fund.

Congress agreed to do that when we passed the balanced budget amendment. I am very pleased that the Senate followed up with $700 million in new funding for the Land and Water Conservation Fund; a wise investment in the conservation of our prized natural resources.

I am disappointed, however, that the House of Representatives failed to live up to its end of the bargain when they failed to appropriate the necessary funds. I must say, I am disappointed that the Senate appropriated the money but then attached language requiring authorization. There is no reason for that. The deal is done. It is fair to the company and it will protect the park forever. To add an extra hurdle to an already tortuous process is unnecessary, and, in fact, it is foolish, because it may put the whole New World Mine deal at risk. I will work in this debate to change that.

GALLATIN LAND EXCHANGE

A similar, although less well-known, example is the Gallatin land exchange.

For 10 years, we have been working to complete this critical land exchange, protecting some very special wild land for future generations. In this bill, we can complete the acquisition, blocking development in sensitive wildlife areas, and preserving access for our sportsmen and outdoor enthusiasts who use our public lands. Instead, we shortchange and drag out the process with an appropriation of only $1 million, paying for only part of the exchange.

We must act swiftly, and decisively, if we are to preserve this special part of America. This exchange has broad public support in Montana. I call on my colleagues to provide the necessary commitment to this exchange.

NATIVE AMERICAN TRIBES

I am also concerned with the portions of this bill which address our relationship with native American tribes.

Section 120, for example, requires tribal governments to waive their sovereign immunity as a condition of receiving tribal priority allocations [TPA's]. These moneys fund local reservation programs, like housing, adult vocational training, and law enforcement, all desperately needed, and anyone who visits reservations can tell you that. Anyone who has visited Indian country knows that reservations are not always rich places and tribal governments don't have money to throw around. Section 120 would require tribes to choose between meeting the basic needs of their members or defending against frivolous lawsuits. And I believe that is wrong.

Equally troublesome is section 118, which would require the more than 500 federally recognized tribal governments to submit reports of business income to the Bureau of Indian Affairs as a condition of receiving TPA, since it is under the program I mentioned. Section 118 would create more bureaucracy by requiring the BIA to analyze income records, compile reports, develop formulas for allocating TPA funds, and submit the formulas back to the Appropriations Committee. That is bad enough. But still worse is the breach of faith this provision implies.

Mr. President, payments to tribes are the result of treaty obligations—I repeat, treaty obligations. The Federal Government agreed to make these payments in exchange for land and resources that the tribes ceded. Section 118 violates both the letter and the spirit of our American treaty obligations. We have a basic idea in America that you ought to keep your word, and that is a good ideas. We should keep it here, too.

NATIONAL ENDOWMENT FOR THE ARTS

My final concern is the way that this Congress intends to treat the National Endowment for the Arts, the NEA.

The NEA represents a modest, but very important, commitment to the arts in America. In Montana, for example, NEA supports eight symphony orchestras in cities like Billings, Bozeman, Butte, and Missoula. Over 20 nonprofit art museums and galleries such as the Liberty Village Art Center in Chester, the Jailhouse Gallery in Hardin, and the Hockaday Center for the Arts in Kalispell. And nearly 20 performing arts groups like Shakespeare in the Park and the Vigilante Players who tour communities all across Montana, from the towns to the most remote rural areas.

This is a great service. Through the work of NEA, children all over Montana come to understand our cultural heritage, meet and talk with artists and authors, and get an appreciation of much of the best and most creative work Americans can do. It is a small investment but a good one.

Yet, every year we hear almost hysterical attacks against any commitment to the arts at all. NEA has certainly picked a few clunkers, I admit, but nothing to justify the rhetorical flights that some of our colleagues direct against it. The House this year, by one vote, eliminated all commitment to the arts in America. I repeat, eliminated all commitment to the arts in America. That means a great loss for our children, and particularly those in rural America where there are no offsetting private resources to fund the arts.

I am hoping that the Senate will do better. I asked that the NEA be funded at administration's request of $136 million. So far, the Interior Appropriations Subcommittee has seen fit to fund the NEA at $100 million. I believe that is a start, but I will oppose any actions taken on the Senate floor to lower that funding level.

CONCLUSION

As you can see, this bill needs a great deal of work, but we should see that as an opportunity rather than a disappointment. This bill is our chance, this year, to protect America's natural heritage for our children. To give renewed vitality to our artistic and cultural life, and to show that, in relations with America's sovereign Indian nations, that we are people who keep our word.

I commend the members of the Interior subcommittee for their hard work. I know they have devoted a lot of time to dealing with these contentious issues. They have done some good work. I applaud them for it. We can build on that as we debate the bill on the floor. I hope that the result will be an Interior bill in which we can all take great pride.

Thank you, Mr. President. I yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. I thank the Chair.

(The remarks of Mr. WARNER pertaining to the introduction of S. 1173 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. FRIST addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

NOMINATION OF DR. DAVID SATCHER TO BE SURGEON GENERAL

Mr. FRIST. Mr. President, I rise to speak to the nomination for the position of U.S. Surgeon General and Assistant Secretary for Health to be made by the President of the United States today, which will be sent to Congress today for consideration.

Nearly 4 months ago, I, the only physician in the U.S. Senate, publicly called for the immediate nomination of a Surgeon General—specifically, one who could rise above partisanship, rise above the political fray to be a reasoned and nonpartisan spokesman for public health. The reason was very simple, and I outlined it at that time, and that is that the position of Surgeon General is one of recognition—a recognized authority not just in this country, but throughout the world. Second, it is a leadership position, leadership that can offer a clear, concise, consistent message. Third, I briefly made a point at that time of the advantages of actually merging into this position of Surgeon General that position of Assistant Secretary for Health.

For the past year, I have served as chairman of the Subcommittee on Public Health and Safety within the Senate Labor Committee. This particular subcommittee oversees the statutory jurisdiction of the Public Health Service. The Surgeon General oversees the administration of the eight agencies of the Public Health Service, and the Surgeon General serves as the public's doctor, the Nation's doctor, the Nation's physician, in advising the Secretary of Health and Human Services. It is in this role that I feel even more strongly that we need a Surgeon General to provide that clear, that loud, that visible, that understandable voice to promote the health and the safety of our citizens.

Like most Americans of my generation, I vividly remember that very famous, well-known—and it's actually referred back to a lot today—Surgeon General's report back in 1964 warning of the dangers of cigarettes. Well, over 30 years ago now, we still point back to that single instance, that label, that stepping forth as a benchmark in warning our children today, and others, about the dangers of smoking.

In the 1980's, Dr. C. Everett Koop woke America up to something that at that time was terribly misunderstood, and that was the emerging AIDS crisis. He spoke with candor and realism that helped the American people, helped people who saw him on television, who saw him in person, who read his writings, separate fact from fiction about what at that time was a very mystical, misunderstood disease.

Just last summer, the Surgeon General's office issued a significant report demonstrating that moderate physical activity does indeed reduce the risk of cardiovascular disease and some cancers. All of these reports were issued with no political agenda in mind—only the well-intentioned health of the Nation being the focus. We inevitably still face lingering public health problems, and we can only think about and imagine the new public health challenges that will face us—the current challenges of AIDS, emerging infectious diseases—and, again, who knows 3 years from now what new virus, bacteria, or resistance to bacteria will be a threat to each of our children? There are issues like foodborne illnesses, substance abuse, tobacco use by children, alcoholism.

We need to use the same approach today that we have used in the past. To do so, I think it can be best accomplished by having a high-profile, experienced official who speaks with authority and can educate all of us, the public, about the important link between illness and personal behavior. Past experience shows that the uniformed position of the U.S. Surgeon General, with the right person in that position, can educate the Nation on these key public health issues. During Surgeon General Koop's tenure, by educating the public on the dangers of smoking, adult tobacco use decreased 7 percent. More recently, we have witnessed, unfortunately, increased drug and tobacco usage among our youth over the past years. Is it coincidental that during this same period the Surgeon General position has been vacant?

I think we as legislators, as trustees of the public, in many ways have an obligation, a responsibility, to appoint a Surgeon General and to do it as expeditiously as possible, so that we can direct our attention to improving the public health.

Now, clearly, tough problems, whether it is smoking or alcoholism or foodborne illnesses, a Surgeon General is not going to be able to fix them alone. But what he or she can do is be that one voice. We all know how important it is to have a simple message, a straightforward message, a concise message, a persistent message given by one voice—that voice being the Surgeon General.

Dr. Koop I think summarized the position very well. He said that the Surgeon General is a position ''* * * high calling with an obligation to interpret health and medical facts for the public.''

I like the way Dr. Koop expressed it because, first of all, that is a calling, and in many ways public service can be a thankless job. So it really is a calling. But the obligation is one that the nominees must take very seriously; and, that is to interpret the health and medical facts for the public. We know that there is a tremendous amount written today, with the health advances, with the new discoveries. We just simply need to look at the new genes being discovered today, the human gene projects. But when a person looks at the medical literature, how can they interpret it? The Surgeon General can look at the reports, can assimilate the data, and help boil that down into a simple, crystal-clear message which can improve and affect the health of every American.

Dr. David Satcher today is being forwarded to the Senate as the nominee for the position of U.S. Surgeon General and Assistant Secretary for Health. It will arrive in Congress today.

As a result, the Senate is asked to consider this nomination and to eventually vote as to whether or not to confirm Dr. Satcher for these positions. I hope that my colleagues will consider this nomination based on his qualifications and his ability—again, pushing partisanship and politics aside.

Dr. Satcher is a family physician. He is an accomplished researcher and educator, and he has a very long truly distinguished record in promoting public health. I understand his goal is to improve the health of our Nation based on science, which is the essential role of the Surgeon General's office.

The confirmation process is, as all of us in this body have seen, a fascinating one as we subject our nominees to interrogation. But it is critical that we interrogate in the right way—touch on the right issues, looking at the substance. It is very clear that we will not—and I as a physician very likely will not—agree with Dr. Satcher on every particular issue and every particular policy. But what I am confident of, in knowing Dr. Satcher, is that debate, that discussion, will be based on rigorous and disciplined science—not on politics, and not on rhetoric. That is what this position deserves, and that is what the American people deserve.

Looking out for this Nation's public health, both domestically and abroad, is truly a daunting role. Simply the way I define it is that is the public spokesperson for health for the United States of America. But I am confident that Dr. Satcher will reclaim the integrity surrounding that position that has historically been associated with that position of Surgeon General.

The sort of questions that we need to look at as Dr. Satcher goes through the Senate confirmation process are things like: Does this man have the commitment? Does he have the intelligence? Does he have the training, the honesty, and integrity to be the chief spokesperson for Americans on matters concerning public health? And I also would like to add—in no small part because I know Dr. Satcher is so strong here—it is critical that this person be able to articulate his views with clarity, with simplicity, and with dignity.

We have before us a man with a long record of demonstrated public service. He currently serves as Director of the Centers for Disease Control and Prevention in Atlanta. In that role over the last several years he has demonstrated those very qualities that I mentioned are important in this confirmation process. He has been a strong manager. He has been an excellent spokesperson for public health. He has been a man of scientific integrity.

As a member of the Labor and Human Resources Committee, I am committed to the confirmation process and take very seriously the responsibility of voting on this nominee. I approach this with a very open mind and will continue to scrutinize everything that comes before the committee as information is being made available to the committee by the administration.

I have the one advantage, in that Dr. Satcher spent approximately 11 years in Nashville, TN, where I am from. I have been able to witness firsthand his accomplishments, and have had a chance to go back and look at many of his other distinguished qualifications.

I look forward to hearing his articulation of his goals, his statements, and the testimonials of others about him as we go through this confirmation process. This is a public process. It should be a public process.

I look forward to meeting with Dr. Satcher personally next week to discuss with him the specifics of his plans as the next Surgeon General.

As I mentioned, Dr. Satcher lived in Nashville. I consider him a Tennessean from my hometown for about 11 years where he ran a very prominent historically black medical college—the Meharry Medical School.

Dr. Satcher has a knowledge of population-based medicine, epidemiology, family practice, and a broad understanding of our health care system. He is widely respected by his peers in our community of Tennessee, in Nashville, and across this country.

Mr. President, at this juncture I ask unanimous consent that letters of support from the Tennessee Medical Association, Vanderbilt University Medical Center, and the Phoenix Healthcare Corp. be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TENNESSEE MEDICAL ASSOCIATION,
Nashville, TN, September 10, 1997.

Hon. WILLIAM JEFFERSON CLINTON,
President of the United States,
The White House, Washington, DC.

DEAR PRESIDENT CLINTON: On behalf of the 6,800 members of the Tennessee Medical Association, we take this opportunity to offer our wholehearted support for your nomination of David Satcher, MD, as the Surgeon General of the United States. Dr. Satcher has ably proven his leadership capabilities by serving as president of Meharry Medical College in Nashville, Tennessee. During his tenure at Meharry, he presented a strong voice in the Nashville community as a public health advocate. I am especially pleased to commend him to you for consideration in light of his stellar leadership, unparalleled history of community service, and sense of mission in the public health sector.

Over the last four years, he has only enhanced his position as a leader in the medical community, and displayed his clear commitment to disease prevention, by serving as the director of the Centers for Disease Control. He will make an outstanding spokesman for the nation's health and will be a valued adviser to both you and Secretary Shalala.

Without reservation, we commend Dr. Satcher's nomination to the U.S. Senate Labor and Human Resources Committee and encourage the full Senate to act responsibly and quickly to confirm his nomination both as Surgeon General and Assistant Secretary for Health.

Sincerely,

R. BENTON ADKINS, MD,
President, Tennessee Medical Association.

VANDERBILT UNIVERSITY
MEDICAL CENTER,
Nashville, TN, September 11, 1997.

President BILL CLINTON,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: On behalf of Vanderbilt University Medical Center, I wish to extend our strong support for the nomination of Dr. David Satcher for the positions of Assistant Secretary for Health and Surgeon General at the US Department of Health and Human Services.

We believe Dr. Satcher is well qualified to fill these two positions where his medical knowledge, executive experience, and very real eloquence on behalf of the nation's health make him uniquely suited. As director of the Centers for Disease Control (CDC) he has lead the health community's effort to increase childhood immunization, expand access to breast and cervical cancer screening, and build a framework that will better enable us to defend against the threats of infectious diseases.

The announcement today of the nation's health vital statistics are a strong indictor of a strengthened CDC under Dr. Satcher's leadership. These statistics show a 26% decline of mortality from HIV–AIDS between 1995 and 1996 for 25–44 year olds; teen birth rate declining for the fifth straight year; a new record low in the infant mortality rate; and continued increase in the number of women obtaining early prenatal care.

In addition, during Dr. Satcher's tenure at Meharry Medical College he was an absolutely critical voice on behalf of medical education and research, but even more importantly he was a voice on behalf of the underserved and uninsured of Middle Tennessee. We believe he will bring a perspective that will well serve the medical community and the patients we care for.

Sincerely,

HARRY R. JACOBSON, M.D.,
Interim Vice Chancellor for Health Affairs.

PHOENIX HEALTHCARE CORP.,
Nashville, TN, September 11, 1997.

President BILL CLINTON,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I am honored and pleased to write this letter in support of Dr. David Satcher for Surgeon General and Assistant Secretary for Health. I have known Dr. Satcher since 1982 when he became President of Meharry Medical College where I served as Vice President of Finance and Business from 1973–1977. During his tenure at Meharry, we worked very closely on a number of local community and health care issues, including the merger of Metropolitan General Hospital and Meharry Hubbard Hospital. Dr. Satcher and I, during his tenure in Nashville, were also Deacons in First Baptist Church—Capitol Hill and members of 100 Black Men of Middle Tennessee.

Dr. Satcher is a physician-scholar with a strong public health focus. Intellectually, Dr. Satcher will make an excellent person for the position of Assistant Secretary for Health which is responsible for health policy. His experience and ability to articulate with passion on matters promoting health and preventing disease, injury and premature death makes him also capable of being the national physician, Surgeon General of the United States. His thoughtful presentations on health care matters and administrative experience will enhance the health status of Americans generally as he has done during his tenure at the CDC where childhood immunization rates have increased from 55% in 1992 to 78% in 1996. Finally, one could not get a person with higher moral and ethical standards than Dr. Satcher.

I certainly hope that the nation will accept the services of Dr. Satcher as Surgeon General and Assistant Secretary for Health. The country will be well served by a person of his ability.

Sincerely,

SAMUEL H. HOWARD,
Chairman.

Mr. FRIST. Mr. President, if I just look at these letters from Vanderbilt

University Medical Center, Dr. Harry Jacobson in one sentence describes very well what his peers feel about Dr. Satcher.

I quote from that letter.

We believe Dr. Satcher is well qualified to fill these two positions where his medical knowledge, executive experience, and very real eloquence on behalf of the Nation's health make him uniquely suited.

From the Tennessee Medical Association, talking about his tenure at Meharry—remember, he was there for 11 years—Dr. Benton Adkins, who is President of the Tennessee Medical Association, writes:

During his tenure at Meharry, he presented a strong voice in the Nashville community as a public health advocate. I am especially pleased to commend him to you for consideration in light of his stellar leadership, unparalleled history of community service, and sense of mission in the public health sector.

In the third letter, Mr. Samuel Howard, chairman of Phoenix Healthcare Corp., who had known him well through working together at Meharry, says:

Dr. Satcher is a physician-scholar with a strong public health focus.

Those are just samplings of the sort of recommendations by his associates.

I urge my colleagues to focus on Dr. David Satcher's qualifications to hold the two positions of U.S. Surgeon General and Assistant Secretary for Health. As I mentioned, he is a family physician. He respects the role of the family within the community. He is an accomplished scientist and researcher. He has a Ph.D. as well as a medical degree. His Ph.D. is in cytogenetics—he allows science to drive decisionmaking, not politics. He is a proven public health leader—an experienced public health leader—having served as Director, where he currently serves, of the Centers for Disease Control and Prevention in Atlanta, GA, which is that Health and Human Service agency responsible for promoting health and preventing disease, injury, and premature death, with 11 major branches and worldwide responsibilities.

Mr. President, in closing, as a physician, I will have to say that ultimately much of my feeling comes back to putting faith in the trust, which is a very vital part of the doctor-patient relationship. I look at this very similarly. The Surgeon General is the people's doctor. And, to be truly effective, Dr. Satcher must earn and maintain the public's trust on health issues. Trust I think will be a large part of this nomination. It was the main reason, if we look at failures, I think that occurred in the past as related to this position.

From everything that I know of Dr. Satcher, he not only has the ability to be a reasoned scientific voice but he has the ability to win the trust of the American people.

I am fortunate to have known Dr. Satcher in his capacity as physician, as a president of a medical school, and as the head of one of our great public health agencies.

I will work with my colleagues in the U.S. Senate in this nomination process, and I urge their full, fair, and expeditious consideration of Dr. Satcher's nomination.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SMITH of New Hampshire). Without objection, it is so ordered.

THE VICE PRESIDENT

Mr. DASCHLE. Mr. President, I want to say a few words this morning about the Vice President of the United States—a man with whom most of us in this Chamber have served either in the House or here in the Senate.

Right now, the bright glare of the public spotlight is on AL GORE. I think all of us know that public spotlight can sometimes be very harsh and unforgiving. Sometimes it can distort. But I don't believe the frenzy of the moment is going to diminish the achievement of two decades.

AL GORE has spent 21 years in public life—and it has been a distinguished 21 years by any standard. Before his career in the Congress, he was an investigative reporter for the Nashville Tennessean. Prior to that time, he was a student at Vanderbilt's Divinity and Law Schools. And prior to that, he served this country honorably during the Vietnam war.

People sometimes make a caricature of AL GORE's reputation for seriousness and honesty. But the truth of the matter is that AL GORE earned that reputation by immersing himself totally in his responsibilities as a lawmaker.

In the House, he mastered the subtleties of the arms control debate and made internationally recognized contributions to stabilizing the nuclear arms race. In the Senate, he devoted himself passionately to protecting the environment. He was one of the first in this body to appreciate the potential of Federal Government supercomputers and the backbone that ultimately became the information superhighway. There's every likelihood that he will be remembered as a parent of the internet just as his own father is remembered as one of the founders of the Interstate Highway System.

By almost all accounts, AL GORE has been the most influential and effective Vice President in modern American history. His Reinventing Government Program has literally revolutionized the executive branch agencies, reducing the size of bureaucracies, cutting out red tape, and building a more business-like paradigm for the delivery of vital services to the American people.

That litany of achievement is real and familiar. I only run through it to give some sense of proportion to the charges that are now dominating the news. And my point is simple: we know AL GORE in this Chamber. The American people know him. The hearings we've had here in the Congress have revealed nothing to alter what we know. And I don't believe that insubstantial charges based on ambiguous law are going to count for anything against AL GORE's solid and unambiguous record of public service.

I'm confident that, ultimately, a dispassionate and fair-minded American people will put the issues raised in the last campaign in their proper perspective. And I'm equally confident that, at the end of the day, AL GORE's reputation for public service and integrity will emerge absolutely intact.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, September 11, 1997, the Federal debt stood at $5,414,576,336,750.83. (Five trillion, four hundred fourteen billion, five hundred seventy-six million, three hundred thirty-six thousand, seven hundred fifty dollars and eighty-three cents)

One year ago, September 11, 1996, the Federal debt stood at $5,219,274,000,000. (Five trillion, two hundred nineteen billion, two hundred seventy-four million)

Five years ago, September 11, 1992, the Federal debt stood at $4,032,390,000,000. (Four trillion, thirty-two billion, three hundred ninety million)

Ten years ago, September 11, 1987, the Federal debt stood at $2,353,045,000,000. (Two trillion, three hundred fifty-three billion, forty-five million)

Twenty-five years ago, September 11, 1982, the Federal debt stood at $435,983,000,000 (Four hundred thirty-five billion, nine hundred eighty-three million) which reflects a debt increase of nearly $5 trillion—$4,978,593,336,750.83 (Four trillion, nine hundred seventy-eight billion, five hundred ninety-three million, three hundred thirty-six thousand, seven hundred fifty dollars and eighty-three cents) during the past 25 years.

NOMINATION OF DR. DAVID SATCHER TO BE SURGEON GENERAL

Mr. KENNEDY. Mr. President, I commend President Clinton for his announcement today of his nomination of Dr. David Satcher to be Surgeon General and Assistant Secretary for Health.

David Satcher is an excellent choice for these important positions. As Director of the Centers for Disease Control and Prevention for the last 4 years, he has ably led that agency which is responsible for protecting health and preventing disease, injury, and premature death. He is uniquely

qualified to become the Nation's foremost spokesman on health issues.

In 1992, under Dr. Satcher's leadership, the CDC launched and implemented a successful childhood immunization initiative. Before the initiative, only a little more than half of the Nation's children—55 percent—were immunized. Now, 78 percent are immunized. As a result, vaccine-preventable childhood diseases are at record lows.

Dr. Satcher has also led CDC efforts to strengthen the Nation's defenses against infectious diseases and foodborne illnesses. We rely on the CDC to provide a rapid response to outbreaks of disease and protect public safety. Under Dr. Satcher, CDC has begun to implement a comprehensive strategy on infectious diseases and plays a key role in a new early warning system on food-borne illnesses.

Dr. Satcher was previously a member of the faculty of the UCLA School of Medicine and the King/Drew Medical Center in Los Angeles. For 2 years, he served as interim dean of the Drew Postgraduate Medical School. He also served as professor and chairman of the department of community medicine and family practice at the Morehouse School of Medicine in Atlanta.

For over a decade, from 1982 to 1993, Dr. Satcher served as president of Meharry Medical College in Nashville, the Nation's largest private historically black institution for educating health care professionals and biomedical researchers.

At the CDC, he has combined a proven track record of leadership and effectiveness that make him an excellent choice to be Surgeon General and Assistant Secretary for Health, and I urge the Senate to move expeditiously to confirm him.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DURBIN:

S. 1172. A bill for the relief of Sylvester Flis; to the Committee on the Judiciary.

By Mr. WARNER (for himself, Mr. CHAFEE, Mr. BAUCUS, Mr. BOND, Mr. SMITH of New Hampshire, Mr. GRAHAM, Mr. REID, Mr. KEMPTHORNE, Mr. THOMAS, Mr. ALLARD, Mr. INHOFE, Mr. DORGAN, Mr. HARKIN, Mr. GRASSLEY, and Mr. JOHNSON):

S. 1173. A bill to authorize funds for construction of highway safety programs, and for mass transit programs, and for other purposes; to the Committee on Environment and Public Works.

By Mr. MOYNIHAN (by request):

S. 1174. A bill to improve the operations and governance of the Internal Revenue Service, and for other purposes; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DURBIN:

S. 1172. A bill for the relief of Sylvester Flis; to the Committee on the Judiciary.

PRIVATE RELIEF LEGISLATION

Mr. DURBIN. Mr. President, I rise today to offer legislation on behalf of Mr. Sylvester Flis, a permanent resident alien from Poland, now living in Chicago. This bill would grant immediate citizenship to Sylvester by waiving the mandatory 5-year waiting period required of all permanent residents wishing to become U.S. citizens. Out of great respect for what U.S. citizenship stands for and the privileges it bestows, the Senate has rarely granted this kind of request, and only in cases that it deems to be uniquely compelling. After hearing Sylvester's story, I am confident my colleagues will agree with me that this request fulfills this high standard and is therefore deserving of their support.

Sylvester entered this country as a permanent resident in July 1994 after learning that his grandmother, by virtue of having been born in New Haven, CT and being a U.S. citizen, could sponsor her family to be in the United States. He now lives in Chicago with his parents, Czeslaw and Lucja, his sister, Anna, and brother, Ireneusz.

Like many young Eastern Europeans who grew up during the final years of Soviet domination, Sylvester, now 23 years of age, is eager to take advantage of the opportunities offered by his new found freedom. He currently takes English classes and is working toward his GED, general equivalency diploma. Sylvester works for his uncle's carpentry business and hopes to eventually find a job in electronics, which is what he studied as a student in Poland. Like the millions of immigrants who have preceded him, Sylvester has left behind the security of friends and familiar surroundings to come to the United States to share his talents and make our Nation a stronger one.

Two things, however, make Sylvester very different from most immigrants. First, he suffers from a disease known as spina bifida. Spina bifida is the failure of the spine to close during the first month of pregnancy. This results in varying degrees of paralysis, loss of sensation in the lower limbs, difficulty with bowel and bladder management, and learning disabilities. As a result of his condition, Sylvester is confined to a wheelchair.

The second thing that distinguishes Sylvester from most immigrants is that he is a world class athlete. Despite his condition, Sylvester has developed into one of the top sled hockey players in the country. I imagine most of you are unfamiliar with sled hockey, as was I until I became familiar with Sylvester's story. Sled hockey is a variation of regular hockey that is played by disabled individuals on a regulation rink. Sled hockey has all the same rules as regular hockey except that players use sleds, rather than ice skates, to maneuver around the ice.

Last Spring, Sylvester competed with the United States National Team in international sled hockey competitions in Sweden and the United Kingdom. He hopes to compete with the United States in the 1998 Paralympics in Nagano, Japan next March. The Paralympics are an international athletic competition for individuals with mobility disabilities held every 4 years. They begin soon after the completion of the regular Olympic Games and are held in the same city and country as the Olympics. Sylvester is considered a lock to make next year's team.

To make that dream a reality, however, Sylvester needs to be a U.S. citizen by the end of this coming January, which is when the final team will be selected. While the International Olympic Committee allows Paralympians to represent countries with which they have permanent residency, the U.S. Olympic Committee [USOC] has very strict rules which require citizenship for all U.S. competitors. Sylvester was eligible to participate with the United States team in Europe last Spring because those competitions were not sponsored by the USOC. By granting Sylvester citizenship and waiving the mandatory 5-year-waiting period, he will be eligible to compete for the United States in Japan. Without a waiver, Sylvester would become a citizen in July 1999, which would be too late for the 1998 games. Poland will not be competing in sled hockey at these games, making the United States team Sylvester's only chance to participate in this once-in-a-lifetime event.

As I mentioned at the outset, Sylvester is more than just a good athlete who wants to compete for the United States. He is a young man of tremendous character who has worked hard to become part of our community. I've spoken to several people who have worked with Sylvester and they all attest to his work ethic, his character, and his enthusiasm for helping others. This spirit is best demonstrated by the active role he has played in the Chicago community to help other disabled individuals overcome the obstacles they face in their daily lives. His volunteer activities include teaching sled hockey at the Chicago Park District to disabled and nondisabled individuals. He also volunteers with Wheelchair Dance Chicago, an organization that, as the name suggests, helps disabled individuals learn to dance. Through his

association with the Spina Bifida Association, Sylvester has provided a positive role model to those with disabilities who wish to excel.

Being disabled can be hard. It's even harder when you live in an unfamiliar country where you have to learn a new language. Sylvester has overcome these obstacles to not only build a new life with his family in the United States, but to become an accomplished athlete and a valuable part of his community. He is a true American success story. The waiving of the mandatory waiting period for Sylvester would grant citizenship to a young man who has much to offer our country, both inside the rink and out.

Mr. President, I ask that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1172

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GRANT OF NATURALIZATION TO SYLVESTER FLIS.

(a) IN GENERAL.—Notwithstanding any other provision of law, Sylvester Flis shall be naturalized as a citizen of the United States upon the filing of the appropriate application and upon being administered the oath of renunciation and allegiance in an appropriate ceremony pursuant to section 337 of the Immigration and Nationality Act.

(b) DEADLINE FOR APPLICATION AND PAYMENT OF FEES.—Subsection (a) shall apply only if the application for naturalization is filed with appropriate fees within 1 year after the date of the enactment of this Act.

By Mr. WARNER (for himself, Mr. CHAFEE, Mr. BAUCUS, Mr. BOND, Mr. SMITH of New Hampshire, Mr. GRAHAM, Mr. REID, Mr. KEMPTHORNE, Mr. THOMAS, Mr. ALLARD, Mr. INHOFE, Mr. DORGAN, Mr. HARKIN, Mr. GRASSLEY, and Mr. JOHNSON):

S. 1173. A bill to authorize funds for construction of highway safety programs, and for mass transit programs, and for other purposes; to the Committee on Environment and Public Works.

THE INTERMODAL TRANSPORTATION ACT OF 1997

Mr. WARNER. Mr. President, I note, of course, the presence on the floor of the distinguished Senator from Montana. I don't suggest he remain, but I am about to praise him at great length for his participation in the drafting of a very important piece of legislation entitled ''A bill to authorize funds for construction of highways, for highway safety programs and for mass transit programs, and for other purposes.''

Mr. BAUCUS. Mr. President, if the Senator will yield, the Senator who now has the floor has led the way in developing a very balanced, very fair way to spend our highway dollars over 6 years. My staff has worked long, long hours along with his staff and that of Senator CHAFEE. I want all Americans to know just how much I appreciate the very, very hard work of the Senator from Virginia who has led the way among the three of us in developing, I think, a terrific bill. I compliment him, and I want all Virginians to know all that he has done, as well as all Americans.

Mr. WARNER. Mr. President, I thank my colleague. As the distinguished ranking member of our Environment and Public Works Committee, Senator BAUCUS was instrumental from the very beginning. I think his presence and his comments reflect the truly bipartisan nature in which we, the members of the committee, have forged this bill. Indeed, under the leadership of our distinguished chairman, the senior Senator from Rhode Island, we have been able to achieve this piece of legislation, which although receiving, understandably, early criticism from some few quarters, those quarters are fewer than I had anticipated. I thank my distinguished colleague. I shall have further comments about his contribution as I proceed, Mr. President.

I should also like to acknowledge the presence on the floor of the distinguished Senator from Florida. He, Mr. GRAHAM, has been instrumental from the very first in working this bill toward a balanced piece of legislation which we feel it represents. I was extraordinarily heartened by the fact that nine members of our committee have joined and I think others will soon join as cosponsors. Our list of cosponsors now as of the introduction totals some 12, in addition to Senator CHAFEE and Senator BAUCUS.

Mr. President, also it is traditional around here to acknowledge the participation of staff, and all too often that is done at the end. I want to do it at the very, very beginning, because the contribution of the staff in the preparation of a 400-page bill, a copy of which I will momentarily have in my hands and present to the Senate—400 pages—you can imagine the staff was absolutely instrumental.

We have the staff director, Mr. Jimmie Powell, Dan Corbett, Kathy Ruffalo, who works for Senator BAUCUS, Tom Sliter, Linda Jordan, Ellen Stein, and, above all, my distinguished chief counsel of the subcommittee, Ann Loomis. This is my 19th year in the Senate, and I say unequivocally, Mr. President, I have never seen an individual work harder on a piece of legislation than Ann Loomis, proudly of the Commonwealth of Virginia.

We go into the final review by the Senate, which is scheduled, I believe, in the last week, according to Senator LOTT who is very enthusiastic about the Senate moving forward expeditiously on this bill, in September, or thereabouts. So we will consider it at that time.

Mr. President, I introduce the Intermodal Surface Transportation Act of 1997. There have been many names given to this. There was ISTEA which was passed by the Congress in 1991. I think for simplicity I will refer to this as ISTEA II, as I am sure there will be an ISTEA III and an ISTEA IV. There is no more important function of the Congress of the United States than to address our transportation needs. So there will be a succession of bills, but I am hopeful that this bill, which is of 6-year duration, in contrast to the House of Representatives which is 3, will, again, sequentially follow on from ISTEA I as ISTEA II.

This 6-year bill represents a hard-fought set of negotiations. Again, I most sincerely express my appreciation to the leadership and the wisdom contributed by our distinguished chairman, Mr. CHAFEE, and Mr. BAUCUS, the ranking member of the committee and also the ranking member of the Subcommittee on Transportation—which was given the principal responsibility for drafting the bill—of which I am privileged to be the chairman, together with Mr. BAUCUS in his dual capacity as ranking on the subcommittee.

Balance and fairness, those are the two words that will enable the supporters of this piece of legislation to have it passed by the Senate—those two words—because those are the principal goals that I sought and others who worked so hard on this bill, and also to preserve those parts of ISTEA that have served the Nation well.

In 1991, ISTEA represented a landmark piece of legislation, unlike anything that had ever been passed in the history of the United States, other than perhaps the significance of the original interstate system. But ISTEA I was landmark. It embraced the need for an intermodal concept. It embraced the need to preserve our environment as we, indeed, paved America to meet our transportation needs. Therefore, I would like to recognize the principal author of that bill, Senator MOYNIHAN, the senior Senator from New York. He has been referred to as ''the father of ISTEA.'' His duties on the Finance Committee did not enable him to have as active a role as I am sure he wished to have had in the preparation of this bill, and he also recognized in the passage of these 6 years that there are other factors that have come to the forefront that were going to guide ISTEA II. But nevertheless, I think today in the New York press, it is reported that ''Senator MOYNIHAN states New York has been treated fairly.''

I thank ''the father of ISTEA'' for that first statement because it comes from one who is well informed as to this Nation's requirements on transportation. In his capacity as a senior member, indeed ranking member, of the Senate Finance Committee, he will have a very active role in fulfilling that committee's responsibility with respect to this bill, as will two other committees: The Banking Committee and the Commerce Committee. So this legislation eventually embraces the work of four Senate committees.

This bill addresses the unique transportation needs in the different regions of the country. The congestion needs of the growing South, the aging infrastructure needs of the Northeast and,

indeed, the unique, the very unique requirements of, we call them the Western States, primarily those in the Northwest corridor of the United States—Montana, Wyoming. Mr. THOMAS, a member of our committee, and Mr. KEMPTHORNE were very active, together with Mr. BAUCUS, in bringing to the forefront the special requirements of those States.

It was the judgment of myself and Mr. BAUCUS that we should have a hearing, which we indeed did, hosted by Mr. BAUCUS, in Idaho with officials both from Montana and Idaho testifying before our committee. I learned things like, given the extensive mileage and the sparse settlement of houses, farms and cities and factories, the shoulders of those roads need some special attention; the speeds at which they travel are somewhat different than in other parts of America.

So the rural West—I think they look with pride on still being referred to as ''rural.'' In my few moments of vacation, I tried to spend a little time in that region, but it is one of the most well-preserved, most magnificent parts of our great country. This transportation bill takes into consideration their special needs, their special environmental concerns so that America can continue to enjoy the bountiful natural resources we have in that part of the country.

So I am pointing out that we very carefully took into consideration—and I shall not further enumerate—all of the unique parts of each of our 50 States, and particularly as they are located in certain geographic locations. We have carefully preserved the principles of ISTEA. We have proven so successful by hard experience, practical experience, practical application in our several States.

Examples. Ensuring that transportation contributes to preserving our environment. The President of the United States acknowledged some months ago in a speech that this piece of legislation—not referring to the specific bill, although I hope this bill meets the requirements of the administration. Indeed, I have, just moments ago, finished another lengthy conference with the Secretary of Transportation who visited my office. And we talked about the President's desire to make sure that this legislation preserved the best parts of ISTEA as it related to the environment and, indeed, built on that foundation. And I think, Mr. President, largely under the leadership of Senator CHAFEE, we have done that.

But that is an example of how we took the best of ISTEA and preserved it in this bill. We built upon the shared decisionmaking that was in ISTEA I between the Federal, State, and local governments, and most importantly ensuring that the public, I mean right down to townhall meeting, the public continues to participate fully in the transportation planning process.

The experience, over 6 years, of ISTEA I has shown that local governments contribute positively to setting transportation priorities. I look forward to working with my own local governments and projects of significance to them. For example, I have spent so much of my life down in the rural part of Virginia, primarily in the Middleburg, Upperville areas.

I first started down there working on farms in the middle 1930's. I remember the farms did not even have tractors, and it was all horses. But through the years this small section of my State has been able to preserve the qualities of this rural community. We have Route 50, which is a winding road. It was actually an oxcart road cut by the need to move west from Alexandria, which was a major port, surprisingly a major port on the east coast at one time, and Georgetown. And they gathered there and then moved on ''westward ho'' down Route 50.

Route 50 winds and twists through the lovely hills and the valleys and crosses the streams. We want to somehow keep that for future generations, keep it in place. There are some people with considerable vision as to how to do it, yet still meet the needs for modern transportation. Anyway, I hope to incorporate in this bill certain legislative provisions which will foster the ability of the local governments and local leaders to preserve the best, not only in the community in which I grew up through these many years, but elsewhere in America.

Also of profound importance to the Greater Metropolitan Washington area is the Woodrow Wilson Bridge. In this legislation, we have more than doubled the administration's $400 million proposed level of funding for the bridge to $900 million, thereby elevating the significance of the bridge. We have however provided that before any funds can be spent on construction of the bridge, either an authority or agreement between Maryland, Virginia, or the District of Columbia must be made as to who will take title of the bridge.

We have also carefully preserved those principles of ISTEA which have again a proven record of success, an absolute proven record of success.

The heart of this piece of legislation again is fairness and balance. There is no more dramatic provision to document that goal than the equitable fair funding of return of the tax dollars.

ISTEA failed—and I have to criticize ISTEA—it failed to provide funding to our States based on current data that measured the extent and the use of our transportation system. It contained five equity adjustments, yet still the formula did not equitably treat all States with the fairness based on their contributions to the highway trust fund.

Our bill today ensures balance and fairness. This one does what we possibly set out to do—I will attribute the best of intentions to the crafters of ISTEA I—but I assure you the drafters of ISTEA II have locked in a formula, predicated on modern, up-to-date factors, and it cannot be twisted and bent or changed in such a way as to deny to every State a 90-cent return on each dollar of taxes sent from a State to Uncle Sam's Treasury in the highway trust fund wherever the depository may be in Washington, DC.

Our bill today ensures this balance and fairness. Every State will receive a minimum return of 90 percent of their contributions to the highway trust fund. This guarantee is very different from the so-called 90 percent minimum allocation in ISTEA I. This is a real guarantee, not to be readjusted by any further actions. I would not have supported anything that did not give every State a minimum guarantee of 90 cents on the dollar.

Mr. President, we have listened to our colleagues and made our best attempt to be fair. Either this bill succeeds on the doctrine of fairness or it will fall victim to politics, not Republican versus Democrat politics for this is a bipartisan bill. You need only look at the list of cosponsors. You only need to heed the remarks of the distinguished Senator from Montana. No, it will not fall victim to politics as we recognize them, but will fall victim to literally civil strife between big States, industrial States, small States, and the whole thing can be torn apart, and I doubt that Humpty Dumpty could ever be put back together again if they pull this apart in a way that any Senator could stand on the floor and say each State is treated equally and gets 90 cents back on the tax dollar.

I ask my colleagues, who understandably have concerns about this legislation, to consult with their respective highway officials. STEP–21 was put together, again, as a consequence of a group of these well-experienced individuals in a number of States; Stars 2000, likewise, which was put together by a number of expert highway officials in the several States. They understand the problems. I hope that our colleagues will seek the advice and counsel of their respective highway officials before they decide exactly what they are going to do on this bill.

At the outset, again, my highest priority was to improve the mobility of people and goods. The biggest threat to the United States today comes from the growing competition around the world, all throughout the world. It is a one-world market. While we sleep the other half are busily engaged in their activities. Those economic activities are to meet us at our very doorsteps with competition in their products and in their services. It is an extraordinary world in which we live today compared to just a decade ago.

How do we compete in this market? America very much wants to keep our wages, our lifestyle, our environment at the very best. The standards of those factors in other nations in many instances are far less. Those priorities are not sought by the central governments, indeed, the governments of those States. So what do we do?

How do we beat the marketplace sale on a pair of blue jeans manufactured in the Far East versus a pair of blue jeans manufactured in the United States? Well, I have a dramatic experience I remember. I went to my State to a blue jeans plant, and I talked to the workers. I watched them make a quality product that would match any product in the world, in fact, in my judgment, is better. I may have a slight prejudice. It was better.

But I asked them, ''How do you beat the low wages, the marginal environment, and lifestyle in faraway lands, but when your product reaches the store shelf right beside them is a product from a foreign land?''

He said, ''Come with me.''

We went to the back of this plant where every hour big trucks backed up and loaded on the products. He said, ''We get an order in in the morning. That order is filled. And overnight it is delivered right to the store's shelf.''

We can beat them because of America's transportation system. And that is what this bill, Mr. President, is designed to do, to thrust America ahead in the competitive economic market by virtue of a modern, efficient transportation system, to cut down the time of Mr. and Mrs. America behind the wheel getting to their place of work, getting to the school to drop off the children, and returning safely at home. Every minute wasted behind that wheel in gridlock is a wasted moment from work, from family, and such leisure time as we may have.

This bill is directed to make America more competitive in that one-world market. How do we achieve these goals? We streamline ISTEA's five programs into three programs: The National Highway System, NHS; the Surface Transportation Program; STP; and the Congestion Mitigation and Air Quality Program, CMAQ. Those are the three.

By condensing five into three, we build in efficiencies. We have given more authority to the Governors, to the various highways and boards and commissions. We have given more authority down to the boards of supervisors and to the mayors and to other local authorities to make the decisions that are best for their community, nevertheless, maintaining the Federal focus on our most important network of roads, the National Highway System, which indeed now embraces the historic interstate system.

While I started with a goal of a 95 percent return for every State—I see on the floor my good friend, the Senator from Florida [Mr. GRAHAM]. He will address this momentarily because he was a real fighter, not only in ISTEA I but throughout the drafting of this bill. It had been our hope to reach 95 cents, but we soon recognized that we could not do it if we were to build a successful coalition and to properly recognize the individual requirements of certain geographic regions of the United States, primarily the Western States.

They require certain augmentation of their financial status under this legislation because they recognize from experience, not only on this bill but on other bills, that when western interests go into a conference between the House and the Senate, they have far fewer Members of the House of Representatives from those States.

It goes back to the very fundamental principle, Mr. President, the very fundamental principle that when our forefathers laid down this Government and fashioned this Republic, the oldest surviving democratic form of republic on Earth today, the United States with its Constitution and Bill of Rights, when they fashioned that, they recognized letting the States have equal representation in the Senate because in the House of Representatives that representation is recognized by virtue of the population.

So we strengthened the financial position of the Western States, recognizing historically that strength has been diminished from the Senate position as a consequence of fewer Members in the House.

We are going to hold and protect our Western States in this bill. That is why we had to drop from 95 cents to the 90 cents.

Many, many of the donor States are now recognizing that 90 cents is an enormous increment from where they were. In my State, we got 79 cents on the dollar. There is relative joy in my State as we move to 90, and indeed, six donor States got a small fraction or so above 90 as a consequence of a small application of the formula, not through selectivity.

This bill will use the most currently available data to achieve a fair distribution fund. That will include factors that represent the divergent transportation needs of our Nation. There will be no surprises. We will use lane miles which represent the extent of our highway network, vehicle miles traveled or VMT's, which measure the volume of traffic on the system, bridge measurement based on the number of structurally deficient and capacity limited bridges, and diesel fuel consumption that represents the freight traffic.

I look forward to continuing the Senate's work on this vital legislation and am proud today to have brought to the Senate a balanced, fair, and solid proposal. This highway transportation proposal, in terms of spending is second in size only to the defense bill, and its significance to the American economy is similar. The bottom line is this bill is a regionally balanced, multidimensional plan that will establish transportation policy for the 21st century. It carves a big role for public input, respects the environment, and in a broader sense empowers States and local governments.

We have at long last abandoned the archaic measurements of postal route mileage and other outdated measurements used in ISTEA.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1173

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Intermodal Transportation Act of 1997''.

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

SEC. 2. DEFINITION.

In this Act, the term ''Secretary'' means the Secretary of Transportation.

TITLE I—SURFACE TRANSPORTATION

SEC. 1001. SHORT TITLE.

This title may be cited as the ''Surface Transportation Act of 1997''.

Subtitle A—General Provisions

SEC. 1101. AUTHORIZATIONS.

For the purpose of carrying out title 23, United States Code, the following sums shall be available from the Highway Trust Fund (other than the Mass Transit Account):

(1) INTERSTATE AND NATIONAL HIGHWAY SYSTEM PROGRAM.—For the Interstate and National Highway System program under section 103 of that title $11,979,000,000 for fiscal year 1998, $11,808,000,000 for fiscal year 1999, $11,819,000,000 for fiscal year 2000, $11,916,000,000 for fiscal year 2001, $12,242,000,000 for fiscal year 2002, and $12,776,000,000 for fiscal year 2003, of which—

(A) $4,600,000,000 for fiscal year 1998, $4,609,000,000 for fiscal year 1999, $4,637,000,000 for fiscal year 2000, $4,674,000,000 for fiscal year 2001, $4,773,000,000 for fiscal year 2002, and $4,918,000,000 for fiscal year 2003 shall be used for the Interstate maintenance component; and

(B) $1,400,000,000 for fiscal year 1998, $1,403,000,000 for fiscal year 1999, $1,411,000,000 for fiscal year 2000, $1,423,000,000 for fiscal year 2001, $1,453,000,000 for fiscal year 2002, and $1,497,000,000 for fiscal year 2003 shall be used for the Interstate bridge component.

(2) SURFACE TRANSPORTATION PROGRAM.—For the surface transportation program under section 133 of that title $7,000,000,000 for fiscal year 1998, $7,014,000,000 for fiscal year 1999, $7,056,000,000 for fiscal year 2000, $7,113,000,000 for fiscal year 2001, $7,263,000,000 for fiscal year 2002, and $7,484,000,000 for fiscal year 2003.

(3) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—For the congestion mitigation and air quality improvement program under section 149 of that title $1,150,000,000 for fiscal year 1998, $1,152,000,000 for fiscal year 1999, $1,159,000,000 for fiscal year 2000, $1,169,000,000 for fiscal year 2001, $1,193,000,000 for fiscal year 2002, and $1,230,000,000 for fiscal year 2003.

(4) FEDERAL LANDS HIGHWAYS PROGRAM.—

(A) INDIAN RESERVATION ROADS.—For Indian reservation roads under section 204 of that title $200,000,000 for each of fiscal years 1998 through 2003.

(B) PARKWAYS AND PARK ROADS.—For parkways and park roads under section 204 of that title $90,000,000 for each of fiscal years 1998 through 2003.

(C) PUBLIC LANDS HIGHWAYS.—For public lands highways under section 204 of that title $172,000,000 for each of fiscal years 1998 through 2003.

(D) COOPERATIVE FEDERAL LANDS TRANSPORTATION PROGRAM.—For the Cooperative Federal Lands Transportation Program under section 207 of that title $74,000,000 for each of fiscal years 1998 through 2003.

SEC. 1102. APPORTIONMENTS.

(a) IN GENERAL.—Section 104 of title 23, United States Code, is amended by striking subsection (b) and inserting the following:

''(b) APPORTIONMENTS.—On October 1 of each fiscal year, the Secretary, after making the deduction authorized by subsection (a) and the set-asides authorized by subsection (f), shall apportion the remainder of the sums authorized to be appropriated for expenditure on the National Highway System, the congestion mitigation and air quality improvement program, and the surface transportation program, for that fiscal year, among the States in the following manner:

''(1) INTERSTATE AND NATIONAL HIGHWAY SYSTEM PROGRAM.—

''(A) INTERSTATE MAINTENANCE COMPONENT.—For resurfacing, restoring, rehabilitating, and reconstructing the Interstate System—

''(i) 50 percent in the ratio that—

''(I) the total lane miles on Interstate System routes designated under—

''(aa) section 103;

''(bb) section 139(a) before March 9, 1984 (other than routes on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692)); and

''(cc) section 139(c) (as in effect on the day before the date of enactment of the Intermodal Transportation Act of 1997);

in each State; bears to

''(II) the total of all such lane miles in all States; and

''(ii) 50 percent in the ratio that—

''(I) the total vehicle miles traveled on lanes on Interstate System routes designated under—

''(aa) section 103;

''(bb) section 139(a) before March 9, 1984 (other than routes on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692)); and

''(cc) section 139(c) (as in effect on the day before the date of enactment of the Intermodal Transportation Act of 1997);

in each State; bears to

''(II) the total of all such vehicle miles traveled in all States.

''(B) INTERSTATE BRIDGE COMPONENT.—For resurfacing, restoring, rehabilitating, and reconstructing bridges on the Interstate System, in the ratio that—

''(i) the total square footage of structurally deficient and functionally obsolete bridges on the Interstate System (other than bridges on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692)) in each State; bears to

''(ii) the total square footage of structurally deficient and functionally obsolete bridges on the Interstate System (other than bridges on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692)) in all States.

''(C) OTHER NATIONAL HIGHWAY SYSTEM COMPONENT.—

''(i) IN GENERAL.—For the National Highway System (excluding activities for which funds are apportioned under subparagraph (A) or (B)), $36,400,000 for each fiscal year to the Virgin Islands, Guam, American Samoa, and the Commonwealth of Northern Mariana Islands and the remainder apportioned as follows:

''(I) 20 percent of the apportionments in the ratio that—

''(aa) the total lane miles of principal arterial routes (excluding Interstate System routes) in each State; bears to

''(bb) the total lane miles of principal arterial routes (excluding Interstate System routes) in all States.

''(II) 29 percent of the apportionments in the ratio that—

''(aa) the total vehicle miles traveled on lanes on principal arterial routes (excluding Interstate System routes) in each State; bears to

''(bb) the total vehicle miles traveled on lanes on principal arterial routes (excluding Interstate System routes) in all States.

''(III) 18 percent of the apportionments in the ratio that—

''(aa) the total square footage of structurally deficient and functionally obsolete bridges on principal arterial routes (excluding bridges on Interstate System routes (other than bridges on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692))) in each State; bears to

''(bb) the total square footage of structurally deficient and functionally obsolete bridges on principal arterial routes (excluding bridges on Interstate System routes (other than bridges on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692))) in all States.

''(IV) 24 percent of the apportionments in the ratio that—

''(aa) the total diesel fuel used on highways in each State; bears to

''(bb) the total diesel fuel used on highways in all States.

''(V) 9 percent of the apportionments in the ratio that—

''(aa) the quotient obtained by dividing the total lane miles on principal arterial highways in each State by the total population of the State; bears to

''(bb) the quotient obtained by dividing the total lane miles on principal arterial highways in all States by the total population of all States.

''(ii) DATA.—Each calculation under clause (i) shall be based on the latest available data.

''(D) MINIMUM APPORTIONMENT.—Notwithstanding subparagraphs (A) through (C), each State shall receive a minimum of ½ of 1 percent of the funds apportioned under this paragraph.

''(2) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—

''(A) IN GENERAL.—For the congestion mitigation and air quality improvement program, in the ratio that—

''(i) the total of all weighted nonattainment and maintenance area populations in each State; bears to

''(ii) the total of all weighted nonattainment and maintenance area populations in all States.

''(B) CALCULATION OF WEIGHTED NONATTAINMENT AND MAINTENANCE AREA POPULATION.—Subject to subparagraph (C), for the purpose of subparagraph (A), the weighted nonattainment and maintenance area population shall be calculated by multiplying the population of each area in a State that was a nonattainment area or maintenance area as described in section 149(b) for ozone or carbon monoxide by a factor of—

''(i) 0.8 if—

''(I) at the time of the apportionment, the area is a maintenance area;

''(II) at the time of the apportionment, the area is classified as a submarginal ozone nonattainment area under that Act; or

''(III) as of the date of enactment of the Intermodal Transportation Act of 1997, the area is considered by the Administrator of the Environmental Protection Agency to be a flexible attainment region;

''(ii) 1.0 if, at the time of the apportionment, the area is classified as a marginal ozone nonattainment area under subpart 2 of part D of title I of the Clean Air Act (42 U.S.C. 7511 et seq.);

''(iii) 1.1 if, at the time of the apportionment, the area is classified as a moderate ozone nonattainment area under that subpart;

''(iv) 1.2 if, at the time of the apportionment, the area is classified as a serious ozone nonattainment area under that subpart;

''(v) 1.3 if, at the time of the apportionment, the area is classified as a severe ozone nonattainment area under that subpart;

''(vi) 1.4 if, at the time of the apportionment, the area is classified as an extreme ozone nonattainment area under that subpart; or

''(vii) 1.0 if, at the time of the apportionment, the area is not a nonattainment or maintenance area as described in section 149(b) for ozone, but is classified under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.) as a nonattainment area described in section 149(b) for carbon monoxide.

''(C) ADDITIONAL ADJUSTMENT FOR CARBON MONOXIDE AREAS.—

''(i) CARBON MONOXIDE NONATTAINMENT AREAS.—If, in addition to being classified as a nonattainment or maintenance area for ozone, the area was also classified under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.) as a nonattainment area described in section 149(b) for carbon monoxide, the weighted nonattainment or maintenance area population of the area, as determined under clauses (i) through (vi) of subparagraph (B), shall be further multiplied by a factor of 1.2.

''(ii) CARBON MONOXIDE MAINTENANCE AREAS.—If, in addition to being classified as a nonattainment or maintenance area for ozone, the area was at one time also classified under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.) as a nonattainment area described in section 149(b) for carbon monoxide but has been redesignated as a maintenance area, the weighted nonattainment or maintenance area population of the area, as determined under clauses (i) through (vi) of subparagraph (B), shall be further multiplied by a factor of 1.1.

''(D) MINIMUM APPORTIONMENT.—Notwithstanding any other provision of this paragraph, each State shall receive a minimum of ½ of 1 percent of the funds apportioned under this paragraph.

''(E) DETERMINATIONS OF POPULATION.—In determining population figures for the purposes of this paragraph, the Secretary shall use the latest available annual estimates prepared by the Secretary of Commerce.

''(3) SURFACE TRANSPORTATION PROGRAM.—

''(A) IN GENERAL.—For the surface transportation program, in accordance with the following formula:

''(i) 20 percent of the apportionments in the ratio that—

''(I) the total lane miles of Federal-aid highways in each State; bears to

''(II) the total lane miles of Federal-aid highways in all States.

''(ii) 30 percent of the apportionments in the ratio that—

''(I) the total vehicle miles traveled on lanes on Federal-aid highways in each State; bears to

''(II) the total vehicle miles traveled on lanes on Federal-aid highways in all States.

''(iii) 25 percent of the apportionments in the ratio that—

''(I) the total square footage of structurally deficient and functionally obsolete bridges on Federal-aid highways (excluding bridges described in subparagraphs (B) and (C)(i)(III) of paragraph (1)) in each State; bears to

''(II) the total square footage structurally deficient and functionally obsolete bridges on Federal-aid highways (excluding bridges described in subparagraphs (B) and (C)(i)(III) of paragraph (1)) in all States.

''(iv) 25 percent of the apportionments in the ratio that—

''(I) the estimated tax payments attributable to highway users in each State paid into the Highway Trust Fund (other than the Mass Transit Account) in the latest fiscal year for which data are available; bears to

''(II) the estimated tax payments attributable to highway users in all States paid into the Highway Trust Fund (other than the Mass Transit Account) in the latest fiscal year for which data are available.

''(B) DATA.—Each calculation under subparagraph (A) shall be based on the latest available data.

''(C) MINIMUM APPORTIONMENT.—Notwithstanding subparagraph (A), each State shall receive a minimum of ½ of 1 percent of the funds apportioned under this paragraph.''.

(b) EFFECT OF CERTAIN AMENDMENTS.—Section 104 of title 23, United States Code, is amended by striking subsection (h) and inserting the following:

''(h) EFFECT OF CERTAIN AMENDMENTS.—Notwithstanding any other provision of law, deposits into the Highway Trust Fund resulting from the amendments made by section 901 of the Taxpayer Relief Act of 1997 shall not be taken into account in determining the apportionments and allocations that any State shall be entitled to receive under the Intermodal Transportation Act of 1997 and title 23, United States Code.''.

(c) ISTEA TRANSITION.—

(1) IN GENERAL.—For each of fiscal years 1998 through 2003, the Secretary shall determine, with respect to each State—

(A) the total apportionments for the fiscal year under section 104 of title 23, United States Code, for the Interstate and National Highway System program, the surface transportation program, metropolitan planning, and the congestion mitigation and air quality improvement program;

(B) the annual average of the total apportionments during the period of fiscal years 1992 through 1997 for all Federal-aid highway programs (as defined in section 101 of title 23, United States Code), excluding apportionments for the Federal lands highways program under section 204 of that title;

(C) the annual average of the total apportionments during the period of fiscal years 1992 through 1997 for all Federal-aid highway programs (as defined in section 101 of title 23, United States Code), excluding—

(i) apportionments authorized under section 104 of that title for construction of the Interstate System;

(ii) apportionments for the Interstate substitute program under section 103(e)(4) of that title (as in effect on the day before the date of enactment of this Act);

(iii) apportionments for the Federal lands highways program under section 204 of that title; and

(iv) adjustments to sums apportioned under section 104 of that title due to the hold harmless adjustment under section 1015(a) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 104 note; 105 Stat. 1943);

(D) the product obtained by multiplying—

(i) the annual average of the total apportionments determined under subparagraph (B); by

(ii) the applicable percentage determined under paragraph (2); and

(E) the product obtained by multiplying—

(i) the annual average of the total apportionments determined under subparagraph (C); by

(ii) the applicable percentage determined under paragraph (2).

(2) APPLICABLE PERCENTAGES.—

(A) FISCAL YEAR 1998.—For fiscal year 1998—

(i) the applicable percentage referred to in paragraph (1)(D)(ii) shall be 145 percent; and

(ii) the applicable percentage referred to in paragraph (1)(E)(ii) shall be 107 percent.

(B) FISCAL YEARS THEREAFTER.—For each of fiscal years 1999 through 2003, the applicable percentage referred to in paragraph (1)(D)(ii) or (1)(E)(ii), respectively, shall be a percentage equal to the product obtained by multiplying—

(i) the percentage specified in clause (i) or (ii), respectively, of subparagraph (A); by

(ii) the percentage that—

(I) the total contract authority made available under this Act and title 23, United States Code, for Federal-aid highway programs for the fiscal year; bears to

(II) the total contract authority made available under this Act and title 23, United States Code, for Federal-aid highway programs for fiscal year 1998.

(3) MAXIMUM TRANSITION.—

(A) IN GENERAL.—For each of fiscal years 1998 through 2003, in the case of each State with respect to which the total apportionments determined under paragraph (1)(A) is greater than the product determined under paragraph (1)(D), the Secretary shall reduce proportionately the apportionments to the State under section 104 of title 23, United States Code, for the National Highway System component of the Interstate and National Highway System program, the surface transportation program, and the congestion mitigation and air quality improvement program so that the total of the apportionments is equal to the product determined under paragraph (1)(D).

(B) REDISTRIBUTION OF FUNDS.—

(i) IN GENERAL.—Subject to clause (ii), funds made available under subparagraph (A) shall be redistributed proportionately under section 104 of title 23, United States Code, for the Interstate and National Highway System program, the surface transportation program, and the congestion mitigation and air quality improvement program, to States not subject to a reduction under subparagraph (A).

(ii) LIMITATION.—The ratio that—

(I) the total apportionments to a State under section 104 of title 23, United States Code, for the Interstate and National Highway System program, the surface transportation program, and the congestion mitigation and air quality improvement program, after the application of clause (i); bears to

(II) the annual average of the total apportionments determined under paragraph (1)(B) with respect to the State;

may not exceed, in the case of fiscal year 1998, 145 percent, and, in the case of each of fiscal years 1999 through 2003, 145 percent as adjusted in the manner described in paragraph (2)(B).

(4) MINIMUM TRANSITION.—

(A) IN GENERAL.—For each of fiscal years 1998 through 2003, the Secretary shall apportion to each State such additional amounts as are necessary to ensure that—

(i) the total apportionments to the State under section 104 of title 23, United States Code, for the Interstate and National Highway System program, the surface transportation program, metropolitan planning, and the congestion mitigation and air quality improvement program, after the application of paragraph (3); is equal to

(ii) the greater of—

(I) the product determined with respect to the State under paragraph (1)(E); or

(II) the total apportionments to the State for fiscal year 1997 for all Federal-aid highway programs, excluding—

(aa) apportionments for the Federal lands highways program under section 204 of title 23, United States Code;

(bb) adjustments to sums apportioned under section 104 of that title due to the hold harmless adjustment under section 1015(a) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 104 note; 105 Stat. 1943); and

(cc) demonstration projects under the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240).

(B) OBLIGATION.—Amounts apportioned under subparagraph (A)—

(i) shall be considered to be sums made available for expenditure on the surface transportation program, except that—

(I) the amounts shall not be subject to paragraphs (1) and (2) of section 133(d) of title 23, United States Code; and

(II) 50 percent of the amounts shall be subject to section 133(d)(3) of that title;

(ii) shall be available for any purpose eligible for funding under section 133 of that title; and

(iii) shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the amounts are apportioned.

(C) AUTHORIZATION OF CONTRACT AUTHORITY.—

(i) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) such sums as are necessary to carry out this paragraph.

(ii) CONTRACT AUTHORITY.—Funds authorized under this subparagraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

(d) MINIMUM GUARANTEE.—

(1) IN GENERAL.—Section 105 of title 23, United States Code, is amended to read as follows:

"§ 105. Minimum guarantee

''(a) ADJUSTMENT.—

''(1) IN GENERAL.—In fiscal year 1998 and each fiscal year thereafter on October 1, or as soon as practicable thereafter, the Secretary shall allocate among the States amounts sufficient to ensure that—

''(A) the ratio that—

''(i) each State's percentage of the total apportionments for the fiscal year—

''(I) under section 104 for the Interstate and National Highway System program, the surface transportation program, metropolitan planning, and the congestion mitigation and air quality improvement program; and

''(II) under section 1102(c) of the Intermodal Transportation Act of 1997 for ISTEA transition; bears to

''(ii) each State's percentage of estimated tax payments attributable to highway users in the State paid into the Highway Trust Fund (other than the Mass Transit Account) in the latest fiscal year for which data are available;

is not less than 0.90; and

''(B) in the case of a State specified in paragraph (2), the State's percentage of the total apportionments for the fiscal year described in subclauses (I) and (II) of subparagraph (A)(i) is—

''(i) not less than the percentage specified for the State in paragraph (2); but

''(ii) not greater than the product determined for the State under section 1102(c)(1)(D) of the Intermodal Transportation Act of 1997 for the fiscal year.

''(2) STATE PERCENTAGES.—The percentage referred to in paragraph (1)(B) for a specified State shall be determined in accordance with the following table:

"State	Percentage
Alaska	1.24
Arkansas	1.33
Delaware	0.47
Hawaii	0.55
Idaho	0.82
Montana	1.06
Nevada	0.73
New Hampshire	0.52
New Jersey	2.41
New Mexico	1.05
North Dakota	0.73
Rhode Island	0.58
South Dakota	0.78
Vermont	0.47
Wyoming	0.76.

''(b) TREATMENT OF ALLOCATIONS.—

''(1) OBLIGATION.—Amounts allocated under subsection (a)—

''(A) shall be available for obligation when allocated and shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the amounts are allocated; and

''(B) shall be available for any purpose eligible for funding under this title.

''(2) SET-ASIDE.—Fifty percent of the amounts allocated under subsection (a) shall be subject to section 133(d)(3).

''(c) TREATMENT OF WITHHELD APPORTIONMENTS.—For the purpose of subsection (a), any funds that, but for section 158(b) or any other provision of law under which Federal-aid highway funds are withheld from apportionment, would be apportioned to a State for a fiscal year under a section referred to in subsection (a) shall be treated as being apportioned in that fiscal year.

''(d) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) such sums as are necessary to carry out this section.''.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 105 and inserting the following:

''105. Minimum guarantee.''.

(e) AUDITS OF HIGHWAY TRUST FUND.—Section 104 of title 23, United States Code, is amended by striking subsection (i) and inserting the following:

''(i) AUDITS OF HIGHWAY TRUST FUND.—From available administrative funds deducted under subsection (a), the Secretary may reimburse the Office of Inspector General of the Department of Transportation for the conduct of annual audits of financial statements in accordance with section 3521 of title 31.''.

(f) TECHNICAL AMENDMENTS.—Section 104 of title 23, United States Code, is amended—

(1) in subsection (e)—

(A) by inserting ''NOTIFICATION TO STATES.—'' after ''(e)'';

(B) in the first sentence—

(i) by striking ''(other than under subsection (b)(5) of this section)''; and

(ii) by striking ''and research'';

(C) by striking the second sentence; and

(D) in the last sentence, by striking '', except that'' and all that follows through ''such funds''; and

(2) in subsection (f)—

(A) by striking ''(f)(1) On'' and inserting the following:

''(f) METROPOLITAN PLANNING.—

''(1) SET-ASIDE.—On'';

(B) by striking ''(2) These'' and inserting the following:

''(2) APPORTIONMENT TO STATES OF SET-ASIDE FUNDS.—These'';

(C) by striking ''(3) The'' and inserting the following:

''(3) USE OF FUNDS.—The''; and

(D) by striking ''(4) The'' and inserting the following:

''(4) DISTRIBUTION OF FUNDS WITHIN STATES.—The''.

(g) CONFORMING AMENDMENTS.—

(1) Section 146(a) of title 23, United States Code, is amended in the first sentence by

striking ''104(b)(2), and 104(b)(6)'' and inserting ''and 104(b)(2)''.

(2)(A) Section 150 of title 23, United States Code, is repealed.

(B) The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 150.

(3) Section 158 of title 23, United States Code, is amended—

(A) in subsection (a)—

(i) by striking paragraph (1);

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

(iii) in paragraph (1) (as so redesignated)—

(I) by striking ''AFTER THE FIRST YEAR'' and inserting ''IN GENERAL''; and

(II) by striking '', 104(b)(2), 104(b)(5), and 104(b)(6)'' and inserting ''and 104(b)(2)''; and

(iv) in paragraph (2) (as redesignated by clause (ii)), by striking ''paragraphs (1) and (2) of this subsection'' and inserting ''paragraph (1)''; and

(B) by striking subsection (b) and inserting the following:

''(b) EFFECT OF WITHHOLDING OF FUNDS.—No funds withheld under this section from apportionment to any State after September 30, 1988, shall be available for apportionment to that State.''.

(4)(A) Section 157 of title 23, United States Code, is repealed.

(B) The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 157.

(5)(A) Section 115(b)(1) of title 23, United States Code, is amended by striking ''or 104(b)(5), as the case may be,''.

(B) Section 137(f)(1) of title 23, United States Code, is amended by striking ''section 104(b)(5)(B) of this title'' and inserting ''section 104(b)(1)(A)''.

(C) Section 141(c) of title 23, United States Code, is amended by striking ''section 104(b)(5) of this title'' each place it appears and inserting ''section 104(b)(1)(A)''.

(D) Section 142(c) of title 23, United States Code, is amended by striking ''(other than section 104(b)(5)(A))''.

(E) Section 159 of title 23, United States Code, is amended—

(i) by striking ''(5) of'' each place it appears and inserting ''(5) (as in effect on the day before the date of enactment of the Intermodal Transportation Act of 1997) of''; and

(ii) in subsection (b)—

(I) in paragraphs (1)(A)(i) and (3)(A), by striking ''section 104(b)(5)(A)'' each place it appears and inserting ''section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Intermodal Transportation Act of 1997)'';

(II) in paragraph (1)(A)(ii), by striking ''section 104(b)(5)(B)'' and inserting ''section 104(b)(5)(B) (as in effect on the day before the date of enactment of the Intermodal Transportation Act of 1997)'';

(III) in paragraph (3)(B), by striking ''(5)(B)'' and inserting ''(5)(B) (as in effect on the day before the date of enactment of the Intermodal Transportation Act of 1997)''; and

(IV) in paragraphs (3)(B) and (4), by striking ''section 104(b)(5)'' each place it appears and inserting ''section 104(b)(5) (as in effect on the day before the date of enactment of the Intermodal Transportation Act of 1997)''.

(F) Section 161(a) of title 23, United States Code, is amended by striking ''paragraphs (1), (3), and (5)(B) of section 104(b)'' each place it appears and inserting ''paragraphs (1) and (3) of section 104(b)''.

(6)(A) Section 104(g) of title 23, United States Code, is amended—

(i) in the first sentence, by striking ''sections 130, 144, and 152 of this title'' and inserting ''subsection (b)(1)(B) and sections 130 and 152'';

(ii) in the first and second sentences—

(I) by striking ''section'' and inserting ''provision''; and

(II) by striking ''such sections'' and inserting ''those provisions''; and

(iii) in the third sentence—

(I) by striking ''section 144'' and inserting ''subsection (b)(1)(B)''; and

(II) by striking ''subsection (b)(1)'' and inserting ''subsection (b)(1)(C)''.

(B) Section 115 of title 23, United States Code, is amended—

(i) in subsection (a)(1)(A)(i), by striking ''104(b)(2), 104(b)(3), 104(f), 144,'' and inserting ''104(b)(1)(B), 104(b)(2), 104(b)(3), 104(f),''; and

(ii) in subsection (c), by striking ''144,,''.

(C) Section 120(e) of title 23, United States Code, is amended in the last sentence by striking ''and in section 144 of this title''.

(D) Section 151(d) of title 23, United States Code, is amended by striking ''section 104(a), section 307(a), and section 144 of this title'' and inserting ''subsections (a) and (b)(1)(B) of section 104 and section 307(a)''.

(E) Section 204(c) of title 23, United States Code, is amended in the first sentence by striking ''or section 144 of this title''.

(F) Section 303(g) of title 23, United States Code, is amended by striking ''section 144 of this title'' and inserting ''section 104(b)(1)(B)''.

SEC. 1103. OBLIGATION CEILING.

(a) GENERAL LIMITATION.—Subject to the other provisions of this section and notwithstanding any other provision of law, the total amount of all obligations for Federal-aid highways and highway safety construction programs shall not exceed—

(1) $21,800,000,000 for fiscal year 1998;

(2) $22,768,000,000 for fiscal year 1999;

(3) $22,901,000,000 for fiscal year 2000;

(4) $23,070,000,000 for fiscal year 2001;

(5) $23,511,000,000 for fiscal year 2002; and

(6) $24,259,000,000 for fiscal year 2003.

(b) EXCEPTIONS.—

(1) IN GENERAL.—The limitations under subsection (a) shall not apply to obligations of funds under—

(A) section 125 of title 23, United States Code;

(B) section 105(a) of that title, excluding amounts allocated under section 105(a)(1)(B) of that title;

(C) section 157 of that title (as in effect on the day before the date of enactment of this Act);

(D) section 147 of the Surface Transportation Assistance Act of 1978 (23 U.S.C. 144 note; 92 Stat. 2714);

(E) section 9 of the Federal-Aid Highway Act of 1981 (95 Stat. 1701);

(F) subsections (b) and (j) of section 131 of the Surface Transportation Assistance Act of 1982 (96 Stat. 2119);

(G) subsections (b) and (c) of section 149 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 198); and

(H) sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2027).

(2) EFFECT OF OTHER LAW.—A provision of law establishing a limitation on obligations for Federal-aid highway and highway safety construction programs may not amend or limit the applicability of this subsection, unless the provision specifically amends or limits that applicability.

(c) APPLICABILITY TO TRANSPORTATION RESEARCH PROGRAMS.—Obligation limitations for Federal-aid highway and highway safety construction programs established by subsection (a) shall apply to transportation research programs carried out under chapter 5 of title 23, United States Code.

(d) OBLIGATION AUTHORITY.—Section 118 of title 23, United States Code, is amended by adding at the end the following:

''(g) OBLIGATION AUTHORITY.—

''(1) DISTRIBUTION.—For each fiscal year, the Secretary shall—

''(A) distribute the total amount of obligation authority for Federal-aid highways and highway safety construction programs made available for the fiscal year by allocation in the ratio that—

''(i) the total of the sums made available for Federal-aid highways and highway safety construction programs that are apportioned or allocated to each State for the fiscal year; bears to

''(ii) the total of the sums made available for Federal-aid highways and highway safety construction programs that are apportioned or allocated to all States for the fiscal year;

''(B) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways that have been apportioned to a State; and

''(C) not distribute—

''(i) amounts deducted under section 104(a) for administrative expenses;

''(ii) amounts made available for the Federal lands highways program under section 204;

''(iii) amounts made available under section 149(d) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 201); and

''(iv) amounts made available for implementation of programs under chapter 5 of this title and sections 5222, 5232, and 5241 of title 49.

''(2) REDISTRIBUTION.—Notwithstanding paragraph (1), the Secretary shall, after August 1 of each of fiscal years 1998 through 2003—

''(A) revise a distribution of the funds made available under paragraph (1) for the fiscal year if a State will not obligate the amount distributed during the fiscal year; and

''(B) redistribute sufficient amounts to those States able to obligate amounts in addition to the amounts previously distributed during the fiscal year, giving priority to those States that have large unobligated balances of funds apportioned under section 104 and under section 144 (as in effect on the day before the date of enactment of this subsection).''.

(e) APPLICABILITY OF OBLIGATION LIMITATIONS.—An obligation limitation established by a provision of any other Act shall not apply to obligations under a program funded under this Act or title 23, United States Code, unless—

(1) the provision specifically amends or limits the applicability of this subsection; or

(2) an obligation limitation is specified in this Act with respect to the program.

SEC. 1104. OBLIGATION AUTHORITY UNDER SURFACE TRANSPORTATION PROGRAM.

Section 133 of title 23, United States Code, is amended by striking subsection (f) and inserting the following:

''(f) OBLIGATION AUTHORITY.—

''(1) IN GENERAL.—A State that is required to obligate in an urbanized area with an urbanized area population of over 200,000 individuals under subsection (d) funds apportioned to the State under section 104(b)(3) shall make available during the 3-fiscal year period of 1998 through 2000, and the 3-fiscal year period of 2001 through 2003, an amount of obligation authority distributed to the State for Federal-aid highways and highway safety construction programs for use in the area that is equal to the amount obtained by multiplying—

''(A) the aggregate amount of funds that the State is required to obligate in the area under subsection (d) during each such period; by

''(B) the ratio that—

''(i) the aggregate amount of obligation authority distributed to the State for Federal-aid highways and highway safety construction programs during the period; bears to

''(ii) the total of the sums apportioned to the State for Federal-aid highways and highway safety construction programs (excluding sums not subject to an obligation limitation) during the period.

''(2) JOINT RESPONSIBILITY.—Each State, each affected metropolitan planning organization, and the Secretary shall jointly ensure compliance with paragraph (1).''.

SEC. 1105. EMERGENCY RELIEF.

(a) FEDERAL SHARE.—Section 120(e) of title 23, United States Code, is amended in the first sentence by striking ''highway system'' and inserting ''highway''.

(b) ELIGIBILITY AND FUNDING.—Section 125 of title 23, United States Code, is amended—

(1) by striking subsection (a);

(2) by redesignating subsections (b), (c), and (d) as subsections (d), (e), and (f), respectively;

(3) by inserting after the section heading the following:

''(a) GENERAL ELIGIBILITY.—Subject to this section and section 120, an emergency fund is authorized for expenditure by the Secretary for the repair or reconstruction of highways, roads, and trails, in any part of the United States, including Indian reservations, that the Secretary finds have suffered serious damage as a result of—

''(1) natural disaster over a wide area, such as by a flood, hurricane, tidal wave, earthquake, severe storm, or landslide; or

''(2) catastrophic failure from any external cause.

''(b) RESTRICTION ON ELIGIBILITY.—In no event shall funds be used pursuant to this section for the repair or reconstruction of bridges that have been permanently closed to all vehicular traffic by the State or responsible local official because of imminent danger of collapse due to a structural deficiency or physical deterioration.

''(c) FUNDING.—Subject to the following limitations, there are hereby authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) such sums as may be necessary to establish the fund authorized by this section and to replenish it on an annual basis:

''(1) Not more than $100,000,000 is authorized to be obligated in any 1 fiscal year commencing after September 30, 1980, to carry out the provisions of this section, except that, if in any fiscal year the total of all obligations under this section is less than the amount authorized to be obligated in such fiscal year, the unobligated balance of such amount shall remain available until expended and shall be in addition to amounts otherwise available to carry out this section each year.

''(2) Pending such appropriation or replenishment, the Secretary may obligate from any funds heretofore or hereafter appropriated for obligation in accordance with this title, including existing Federal-aid appropriations, such sums as may be necessary for the immediate prosecution of the work herein authorized, provided that such funds are reimbursed from the appropriations authorized in paragraph (1) of this subsection when such appropriations are made.'';

(4) in subsection (d) (as so redesignated), by striking ''subsection (c)'' both places it appears and inserting ''subsection (e)''; and

(5) in subsection (e) (as so redesignated), by striking ''on any of the Federal-aid highway systems'' and inserting ''Federal-aid highways''.

(c) SAN MATEO COUNTY, CALIFORNIA.—Notwithstanding any other provision of law, a project to repair or reconstruct any portion of a Federal-aid primary route in San Mateo County, California, that—

(1) was destroyed as a result of a combination of storms in the winter of 1982–1983 and a mountain slide;

(2) until its destruction, served as the only reasonable access route between 2 cities and as the designated emergency evacuation route of 1 of the cities; and

(3) complies with the local coastal plan;

shall be eligible for assistance under section 125(a) of title 23, United States Code.

SEC. 1106. FEDERAL LANDS HIGHWAYS PROGRAM.

(a) FEDERAL SHARE PAYABLE.—Section 120 of title 23, United States Code, is amended by adding at the end the following:

''(j) USE OF FEDERAL LAND MANAGEMENT AGENCY FUNDS.—Notwithstanding any other provision of law, the funds appropriated to any Federal land management agency may be used to pay the non-Federal share of the cost of any Federal-aid highway project the Federal share of which is funded under section 104.

''(k) USE OF FEDERAL LANDS HIGHWAYS PROGRAM FUNDS.—Notwithstanding any other provision of law, the funds made available to carry out the Federal lands highways program under section 204 may be used to pay the non-Federal share of the cost of any project that is funded under section 104 and that provides access to or within Federal or Indian lands.''.

(b) AVAILABILITY OF FUNDS.—Section 203 of title 23, United States Code, is amended by adding at the end the following: ''Notwithstanding any other provision of law, the authorization by the Secretary of engineering and related work for a Federal lands highways program project, or the approval by the Secretary of plans, specifications, and estimates for construction of a Federal lands highways program project, shall be deemed to constitute a contractual obligation of the Federal Government to the pay the Federal share of the cost of the project.''.

(c) PLANNING AND AGENCY COORDINATION.—Section 204 of title 23, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—Recognizing the need for all Federal roads that are public roads to be treated under uniform policies similar to the policies that apply to Federal-aid highways, there is established a coordinated Federal lands highways program that shall apply to public lands highways, park roads and parkways, and Indian reservation roads and bridges.

''(2) TRANSPORTATION PLANNING PROCEDURES.—In consultation with the Secretary of each appropriate Federal land management agency, the Secretary shall develop transportation planning procedures that are consistent with the metropolitan and statewide planning processes required under sections 134 and 135.

''(3) APPROVAL OF TRANSPORTATION IMPROVEMENT PROGRAM.—The transportation improvement program developed as a part of the transportation planning process under this section shall be approved by the Secretary.

''(4) INCLUSION IN OTHER PLANS.—All regionally significant Federal lands highways program projects—

''(A) shall be developed in cooperation with States and metropolitan planning organizations; and

''(B) shall be included in appropriate Federal lands highways program, State, and metropolitan plans and transportation improvement programs.

''(5) INCLUSION IN STATE PROGRAMS.—The approved Federal lands highways program transportation improvement program shall be included in appropriate State and metropolitan planning organization plans and programs without further action on the transportation improvement program.

''(6) DEVELOPMENT OF SYSTEMS.—The Secretary and the Secretary of each appropriate Federal land management agency shall, to the extent appropriate, develop safety, bridge, pavement, and congestion management systems for roads funded under the Federal lands highways program.'';

(2) in subsection (b), by striking the first 3 sentences and inserting the following: ''Funds available for public lands highways, park roads and parkways, and Indian reservation roads shall be used by the Secretary and the Secretary of the appropriate Federal land management agency to pay for the cost of transportation planning, research, engineering, and construction of the highways, roads, and parkways, or of transit facilities within public lands, national parks, and Indian reservations. In connection with activities under the preceding sentence, the Secretary and the Secretary of the appropriate Federal land management agency may enter into construction contracts and other appropriate contracts with a State or civil subdivision of a State or Indian tribe.'';

(3) in the first sentence of subsection (e), by striking ''Secretary of the Interior'' and inserting ''Secretary of the appropriate Federal land management agency'';

(4) in subsection (h), by adding at the end the following:

''(8) A project to build a replacement of the federally owned bridge over the Hoover Dam in the Lake Mead National Recreation Area between Nevada and Arizona.'';

(5) by striking subsection (i) and inserting the following:

''(i) TRANSFERS OF COSTS TO SECRETARIES OF FEDERAL LAND MANAGEMENT AGENCIES.—

''(1) ADMINISTRATIVE COSTS.—The Secretary shall transfer to the appropriate Federal land management agency from amounts made available for public lands highways such amounts as are necessary to pay necessary administrative costs of the agency in connection with public lands highways.

''(2) TRANSPORTATION PLANNING COSTS.—The Secretary shall transfer to the appropriate Federal land management agency from amounts made available for public lands highways such amounts as are necessary to pay the cost to the agency to conduct necessary transportation planning for Federal lands, if funding for the planning is not otherwise provided under this section.''; and

(6) in subsection (j), by striking the second sentence and inserting the following: ''The Indian tribal government, in cooperation with the Secretary of the Interior, and as appropriate, with a State, local government, or metropolitan planning organization, shall carry out a transportation planning process in accordance with subsection (a).''.

SEC. 1107. RECREATIONAL TRAILS PROGRAM.

(a) IN GENERAL.—Chapter 2 of title 23, United States Code, is amended by inserting after section 205 the following:

''§ 206. Recreational trails program

''(a) DEFINITIONS.—

''(1) MOTORIZED RECREATION.—The term 'motorized recreation' means off-road recreation using any motor-powered vehicle, except for a motorized wheelchair.

''(2) RECREATIONAL TRAIL; TRAIL.—The term 'recreational trail' or 'trail' means a thoroughfare or track across land or snow, used for recreational purposes such as—

''(A) pedestrian activities, including wheelchair use;

''(B) skating or skateboarding;

''(C) equestrian activities, including carriage driving;

''(D) nonmotorized snow trail activities, including skiing;

''(E) bicycling or use of other human-powered vehicles;

''(F) aquatic or water activities; and

''(G) motorized vehicular activities, including all-terrain vehicle riding, motorcycling, snowmobiling, use of off-road light trucks, or use of other off-road motorized vehicles.

''(b) PROGRAM.—In accordance with this section, the Secretary, in consultation with the Secretary of the Interior and the Secretary of Agriculture, shall carry out a program to provide and maintain recreational trails (referred to in this section as the 'program').

''(c) STATE RESPONSIBILITIES.—To be eligible for apportionments under this section—

''(1) a State may use apportionments received under this section for construction of new trails crossing Federal lands only if the construction is—

''(A) permissible under other law;

''(B) necessary and required by a statewide comprehensive outdoor recreation plan required by the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–4 et seq.);

''(C) approved by the administering agency of the State designated under paragraph (2); and

''(D) approved by each Federal agency charged with management of the affected lands, which approval shall be contingent on compliance by the Federal agency with all applicable laws, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1600 et seq.), and the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.);

''(2) the Governor of a State shall designate the State agency or agencies that will be responsible for administering apportionments received under this section; and

''(3) the State shall establish within the State a State trail advisory committee that represents both motorized and nonmotorized trail users.

''(d) USE OF APPORTIONED FUNDS.—

''(1) IN GENERAL.—Funds made available under this section shall be obligated for trails and trail-related projects that—

''(A) have been planned and developed under the laws, policies, and administrative procedures of each State; and

''(B) are identified in, or further a specific goal of, a trail plan or trail plan element included or referenced in a metropolitan transportation plan required under section 134 or a statewide transportation plan required under section 135, consistent with the statewide comprehensive outdoor recreation plan required by the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–4 et seq.).

''(2) PERMISSIBLE USES.—Permissible uses of funds made available under this section include—

''(A) maintenance and restoration of existing trails;

''(B) development and rehabilitation of trailside and trailhead facilities and trail linkages;

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

''(D) construction of new trails;

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

''(F) costs to the State incurred in administering the program, but in an amount not to exceed 7 percent of the apportionment received by the State for a fiscal year; and

''(G) operation of educational programs to promote safety and environmental protection as these objectives relate to the use of trails.

''(3) USE OF APPORTIONMENTS.—

''(A) IN GENERAL.—Except as provided in subparagraphs (B), (C), and (D), of the apportionments received for a fiscal year by a State under this section—

''(i) 40 percent shall be used for trail or trail-related projects that facilitate diverse recreational trail use within a trail corridor, trailside, or trailhead, regardless of whether the project is for diverse motorized use, for diverse nonmotorized use, or to accommodate both motorized and nonmotorized recreational trail use;

''(ii) 30 percent shall be used for uses relating to motorized recreation; and

''(iii) 30 percent shall be used for uses relating to nonmotorized recreation.

''(B) SMALL STATE EXCLUSION.—Any State with a total land area of less than 3,500,000 acres, and in which nonhighway recreational fuel use accounts for less than 1 percent of all such fuel use in the United States, shall be exempted from the requirements of subparagraph (A) upon application to the Secretary by the State demonstrating that the State meets the conditions of this subparagraph.

''(C) WAIVER AUTHORITY.—Upon the request of a State trail advisory committee established under subsection (c)(3), the Secretary may waive, in whole or in part, the requirements of subparagraph (A) with respect to the State if the State certifies to the Secretary that the State does not have sufficient projects to meet the requirements of subparagraph (A).

''(D) STATE ADMINISTRATIVE COSTS.—State administrative costs eligible for funding under paragraph (2)(F) shall be exempt from the requirements of subparagraph (A).

''(e) ENVIRONMENTAL BENEFIT OR MITIGATION.—To the extent practicable and consistent with the other requirements of this section, a State should give consideration to project proposals that provide for the redesign, reconstruction, nonroutine maintenance, or relocation of trails to benefit the natural environment or to mitigate and minimize the impact to the natural environment.

''(f) FEDERAL SHARE.—

''(1) IN GENERAL.—Subject to the other provisions of this subsection, the Federal share of the cost of a project under this section shall not exceed 80 percent.

''(2) FEDERAL AGENCY PROJECT SPONSOR.—Notwithstanding any other provision of law, a Federal agency that sponsors a project under this section may contribute additional Federal funds toward the cost of a project, except that—

''(A) the share attributable to the Secretary of Transportation may not exceed 80 percent; and

''(B) the share attributable to the Secretary and the Federal agency jointly may not exceed 95 percent.

''(3) USE OF FUNDS FROM FEDERAL PROGRAMS TO PROVIDE NON-FEDERAL SHARE.—Notwithstanding any other provision of law, amounts made available by the Federal Government under any Federal program that are—

''(A) expended in accordance with the requirements of the Federal program relating to activities funded and populations served; and

''(B) expended on a project that is eligible for assistance under this section;

may be credited toward the non-Federal share of the cost of the project.

''(4) PROGRAMMATIC NON-FEDERAL SHARE.—A State may allow adjustments to the non-Federal share of an individual project under this section if the Federal share of the cost of all projects carried out by the State under the program (excluding projects funded under paragraph (2) or (3)) using funds apportioned to the State for a fiscal year does not exceed 80 percent.

''(5) STATE ADMINISTRATIVE COSTS.—The Federal share of the administrative costs of a State under this subsection shall be determined in accordance with section 120(b).

''(g) USES NOT PERMITTED.—A State may not obligate funds apportioned under this section for—

''(1) condemnation of any kind of interest in property;

''(2) construction of any recreational trail on National Forest System land for any motorized use unless—

''(A) the land has been apportioned for uses other than wilderness by an approved forest land and resource management plan or has been released to uses other than wilderness by an Act of Congress; and

''(B) the construction is otherwise consistent with the management direction in the approved forest land and resource management plan;

''(3) construction of any recreational trail on Bureau of Land Management land for any motorized use unless the land—

''(A) has been apportioned for uses other than wilderness by an approved Bureau of Land Management resource management plan or has been released to other uses by an Act of Congress; and

''(B) the construction is otherwise consistent with the management direction in the approved management plan; or

''(4) upgrading, expanding, or otherwise facilitating motorized use or access to trails predominantly used by nonmotorized trail users and on which, as of May 1, 1991, motorized use is prohibited or has not occurred.

''(h) PROJECT ADMINISTRATION.—

''(1) CREDIT FOR DONATIONS OF FUNDS, MATERIALS, SERVICES, OR NEW RIGHT-OF-WAY.—

''(A) IN GENERAL.—Nothing in this title or other law shall prevent a project sponsor from offering to donate funds, materials, services, or a new right-of-way for the purposes of a project eligible for assistance under this section. Any funds, or the fair market value of any materials, services, or new right-of-way, may be donated by any project sponsor and shall be credited to the non-Federal share in accordance with subsection (f).

''(B) FEDERAL PROJECT SPONSORS.—Any funds or the fair market value of any materials or services may be provided by a Federal project sponsor and shall be credited to the Federal agency's share in accordance with subsection (f).

''(2) RECREATIONAL PURPOSE.—A project funded under this section is intended to enhance recreational opportunity and is not subject to section 138 of this title or section 303 of title 49.

''(3) CONTINUING RECREATIONAL USE.—At the option of each State, funds made available under this section may be treated as Land and Water Conservation Fund apportionments for the purposes of section 6(f)(3) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8(f)(3)).

''(4) COOPERATION BY PRIVATE PERSONS.—

''(A) WRITTEN ASSURANCES.—As a condition of making available apportionments for work on recreational trails that would affect privately owned land, a State shall obtain written assurances that the owner of the property will cooperate with the State and participate as necessary in the activities to be conducted.

''(B) PUBLIC ACCESS.—Any use of the apportionments to a State under this section on private land must be accompanied by an easement or other legally binding agreement that ensures public access to the recreational trail improvements funded by the apportionments.

''(i) APPORTIONMENT.—

''(1) DEFINITION OF ELIGIBLE STATE.—In this subsection, the term 'eligible State' means a State that meets the requirements of subsection (c).

''(2) APPORTIONMENT.—Subject to subsection (j), for each fiscal year, the Secretary shall apportion—

''(A) 50 percent of the amounts made available to carry out this section equally among eligible States; and

''(B) 50 percent of the amounts made available to carry out this section among eligible States in proportion to the quantity of nonhighway recreational fuel used in each eligible State during the preceding year.

''(j) ADMINISTRATIVE COSTS.—

''(1) IN GENERAL.—Whenever an apportionment is made under subsection (i) of the amounts made available to carry out this section, the Secretary shall first deduct an amount, not to exceed 1 percent of the authorized amounts, to pay the costs to the Secretary for administration of, and research authorized under, the program.

''(2) USE OF CONTRACTS.—To carry out research funded under paragraph (1), the Secretary may—

''(A) enter into contracts with for-profit organizations; and

''(B) enter into contracts, partnerships, or cooperative agreements with other government agencies, institutions of higher learning, or nonprofit organizations.

''(k) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $17,000,000 for fiscal year 1998, $20,000,000 for fiscal year 1999, $22,000,000 for fiscal year 2000, $23,000,000 for fiscal year 2001, $24,000,000 for fiscal year 2002, and $25,000,000 for fiscal year 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that the Federal share of the cost of a project under this section shall be determined in accordance with this section.''.

(b) CONFORMING AMENDMENTS.—

(1) The Intermodal Surface Transportation Efficiency Act of 1991 is amended by striking part B of title I (16 U.S.C. 1261 et seq.).

(2) The analysis for chapter 2 of title 23, United States Code, is amended by striking the item relating to section 206 and inserting the following:

''206. Recreational trails program.''.

SEC. 1108. VALUE PRICING PILOT PROGRAM.

(a) IN GENERAL.—Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended—

(1) in the subsection heading, by striking ''CONGESTION'' and inserting ''VALUE''; and

(2) in paragraph (1), by striking ''congestion'' each place it appears and inserting ''value''.

(b) INCREASED NUMBER OF PROJECTS.—Section 1012(b)(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended in the second sentence by striking ''5'' and inserting ''15''.

(c) ELIGIBILITY OF PREIMPLEMENTATION COSTS.— Section 1012(b)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended in the second sentence—

(1) by inserting after ''Secretary shall fund'' the following: ''all preimplementation costs and project design, and''; and

(2) by inserting after ''Secretary may not fund'' the following: ''the implementation costs of''.

(d) TOLLING.—Section 1012(b)(4) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended by striking ''a pilot program under this section, but not on more than 3 of such programs'' and inserting ''any value pricing pilot program under this subsection''.

(e) HOV PASSENGER REQUIREMENTS.—Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended by striking paragraph (6) and inserting the following:

''(6) HOV PASSENGER REQUIREMENTS.—Notwithstanding section 102 of title 23, United States Code, a State may permit vehicles with fewer than 2 occupants to operate in high occupancy vehicle lanes if the vehicles are part of a value pricing pilot program under this subsection.''.

(f) FUNDING.—Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended by adding at the end the following:

''(7) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $8,000,000 for each of fiscal years 1998 through 2003.

''(B) AVAILABILITY.—

''(i) IN GENERAL.—Funds allocated by the Secretary to a State under this subsection shall remain available for obligation by the State for a period of 3 years after the last day of the fiscal year for which the funds are authorized.

''(ii) USE OF UNALLOCATED FUNDS.—If the total amount of funds made available from the Highway Trust Fund under this subsection but not allocated exceeds $8,000,000 as of September 30 of any year, the excess amount—

''(I) shall be apportioned in the following fiscal year by the Secretary to all States in accordance with section 104(b)(3) of title 23, United States Code;

''(II) shall be considered to be a sum made available for expenditure on the surface transportation program, except that the amount shall not be subject to section 133(d) of that title; and

''(III) shall be available for any purpose eligible for funding under section 133 of that title.

''(C) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of any project under this subsection and the availability of funds authorized by this paragraph shall be determined in accordance with this subsection.''.

(g) CONFORMING AMENDMENTS.—Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended—

(1) in paragraph (1), by striking ''projects'' each place it appears and inserting ''programs''; and

(2) in paragraph (5)—

(A) by striking ''projects'' and inserting ''programs''; and

(B) by striking ''traffic, volume'' and inserting ''traffic volume''.

SEC. 1109. HIGHWAY USE TAX EVASION PROJECTS.

(a) IN GENERAL.—Section 143 of title 23, United States Code, is amended to read as follows:

''§ 143. Highway use tax evasion projects

''(a) DEFINITION OF STATE.—In this section, the term 'State' means the 50 States and the District of Columbia.

''(b) PROJECTS.—

''(1) IN GENERAL.—The Secretary shall use funds made available under paragraph (7) to carry out highway use tax evasion projects in accordance with this subsection.

''(2) ALLOCATION OF FUNDS.—The funds may be allocated to the Internal Revenue Service and the States at the discretion of the Secretary.

''(3) CONDITIONS ON FUNDS ALLOCATED TO INTERNAL REVENUE SERVICE.—The Secretary shall not impose any condition on the use of funds allocated to the Internal Revenue Service under this subsection.

''(4) LIMITATION ON USE OF FUNDS.—Funds made available under paragraph (7) shall be used only—

''(A) to expand efforts to enhance motor fuel tax enforcement;

''(B) to fund additional Internal Revenue Service staff, but only to carry out functions described in this paragraph;

''(C) to supplement motor fuel tax examinations and criminal investigations;

''(D) to develop automated data processing tools to monitor motor fuel production and sales;

''(E) to evaluate and implement registration and reporting requirements for motor fuel taxpayers;

''(F) to reimburse State expenses that supplement existing fuel tax compliance efforts; and

''(G) to analyze and implement programs to reduce tax evasion associated with other highway use taxes.

''(5) MAINTENANCE OF EFFORT.—The Secretary may not make an allocation to a State under this subsection for a fiscal year unless the State certifies that the aggregate expenditure of funds of the State, exclusive of Federal funds, for motor fuel tax enforcement activities will be maintained at a level that does not fall below the average level of such expenditure for the preceding 2 fiscal years of the State.

''(6) FEDERAL SHARE.—The Federal share of the cost of a project carried out under this subsection shall be 100 percent.

''(7) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(A) IN GENERAL.—There shall be available to the Secretary from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $5,000,000 for each of fiscal years 1998 through 2003.

''(B) AVAILABILITY OF FUNDS.—Funds authorized under this paragraph shall remain available for obligation for a period of 1 year after the last day of the fiscal year for which the funds are authorized.

''(c) EXCISE FUEL REPORTING SYSTEM.—

''(1) IN GENERAL.—Not later than April 1, 1998, the Secretary shall enter into a memorandum of understanding with the Commissioner of the Internal Revenue Service for the purposes of the development and maintenance by the Internal Revenue Service of an excise fuel reporting system (referred to in this subsection as the 'system').

''(2) ELEMENTS OF MEMORANDUM OF UNDERSTANDING.—The memorandum of understanding shall provide that—

''(A) the Internal Revenue Service shall develop and maintain the system through contracts;

''(B) the system shall be under the control of the Internal Revenue Service; and

''(C) the system shall be made available for use by appropriate State and Federal revenue, tax, or law enforcement authorities, subject to section 6103 of the Internal Revenue Code of 1986.

''(3) AUTHORIZATION OF APPROPRIATIONS FROM HIGHWAY TRUST FUND.—There are authorized to be appropriated to the Secretary from the Highway Trust Fund (other than

the Mass Transit Account) to carry out this subsection—

''(A) $8,000,000 for development of the system; and

''(B) $2,000,000 for each of fiscal years 1998 through 2003 for operation and maintenance of the system.''.

(b) CONFORMING AMENDMENTS.—

(1) The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 143 and inserting the following:

''143. Highway use tax evasion projects.''.

(2) Section 1040 of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 101 note; 105 Stat. 1992) is repealed.

(3) Section 8002 of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 101 note; 105 Stat. 2204) is amended—

(A) in the first sentence of subsection (g), by striking ''section 1040 of this Act'' and inserting ''section 143 of title 23, United States Code,''; and

(B) by striking subsection (h).

SEC. 1110. BICYCLE TRANSPORTATION AND PEDESTRIAN WALKWAYS.

Section 217 of title 23, United States Code, is amended—

(1) in subsection (b)—

(A) by inserting ''pedestrian walkways and'' after ''construction of''; and

(B) by striking ''(other than the Interstate System)'';

(2) in subsection (e), by striking '', other than a highway access to which is fully controlled,'';

(3) by striking subsection (g) and inserting the following:

''(g) PLANNING AND DESIGN.—

''(1) IN GENERAL.—Bicyclists and pedestrians shall be given consideration in the comprehensive transportation plans developed by each metropolitan planning organization and State in accordance with sections 134 and 135, respectively.

''(2) CONSTRUCTION.—Bicycle transportation facilities and pedestrian walkways shall be considered, where appropriate, in conjunction with all new construction and reconstruction of transportation facilities, except where bicycle and pedestrian use are not permitted.

''(3) SAFETY AND CONTIGUOUS ROUTES.—Transportation plans and projects shall provide consideration for safety and contiguous routes for bicyclists and pedestrians.'';

(4) in subsection (h)—

(A) by striking ''No motorized vehicles shall'' and inserting ''Motorized vehicles may not''; and

(B) by striking paragraph (3) and inserting the following:

''(3) wheelchairs that are powered; and''; and

(5) by striking subsection (j) and inserting the following:

''(j) DEFINITIONS.—In this section:

''(1) BICYCLE TRANSPORTATION FACILITY.—The term 'bicycle transportation facility' means a new or improved lane, path, or shoulder for use by bicyclists or a traffic control device, shelter, or parking facility for bicycles.

''(2) PEDESTRIAN.—The term 'pedestrian' means any person traveling by foot or any mobility impaired person using a wheelchair.

''(3) WHEELCHAIR.—The term 'wheelchair' means a mobility aid, usable indoors, and designed for and used by individuals with mobility impairments, whether operated manually or powered.''.

SEC. 1111. DISADVANTAGED BUSINESS ENTERPRISES.

(a) GENERAL RULE.—Except to the extent that the Secretary determines otherwise, not less than 10 percent of the amounts made available for any program under titles I and II of this Act shall be expended with small business concerns owned and controlled by socially and economically disadvantaged individuals.

(b) DEFINITIONS.—For purposes of this section, the following definitions apply:

(1) SMALL BUSINESS CONCERN.—The term ''small business concern'' has the meaning such term has under section 3 of the Small Business Act (15 U.S.C. 632); except that such term shall not include any concern or group of concerns controlled by the same socially and economically disadvantaged individual or individuals which has average annual gross receipts over the preceding 3 fiscal years in excess of $16,600,000, as adjusted by the Secretary for inflation.

(2) SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS.—The term ''socially and economically disadvantaged individuals'' has the meaning such term has under section 8(d) of the Small Business Act (15 U.S.C. 637(d)) and relevant subcontracting regulations promulgated pursuant thereto; except that women shall be presumed to be socially and economically disadvantaged individuals for purposes of this section.

(c) ANNUAL LISTING OF DISADVANTAGED BUSINESS ENTERPRISES.—Each State shall annually survey and compile a list of the small business concerns referred to in paragraph (1) and the location of such concerns in the State and notify the Secretary, in writing, of the percentage of such concerns which are controlled by women, by socially and economically disadvantaged individuals (other than women), and by individuals who are women and are otherwise socially and economically disadvantaged individuals.

(d) UNIFORM CERTIFICATION.—The Secretary shall establish minimum uniform criteria for State governments to use in certifying whether a concern qualifies for purposes of this section. Such minimum uniform criteria shall include but not be limited to on-site visits, personal interviews, licenses, analysis of stock ownership, listing of equipment, analysis of bonding capacity, listing of work completed, resume of principal owners, financial capacity, and type of work preferred.

SEC. 1112. FEDERAL SHARE PAYABLE.

Section 120 of title 23, United States Code (as amended by section 1106(a)), is amended—

(1) in each of subsections (a) and (b), by adding at the end the following: ''In the case of any project subject to this subsection, a State may determine a lower Federal share than the Federal share determined under the preceding sentences of this subsection.''; and

(2) by adding at the end the following:

''(l) CREDIT FOR NON-FEDERAL SHARE.—

''(1) ELIGIBILITY.—A State may use as a credit toward the non-Federal share requirement for any program under the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240) or this title, other than the emergency relief program authorized by section 125, toll revenues that are generated and used by public, quasi-public, and private agencies to build, improve, or maintain, without the use of Federal funds, highways, bridges, or tunnels that serve the public purpose of interstate commerce.

''(2) MAINTENANCE OF EFFORT.—

''(A) IN GENERAL.—The credit toward any non-Federal share under paragraph (1) shall not reduce nor replace State funds required to match Federal funds for any program under this title.

''(B) CONDITIONS ON RECEIPT OF CREDIT.—

''(i) AGREEMENT WITH THE SECRETARY.—To receive a credit under paragraph (1) for a fiscal year, a State shall enter into such agreements as the Secretary may require to ensure that the State will maintain its non-Federal transportation capital expenditures at or above the average level of such expenditures for the preceding 3 fiscal years.

''(ii) EXCEPTION.—Notwithstanding clause (i), a State may receive a credit under paragraph (1) for a fiscal year if, for any 1 of the preceding 3 fiscal years, the non-Federal transportation capital expenditures of the State were at a level that was greater than 25 percent of the average level of such expenditures for the other 2 of the preceding 3 fiscal years.

''(3) TREATMENT.—

''(A) IN GENERAL.—Use of the credit toward a non-Federal share under paragraph (1) shall not expose the agencies from which the credit is received to additional liability, additional regulation, or additional administrative oversight.

''(B) CHARTERED MULTISTATE AGENCIES.—When credit is applied from a chartered multistate agency under paragraph (1), the credit shall be applied equally to all charter States.

''(C) NO ADDITIONAL STANDARDS.—The public, quasi-public, and private agencies from which the credit for which the non-Federal share is calculated under paragraph (1) shall not be subject to any additional Federal design standards or laws (including regulations) as a result of providing the credit beyond the standards and laws to which the agency is already subject.''.

SEC. 1113. STUDIES AND REPORTS.

(a) HIGHWAY ECONOMIC REQUIREMENT SYSTEM.—

(1) METHODOLOGY.—

(A) EVALUATION.—The Comptroller General of the United States shall conduct an evaluation of the methodology used by the Department of Transportation to determine highway needs using the highway economic requirement system (referred to in this subsection as the ''model'').

(B) REQUIRED ELEMENT.—The evaluation shall include an assessment of the extent to which the model estimates an optimal level of highway infrastructure investment, including an assessment as to when the model may be overestimating or underestimating investment requirements.

(C) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall submit a report to Congress on the results of the evaluation.

(2) STATE INVESTMENT PLANS.—

(A) STUDY.—In consultation with State transportation departments and other appropriate State and local officials, the Comptroller General of the United States shall conduct a study on the extent to which the highway economic requirement system of the Federal Highway Administration can be used to provide States with useful information for developing State transportation investment plans and State infrastructure investment projections.

(B) REQUIRED ELEMENTS.—The study shall—

(i) identify any additional data that may need to be collected beyond the data submitted, prior to the date of enactment of this Act, to the Federal Highway Administration through the highway performance monitoring system; and

(ii) identify what additional work, if any, would be required of the Federal Highway Administration and the States to make the model useful at the State level.

(C) REPORT TO CONGRESS.—Not later than 3 years after the date of enactment of this Act, the Comptroller General shall submit a report to Congress on the results of the study.

(b) INTERNATIONAL ROUGHNESS INDEX.—

(1) STUDY.—The Comptroller General of the United States shall submit a report to Congress on the international roughness index

that is used as an indicator of pavement quality on the Federal-aid highway system.

(2) REQUIRED ELEMENTS.—The study shall specify the extent of usage of the index and the extent to which the international roughness index measurement is reliable across different manufacturers and types of pavement.

(3) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall submit a report to Congress on the results of the study.

(c) REPORTING OF RATES OF OBLIGATION.—Section 104 of title 23, United States Code, is amended—

(1) by redesignating subsection (j) as subsection (m); and

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

''(j) REPORTING OF RATES OF OBLIGATION.—On an annual basis, the Secretary shall publish or otherwise report rates of obligation of funds apportioned or set aside under this section and sections 103 and 133 according to—

''(1) program;

''(2) funding category or subcategory;

''(3) type of improvement;

''(4) State; and

''(5) sub-State geographic area, including urbanized and rural areas, on the basis of the population of each such area.''.

SEC. 1114. DEFINITIONS.

(a) FEDERAL-AID HIGHWAY FUNDS AND PROGRAM.—

(1) IN GENERAL.—Section 101(a) of title 23, United States Code, is amended by inserting before the undesignated paragraph defining ''Federal-aid highways'' the following:

''The term 'Federal-aid highway funds' means funds made available to carry out the Federal-aid highway program.

''The term 'Federal-aid highway program' means all programs authorized under chapters 1, 3, and 5.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 101(d) of title 23, United States Code, is amended by striking ''the construction of Federal-aid highways or highway planning, research, or development'' and inserting ''the Federal-aid highway program''.

(B) Section 104(m)(1) of title 23, United States Code (as redesignated by section 1113(c)(1)), is amended by striking ''Federal-aid highways and the highway safety construction programs'' and inserting ''the Federal-aid highway program''.

(C) Section 107(b) of title 23, United States Code, is amended in the second sentence by striking ''Federal-aid highways'' and inserting ''the Federal-aid highway program''.

(b) ALPHABETIZATION OF DEFINITIONS.—Section 101(a) of title 23, United States Code, is amended by reordering the undesignated paragraphs so that they are in alphabetical order.

SEC. 1115. COOPERATIVE FEDERAL LANDS TRANSPORTATION PROGRAM.

(a) IN GENERAL.—Chapter 2 of title 23, United States Code (as amended by section 1107(a)), is amended by inserting after section 206 the following:

''§ 207. Cooperative Federal Lands Transportation Program

''(a) IN GENERAL.—There is established the Cooperative Federal Lands Transportation Program (referred to in this section as the 'program'). Funds available for the program may be used for projects, or portions of projects, on highways that are owned or maintained by States or political subdivisions of States and that cross, are adjacent to, or lead to federally owned land or Indian reservations, as determined by the State. Such projects shall be proposed by a State and selected by the Secretary. A project proposed by a State under this section shall be on a highway or bridge owned or maintained by the State, or 1 or more political subdivisions of the State, and may be a highway or bridge construction or maintenance project eligible under this title or any project of a type described in section 204(h).

''(b) DISTRIBUTION OF FUNDS FOR PROJECTS.—

''(1) IN GENERAL.—

''(A) IN GENERAL.—The Secretary—

''(i) after consultation with the Administrator of General Services, the Secretary of the Interior, and other agencies as appropriate, shall determine the percentage of the total land in each State that is owned by the Federal Government or that is held by the Federal Government in trust;

''(ii) shall determine the sum of the percentages determined under clause (i) for States with respect to which the percentage is 4.5 or greater; and

''(iii) shall determine for each State included in the determination under clause (ii) the percentage obtained by dividing—

''(I) the percentage for the State determined under clause (i); by

''(II) the sum determined under clause (ii).

''(B) ADJUSTMENT.—The Secretary shall—

''(i) reduce any percentage determined under subparagraph (A)(iii) that is greater than 7.5 percent to 7.5 percent; and

''(ii) redistribute the percentage points equal to any reduction under clause (i) among other States included in the determination under subparagraph (A)(ii) in proportion to the percentages for those States determined under subparagraph (A)(iii).

''(2) AVAILABILITY TO STATES.—Except as provided in paragraph (3), for each fiscal year, the Secretary shall make funds available to carry out eligible projects in a State in an amount equal to the amount obtained by multiplying—

''(A) the percentage for the State, if any, determined under paragraph (1); by

''(B) the funds made available for the program for the fiscal year.

''(3) SELECTION OF PROJECTS.—The Secretary may establish deadlines for States to submit proposed projects for funding under this section, except that in the case of fiscal year 1998 the deadline may not be earlier than January 1, 1998. For each fiscal year, if a State does not have pending, by that deadline, applications for projects with an estimated cost equal to at least 3 times the amount for the State determined under paragraph (2), the Secretary may distribute, to 1 or more other States, at the Secretary's discretion, ⅓ of the amount by which the estimated cost of the State's applications is less than 3 times the amount for the State determined under paragraph (2).

''(c) TRANSFERS.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, a State and the Secretary may agree to transfer amounts made available to a State under this section to the allocations of the State under section 202 for use in carrying out projects on any Federal lands highway that is located in the State.

''(2) SPECIAL RULE.—This paragraph applies to a State that contains a national park that was visited by more than 2,500,000 people in 1996 and comprises more than 3,000 square miles of land area, including surface water, that is located in the State. For such a State, 50 percent of the amount that would otherwise be made available to the State for each fiscal year under the program shall be made available only for eligible highway uses in the national park and within the borders of the State. For the purpose of making allocations under section 202(c), the Secretary may not take into account the past or future availability, for use on park roads and parkways in a national park, of funds made available for use in a national park by this paragraph.

''(d) RIGHTS-OF-WAY ACROSS FEDERAL LAND.—Nothing in this section affects any claim for a right-of-way across Federal land.

''(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $74,000,000 for each of fiscal years 1998 through 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be made available for obligation in the same manner as if the funds were apportioned under chapter 1.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 2 of title 23, United States Code, is amended by striking the item relating to section 207 and inserting the following:

''207. Cooperative Federal Lands Transportation Program.''.

SEC. 1116. TRADE CORRIDOR AND BORDER CROSSING PLANNING.

(a) DEFINITIONS.—In this section:

(1) BORDER REGION.—The term ''border region'' means—

(A) the region located within 60 miles of the United States border with Mexico; and

(B) the region located within 60 miles of the United States border with Canada.

(2) BORDER STATE.—The term ''border State'' means a State of the United States that—

(A) is located along the border with Mexico; or

(B) is located along the border with Canada.

(3) BORDER STATION.—The term ''border station'' means a controlled port of entry into the United States located in the United States at the border with Mexico or Canada, consisting of land occupied by the station and the buildings, roadways, and parking lots on the land.

(4) FEDERAL INSPECTION AGENCY.—The term ''Federal inspection agency'' means a Federal agency responsible for the enforcement of immigration laws (including regulations), customs laws (including regulations), and agriculture import restrictions, including the United States Customs Service, the Immigration and Naturalization Service, the Animal and Plant Health Inspection Service, the Food and Drug Administration, the United States Fish and Wildlife Service, and the Department of State.

(5) GATEWAY.—The term ''gateway'' means a grouping of border stations defined by proximity and similarity of trade.

(6) NON-FEDERAL GOVERNMENTAL JURISDICTION.—The term ''non-Federal governmental jurisdiction'' means a regional, State, or local authority involved in the planning, development, provision, or funding of transportation infrastructure needs.

(b) BORDER CROSSING PLANNING INCENTIVE GRANTS.—

(1) IN GENERAL.—The Secretary shall make incentive grants to States and to metropolitan planning organizations designated under section 134 of title 23, United States Code.

(2) USE OF GRANTS.—The grants shall be used to encourage joint transportation planning activities and to improve people and vehicle movement into and through international gateways as a supplement to statewide and metropolitan transportation planning funding made available under other provisions of this Act and under title 23, United States Code.

(3) CONDITION OF GRANTS.—As a condition of receiving a grant under paragraph (1), a State transportation department or a metropolitan planning organization shall certify

to the Secretary that it commits to be engaged in joint planning with its counterpart agency in Mexico or Canada.

(4) LIMITATION ON AMOUNT.—Each State transportation department or metropolitan planning organization may receive not more than $100,000 under this subsection for any fiscal year.

(5) AUTHORIZATION OF CONTRACT AUTHORITY.—

(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $1,400,000 for each of fiscal years 1998 through 2003.

(B) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of a project under this subsection shall be determined in accordance with subsection (f).

(c) TRADE CORRIDOR PLANNING INCENTIVE GRANTS.—

(1) GRANTS.—

(A) IN GENERAL.—The Secretary shall make grants to States to encourage, within the framework of the statewide transportation planning process of the State under section 135 of title 23, United States Code, cooperative multistate corridor analysis of, and planning for, the safe and efficient movement of goods along and within international or interstate trade corridors of national importance.

(B) IDENTIFICATION OF CORRIDORS.—Each corridor referred to in subparagraph (A) shall be cooperatively identified by the States along the corridor.

(2) CORRIDOR PLANS.—

(A) IN GENERAL.—As a condition of receiving a grant under paragraph (1), a State shall enter into an agreement with the Secretary that specifies that, in cooperation with the other States along the corridor, the State will submit a plan for corridor improvements to the Secretary not later than 2 years after receipt of the grant.

(B) COORDINATION OF PLANNING.—Planning with respect to a corridor under this subsection shall be coordinated with transportation planning being carried out by the States and metropolitan planning organizations along the corridor and, to the extent appropriate, with transportation planning being carried out by Federal land management agencies, by tribal governments, or by government agencies in Mexico or Canada.

(3) MULTISTATE AGREEMENTS FOR TRADE CORRIDOR PLANNING.—The consent of Congress is granted to any 2 or more States—

(A) to enter into multistate agreements, not in conflict with any law of the United States, for cooperative efforts and mutual assistance in support of interstate trade corridor planning activities; and

(B) to establish such agencies, joint or otherwise, as the States may determine desirable to make the agreements effective.

(4) AUTHORIZATION OF CONTRACT AUTHORITY.—

(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $3,000,000 for each of fiscal years 1998 through 2003.

(B) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of a project under this subsection shall be determined in accordance with subsection (f).

(d) FEDERAL ASSISTANCE FOR TRADE CORRIDORS AND BORDER INFRASTRUCTURE SAFETY AND CONGESTION RELIEF.—

(1) APPLICATIONS FOR GRANTS.—The Secretary shall make grants to States or metropolitan planning organizations that submit an application that—

(A) demonstrates need for assistance in carrying out transportation projects that are necessary to relieve traffic congestion or improve enforcement of motor carrier safety laws; and

(B) includes strategies to involve both the public and private sectors in the proposed project.

(2) SELECTION OF STATES, METROPOLITAN PLANNING ORGANIZATIONS, AND PROJECTS TO RECEIVE GRANTS.—In selecting States, metropolitan planning organizations, and projects to receive grants under this subsection, the Secretary shall consider—

(A) the annual volume of commercial vehicle traffic at the border stations or ports of entry of each State as compared to the annual volume of commercial vehicle traffic at the border stations or ports of entry of all States;

(B) the extent to which commercial vehicle traffic in each State has grown since the date of enactment of the North American Free Trade Agreement Implementation Act (Public Law 103–182) as compared to the extent to which that traffic has grown in each other State;

(C) the extent of border transportation improvements carried out by each State since the date of enactment of that Act;

(D) the reduction in commercial and other travel time through a major international gateway expected as a result of the project;

(E) the extent of leveraging of Federal funds provided under this subsection, including—

(i) use of innovative financing;

(ii) combination with funding provided under other sections of this Act and title 23, United States Code; and

(iii) combination with other sources of Federal, State, local, or private funding;

(F) improvements in vehicle and highway safety and cargo security in and through the gateway concerned;

(G) the degree of demonstrated coordination with Federal inspection agencies; and

(H) the extent to which the innovative and problem solving techniques of the proposed project would be applicable to other border stations or ports of entry;

(I) demonstrated local commitment to implement and sustain continuing comprehensive border planning processes and improvement programs; and

(J) other factors to promote transport efficiency and safety, as determined by the Secretary.

(3) USE OF GRANTS.—

(A) IN GENERAL.—A grant under this subsection shall be used to develop project plans, and implement coordinated and comprehensive programs of projects, to improve efficiency and safety.

(B) TYPE OF PLANS AND PROGRAMS.—The plans and programs may include—

(i) improvements to transport and supporting infrastructure;

(ii) improvements in operational strategies, including electronic data interchange and use of telecommunications to expedite vehicle and cargo movement;

(iii) modifications to regulatory procedures to expedite vehicle and cargo flow;

(iv) new infrastructure construction;

(v) purchase, installation, and maintenance of weigh-in-motion devices and associated electronic equipment in Mexico or Canada if real time data from the devices is provided to the nearest border station and to State commercial vehicle enforcement facilities that serve the border station; and

(vi) other institutional improvements, such as coordination of binational planning, programming, and border operation, with special emphasis on coordination with—

(I) Federal inspection agencies; and

(II) their counterpart agencies in Mexico and Canada.

(4) CONSTRUCTION OF TRANSPORTATION INFRASTRUCTURE FOR LAW ENFORCEMENT PURPOSES.—At the request of the Administrator of General Services, in consultation with the Attorney General, the Secretary may transfer, during the period of fiscal years 1998 through 2001, not more than $10,000,000 of the amounts made available under paragraph (5) to the Administrator of General Services for the construction of transportation infrastructure necessary for law enforcement in border States.

(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $125,000,000 for each of fiscal years 1998 through 2003.

(e) COORDINATION OF PLANNING.—

(1) PLANNING AND DEVELOPMENT OF BORDER STATIONS.—The General Services Administration shall be the coordinating Federal agency in the planning and development of new or expanded border stations.

(2) COOPERATIVE ACTIVITIES.—In carrying out paragraph (1), the Administrator of General Services shall cooperate with Federal inspection agencies and non-Federal governmental jurisdictions to ensure that—

(A) improvements to border station facilities take into account regional and local conditions, including the alignment of highway systems and connecting roadways; and

(B) all facility requirements, associated costs, and economic impacts are identified.

(f) COST SHARING.—A grant under this section shall be used to pay the Federal share of the cost of a project. The Federal share shall not exceed 80 percent.

(g) USE OF UNALLOCATED FUNDS.—If the total amount of funds made available from the Highway Trust Fund under this section but not allocated exceeds $4,000,000 as of September 30 of any year, the excess amount—

(1) shall be apportioned in the following fiscal year by the Secretary to all States in accordance with section 104(b)(3) of title 23, United States Code;

(2) shall be considered to be a sum made available for expenditure on the surface transportation program, except that the amount shall not be subject to section 133(d) of that title; and

(3) shall be available for any purpose eligible for funding under section 133 of that title.

SEC. 1117. APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM.

(a) AVAILABILITY, RELEASE, AND REALLOCATION OF FUNDS.—Section 201(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the second sentence, by inserting before the period at the end the following: '', except that each allocation to a State shall remain available for expenditure in the State for the fiscal year in which the allocation is allocated and for the 3 following fiscal years''; and

(2) by inserting after the second sentence the following: ''Funds authorized under this section for fiscal year 1998 or a fiscal year thereafter, and not expended by a State during the 4 fiscal years referred to in the preceding sentence, shall be released to the Commission for reallocation.''.

(b) SUBSTITUTE CORRIDOR.—Section 201(b) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively;

(2) by striking ''(b) The Commission'' and inserting the following:

''(b) DESIGNATIONS.—

''(1) IN GENERAL.—The Commission''; and

(3) by adding at the end the following:

''(2) SUBSTITUTE CORRIDOR.—In lieu of Corridor H in Virginia, the Appalachian development highway system shall include the Virginia portion of the segment identified in section 332(a)(29) of the National Highway System Designation Act of 1995 (Public Law 104–59; 109 Stat. 597).

(c) FEDERAL SHARE FOR PREFINANCED PROJECTS.—Section 201(h)(1) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking ''70 per centum'' and inserting ''80 percent''.

(d) AUTHORIZATION OF CONTRACT AUTHORITY.—Section 201(g) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking subsection (g) and inserting the following:

''(g) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—

''(A) FISCAL YEARS 1998 THROUGH 2003.—For the continued construction of the Appalachian development highway system approved as of September 30, 1996, in accordance with this section, there shall be available from the Highway Trust Fund (other than the Mass Transit Account) $40,000,000 for each of fiscal years 1998 through 2000, $50,000,000 for fiscal year 2001, $60,000,000 for fiscal year 2002, and $70,000,000 for fiscal year 2003.

''(B) OBLIGATION AUTHORITY.—The Secretary shall provide equivalent amounts of obligation authority for the funds authorized under subparagraph (A).

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share shall be determined in accordance with this section and the funds shall remain available in accordance with subsection (a).''.

SEC. 1118. INTERSTATE 4R AND BRIDGE DISCRETIONARY PROGRAM.

(a) IN GENERAL.—Section 104 of title 23, United States Code (as amended by section 1113(c)(1)), is amended by inserting after subsection (j) the following:

''(k) SET-ASIDE FOR INTERSTATE 4R AND BRIDGE PROJECTS.—

''(1) IN GENERAL.—For each of fiscal years 1998 through 2003, before any apportionment is made under subsection (b)(1), the Secretary shall set aside $70,000,000 from amounts to be apportioned under subsection (b)(1)(A), and $70,000,000 from amounts to be apportioned under subsection (b)(1)(B), for allocation by the Secretary—

''(A) for projects for resurfacing, restoring, rehabilitating, or reconstructing any route or portion of a route on the Interstate System (other than any highway designated as a part of the Interstate System under section 103(c)(4) and any toll road on the Interstate System that is not subject to an agreement under section 119(e) (as in effect on December 17, 1991) or an agreement under section 129(a));

''(B) for projects for a highway bridge the replacement or rehabilitation cost of which is more than $10,000,000; and

''(C) for projects for a highway bridge the replacement or rehabilitation cost of which is less than $10,000,000 if the cost is at least twice the amount reserved under section 144(c) by the State in which the bridge is located for the fiscal year in which application is made for a grant for the bridge.

''(2) AVAILABILITY TO STATES OF INTERSTATE 4R FUNDS.—The Secretary may grant the application of a State for funds made available for a fiscal year for a project described in paragraph (1)(A) if the Secretary determines that—

''(A) the State has obligated or demonstrates that it will obligate for the fiscal year all of the apportionments to the State under subparagraphs (A) and (B) of subsection (b)(1) other than an amount that, by itself, is insufficient to pay the Federal share of the cost of a project described in paragraph (1)(A) that has been submitted by the State to the Secretary for approval; and

''(B) the State is willing and able to—

''(i) obligate the funds within 1 year after the date on which the funds are made available;

''(ii) apply the funds to a project that is ready to be commenced; and

''(iii) in the case of construction work, begin work within 90 days after the date of obligation of the funds.

''(3) PERIOD OF AVAILABILITY OF DISCRETIONARY FUNDS.—Amounts made available under this subsection shall remain available until expended.''.

(b) CONFORMING AMENDMENT.—Section 118 of title 23, United States Code, is amended by striking subsection (c).

SEC. 1119. MAGNETIC LEVITATION TRANSPORTATION TECHNOLOGY DEPLOYMENT PROGRAM.

(a) IN GENERAL.—Chapter 3 of title 23, United States Code, is amended by inserting after section 321 the following:

''§ 322. Magnetic levitation transportation technology deployment program

''(a) DEFINITIONS.—In this section:

''(1) ELIGIBLE PROJECT COSTS.—The term 'eligible project costs' means the capital cost of the fixed guideway infrastructure of a MAGLEV project, including land, piers, guideways, propulsion equipment and other components attached to guideways, power distribution facilities (including substations), control and communications facilities, access roads, and storage, repair, and maintenance facilities, but not including costs incurred for a new station.

''(2) FULL PROJECT COSTS.—The term 'full project costs' means the total capital costs of a MAGLEV project, including eligible project costs and the costs of stations, vehicles, and equipment.

''(3) MAGLEV.—The term 'MAGLEV' means transportation systems employing magnetic levitation that would be capable of safe use by the public at a speed in excess of 240 miles per hour.

''(4) PARTNERSHIP POTENTIAL.—The term 'partnership potential' has the meaning given the term in the commercial feasibility study of high-speed ground transportation conducted under section 1036 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 1978).

''(b) ASSISTANCE.—

''(1) IN GENERAL.—The Secretary shall make available financial assistance to provide the Federal share of full project costs of eligible projects selected under this section.

''(2) FEDERAL SHARE.—The Federal share of full project costs under paragraph (1) shall be not more than ⅔.

''(3) USE OF ASSISTANCE.—Financial assistance provided under paragraph (1) shall be used only to pay eligible project costs of projects selected under this section.

''(c) SOLICITATION OF APPLICATIONS FOR ASSISTANCE.—Not later than 180 days after the date of enactment of the Intermodal Transportation Act of 1997, the Secretary shall solicit applications from States, or authorities designated by 1 or more States, for financial assistance authorized by subsection (b) for planning, design, and construction of eligible MAGLEV projects.

''(d) PROJECT ELIGIBILITY.—To be eligible to receive financial assistance under subsection (b), a project shall—

''(1) involve a segment or segments of a high-speed ground transportation corridor that exhibit partnership potential;

''(2) require an amount of Federal funds for project financing that will not exceed—

''(A) the amounts made available under subsection (h)(1)(A); and

''(B) the amounts made available by States under subsection (h)(4);

''(3) result in an operating transportation facility that provides a revenue producing service;

''(4) be undertaken through a public and private partnership, with at least ⅓ of full project costs paid using non-Federal funds;

''(5) satisfy applicable statewide and metropolitan planning requirements;

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

''(7) to the extent non-United States MAGLEV technology is used within the United States, be carried out as a technology transfer project; and

''(8) be carried out using materials at least 70 percent of which are manufactured in the United States.

''(e) PROJECT SELECTION CRITERIA.—Prior to soliciting applications, the Secretary shall establish criteria for selecting which eligible projects under subsection (d) will receive financial assistance under subsection (b). The criteria shall include the extent to which—

''(1) a project is nationally significant, including the extent to which the project will demonstrate the feasibility of deployment of MAGLEV technology throughout the United States;

''(2) timely implementation of the project will reduce congestion in other modes of transportation and reduce the need for additional highway or airport construction;

''(3) States, regions, and localities financially contribute to the project;

''(4) implementation of the project will create new jobs in traditional and emerging industries;

''(5) the project will augment MAGLEV networks identified as having partnership potential;

''(6) financial assistance would foster public and private partnerships for infrastructure development and attract private debt or equity investment;

''(7) financial assistance would foster the timely implementation of a project; and

''(8) life-cycle costs in design and engineering are considered and enhanced.

''(f) PROJECT SELECTION.—Not later than 90 days after a deadline established by the Secretary for the receipt of applications, the Secretary shall evaluate the eligible projects in accordance with the selection criteria and select 1 eligible project for financial assistance.

''(g) JOINT VENTURES.—A project undertaken by a joint venture of United States and non-United States persons (including a project involving the deployment of non-United States MAGLEV technology in the United States) shall be eligible for financial assistance under this section if the project is eligible under subsection (d) and selected under subsection (f).

''(h) FUNDING.—

''(1) IN GENERAL.—

''(A) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(i) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $10,000,000 for fiscal year 1999 and $20,000,000 for fiscal year 2000.

''(ii) CONTRACT AUTHORITY.—Funds authorized under this subparagraph shall be available for obligation in the same manner as if

the funds were apportioned under chapter 1, except that—

''(I) the Federal share of the cost of a project carried out under this section shall be determined in accordance with subsection (b); and

''(II) the availability of the funds shall be determined in accordance with paragraph (2).

''(B) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $200,000,000 for each of fiscal years 2000 and 2001, $250,000,000 for fiscal year 2002, and $300,000,000 for fiscal year 2003.

''(2) AVAILABILITY OF FUNDS.—Funds made available under paragraph (1) shall remain available until expended.

''(3) OTHER FEDERAL FUNDS.—Notwithstanding any other provision of law, funds made available to a State to carry out the surface transportation program under section 133 and the congestion mitigation and air quality improvement program under section 149 may be used by the State to pay a portion of the full project costs of an eligible project selected under this section, without requirement for non-Federal funds.

''(4) OTHER ASSISTANCE.—Notwithstanding any other provision of law, an eligible project selected under this section shall be eligible for other forms of financial assistance provided under this title, including loans, loan guarantees, and lines of credit.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 3 of title 23, United States Code, is amended by inserting after the item relating to section 321 the following:

''322. Magnetic levitation transportation technology deployment program.''.

SEC. 1120. WOODROW WILSON MEMORIAL BRIDGE.

(a) DEFINITIONS.—Section 404 of the Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 628) is amended—

(1) in paragraph (3), by striking '', including approaches thereto''; and

(2) in paragraph (5), by striking ''to be determined under section 407. Such'' and all that follows and inserting the following: ''as described in the record of decision executed by the Secretary in compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The term includes ongoing short-term rehabilitation and repairs to the Bridge.''.

(b) OWNERSHIP OF BRIDGE.—

(1) CONVEYANCE BY THE SECRETARY.—Section 407(a)(1) of the Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 630) is amended by inserting ''or any Capital Region jurisdiction'' after ''Authority'' each place it appears.

(2) AGREEMENT.—Section 407 of the Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 630) is amended by striking subsection (c) and inserting the following:

''(c) AGREEMENT.—

''(1) IN GENERAL.—The agreement referred to in subsection (a) is an agreement concerning the Project that is executed by the Secretary and the Authority or any Capital Region jurisdiction that accepts ownership of the Bridge.

''(2) TERMS OF THE AGREEMENT.—The agreement shall—

''(A) identify whether the Authority or a Capital Region jurisdiction will accept ownership of the Bridge;

''(B) contain a financial plan satisfactory to the Secretary, which shall be prepared before the execution of the agreement, that specifies—

''(i) the total cost of the Project, including any cost-saving measures;

''(ii) a schedule for implementation of the Project, including whether any expedited design and construction techniques will be used; and

''(iii) the sources of funding that will be used to cover any costs of the Project not funded from funds made available under section 412; and

''(C) contain such other terms and conditions as the Secretary determines to be appropriate.''.

(c) FEDERAL CONTRIBUTION.—The Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 627) is amended by adding at the end the following:

''SEC. 412. FEDERAL CONTRIBUTION.

''(a) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) $100,000,000 for fiscal year 1998, $100,000,000 for fiscal year 1999, $125,000,000 for fiscal year 2000, $175,000,000 for fiscal year 2001, $200,000,000 for fiscal year 2002, and $200,000,000 for fiscal year 2003, to pay the costs of planning, preliminary engineering and design, final engineering, acquisition of rights-of-way, and construction of the Project, except that the costs associated with the Bridge shall be given priority over other eligible costs, other than design costs, of the Project.

''(2) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that—

''(A) the funds shall remain available until expended and shall not be subject to any obligation limitation;

''(B) the Federal share of the cost of the Bridge component of the Project shall not exceed 100 percent; and

''(C) the Federal share of the cost of any other component of the Project shall not exceed 80 percent.

''(b) USE OF APPORTIONED FUNDS.—Nothing in this Act limits the authority of any Capital Region jurisdiction to use funds apportioned to the jurisdiction under paragraph (1) or (3) of section 104(b) of title 23, United States Code, in accordance with the requirements for such funds, to pay any costs of the Project.

''(c) AVAILABILITY OF APPORTIONED FUNDS.—None of the funds made available under this section shall be available before the execution of the agreement described in section 407(c), except that the Secretary may fund the maintenance and rehabilitation of the Bridge and the design of the Project.''.

(d) CONFORMING AMENDMENT.—Section 405(b)(1) of the Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 629) is amended by striking ''the Signatories as to the Federal share of the cost of the Project and the terms and conditions related to the timing of the transfer of the Bridge to''.

SEC. 1121. NATIONAL HIGHWAY SYSTEM COMPONENTS.

The National Highway System consists of the routes and transportation facilities depicted on the map submitted by the Secretary to Congress with the report entitled ''Pulling Together: The National Highway System and its Connections to Major Intermodal Terminals'' and dated May 24, 1996.

SEC. 1122. HIGHWAY BRIDGE REPLACEMENT AND REHABILITATION.

(a) IN GENERAL.—Section 144 of title 23, United States Code, is amended—

(1) in the section heading, by striking ''**program**'';

(2) by striking subsections (a) through (n), (p), and (q);

(3) by inserting after the section heading the following:

''(a) DEFINITION OF REHABILITATE.—In this section, the term 'rehabilitate' (in any of its forms), with respect to a bridge, means to carry out major work necessary—

''(1) to address the structural deficiencies, functional obsolescence, or physical deterioration of the bridge; or

''(2) to correct a major safety defect of the bridge.

''(b) BRIDGE INVENTORY.—

''(1) IN GENERAL.—In consultation with the States, the Secretary shall—

''(A) annually inventory all highway bridges on public roads that cross waterways, other topographical barriers, other highways, and railroads;

''(B) classify each such bridge according to serviceability, safety, and essentiality for public use; and

''(C) assign each such bridge a priority for replacement or rehabilitation based on the classification under subparagraph (B).

''(2) CONSULTATION.—In preparing an inventory of highway bridges on Indian reservation roads and park roads under paragraph (1), the Secretary shall consult with the Secretary of the Interior and the States.

''(3) INVENTORY OF HISTORICAL BRIDGES.—At the request of a State, the Secretary may inventory highway bridges on public roads for historical significance.

''(c) CERTIFICATION BY THE STATE.—Not later than 180 days after the end of each fiscal year beginning with fiscal year 1998, each State shall certify to the Secretary, either that—

''(1) the State has reserved, from funds apportioned to the State for the preceding fiscal year, to carry out bridge projects eligible under sections 103(b)(5), 119, and 133(b), an amount that is not less than the amount apportioned to the State under this section for fiscal year 1997; or

''(2) the amount that the State will reserve, from funds apportioned to the State for the period consisting of fiscal years 1998 through 2001, to carry out bridge projects eligible under sections 103(b)(5), 119, and 133(b), will be not less than 4 times the amount apportioned to the State under this section for fiscal year 1997.

''(d) USE OF RESERVED FUNDS.—A State may use funds reserved under subsection (c) to replace, rehabilitate, reconstruct, seismically retrofit, paint, apply calcium magnesium acetate to, or install scour countermeasures on a highway bridge on a public road that crosses a waterway, other topographical barrier, other highway, or railroad.

''(e) OFF-SYSTEM BRIDGES.—

''(1) REQUIRED EXPENDITURE.—For each fiscal year, an amount equal to not less than 15 percent of the amount apportioned to a State under this section for fiscal year 1997 shall be expended by the State for projects to replace, rehabilitate, reconstruct, seismically retrofit, paint, apply calcium magnesium acetate to, or install scour countermeasures on highway bridges located on public roads that are functionally classified as local roads or rural minor collectors.

''(2) USE OF FUNDS TO MEET REQUIRED EXPENDITURE.—Funds reserved under subsection (c) and funds made available under section 104(b)(1) for the National Highway System or under section 104(b)(3) for the surface transportation program may be used to meet the requirement for expenditure under paragraph (1).

''(3) REDUCTION OF REQUIRED EXPENDITURE.—After consultation with local and State officials in a State, the Secretary may, with respect to the State, reduce the requirement for expenditure under paragraph (1) if the Secretary determines that the State has inadequate needs to justify the expenditure.

''(f) FEDERAL SHARE.—The Federal share of the cost of a project under this section shall be 80 percent.

''(g) BRIDGE PERMIT EXEMPTION.—

''(1) IN GENERAL.—Subject to paragraph (2), notwithstanding any other provision of law, the General Bridge Act of 1946 (33 U.S.C. 525 et seq.) shall apply to each bridge authorized to be replaced, in whole or in part, under this section.

''(2) EXCEPTION.—Section 502(b) of the General Bridge Act of 1946 (33 U.S.C. 525(b)) and section 9 of the Act of March 3, 1899 (30 Stat. 1151, chapter 425; 33 U.S.C. 401), shall not apply to any bridge constructed, reconstructed, rehabilitated, or replaced with assistance under this title if the bridge is over waters that are—

''(A) not used and not susceptible to use in their natural condition or by reasonable improvement as a means to transport interstate or foreign commerce; and

''(B)(i) not tidal; or

''(ii) tidal but used only by recreational boating, fishing, and other small vessels that are less than 21 feet in length.

''(h) INDIAN RESERVATION ROAD BRIDGES.—

''(1) NATIONWIDE PRIORITY PROGRAM.—The Secretary shall establish a nationwide priority program for improving deficient Indian reservation road bridges.

''(2) RESERVATION OF FUNDS.—

''(A) IN GENERAL.—Of the amounts authorized for Indian reservation roads for each fiscal year, the Secretary, in cooperation with the Secretary of the Interior, shall reserve not less than $9,000,000 for projects to replace, rehabilitate, seismically retrofit, paint, apply calcium magnesium acetate to, or install scour countermeasures for deficient Indian reservation road bridges, including multiple-pipe culverts.

''(B) ELIGIBLE BRIDGES.—To be eligible to receive funding under this subsection, a bridge described in subparagraph (A) must—

''(i) have an opening of 20 feet or more;

''(ii) be on an Indian reservation road;

''(iii) be unsafe because of structural deficiencies, physical deterioration, or functional obsolescence; and

''(iv) be recorded in the national bridge inventory administered by the Secretary under subsection (b).

''(3) APPROVAL REQUIREMENT.—Funds to carry out Indian reservation road bridge projects under this subsection shall be made available only on approval of plans, specifications, and estimates by the Secretary.'';

(4) by redesignating subsection (o) as subsection (i); and

(5) in subsection (i) (as so redesignated)—

(A) in paragraph (1), by inserting ''for alternative transportation purposes (including bikeway and walkway projects eligible for funding under this title)'' after ''adaptive reuse'';

(B) in paragraph (3)—

(i) by inserting ''(regardless of whether the intended use is for motorized vehicular traffic or for alternative public transportation purposes)'' after ''intended use''; and

(ii) by inserting ''or for alternative public transportation purposes'' after ''no longer used for motorized vehicular traffic''; and

(C) in the second sentence of paragraph (4)—

(i) by inserting ''for motorized vehicles, alternative vehicular traffic, or alternative public transportation'' after ''historic bridge''; and

(ii) by striking ''up to an amount not to exceed the cost of demolition''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 144 and inserting the following:

''144. Highway bridge replacement and rehabilitation.''.

SEC. 1123. CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.

(a) ESTABLISHED PROGRAM.—Section 149(a) of title 23, United States Code, is amended by striking ''ESTABLISHMENT.—The Secretary shall establish'' and inserting ''IN GENERAL.—The Secretary shall carry out''.

(b) ELIGIBLE PROJECTS.—Section 149(b) of title 23, United States Code, is amended in the first sentence—

(1) by striking ''that was designated as a nonattainment area under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)) during any part of fiscal year 1994'' and inserting ''that is designated as a nonattainment area under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)) or classified as a submarginal ozone nonattainment area under that Act, or if the project or program is for a maintenance area or an area that, as of the date of enactment of the Intermodal Transportation Act of 1997, is considered by the Administrator of the Environmental Protection Agency to be a flexible attainment region'';

(2) in paragraph (1)—

(A) in subparagraph (A), by striking ''clauses (xii) and'' and inserting ''clause''; and

(B) in subparagraph (B), by striking ''such section'' and inserting ''section 108(f)(1)(A) (other than clause (xvi)) of the Clean Air Act (42 U.S.C. 7408(f)(1)(A))'';

(3) in paragraph (2), by inserting ''or maintenance'' after ''State implementation'';

(4) in paragraph (3), by inserting ''or maintenance of the standard'' after ''standard''; and

(5) in paragraph (4), by inserting ''or maintenance'' after ''attainment''.

(c) STATES RECEIVING MINIMUM APPORTIONMENT.—Section 149 of title 23, United States Code, is amended by striking subsection (c) and inserting the following:

''(c) STATES RECEIVING MINIMUM APPORTIONMENT.—

''(1) STATES WITHOUT A NONATTAINMENT AREA.—If a State does not have, and never has had, a nonattainment area designated under the Clean Air Act (42 U.S.C. 7401 et seq.), the State may use funds apportioned to the State under section 104(b)(2) for any project eligible under the surface transportation program under section 133.

''(2) STATES WITH A NONATTAINMENT AREA.—If a State has a nonattainment area or maintenance area and receives funds under section 104(b)(2)(D) above the amount of funds that the State would have received based on its nonattainment and maintenance area population under subparagraphs (B) and (C) of section 104(b)(2), the State may use that portion of the funds not attributed to the nonattainment or maintenance area for any project eligible under section 133.''.

(d) FEDERAL SHARE.—Section 120(c) of title 23, United States Code, is amended in the first sentence by striking ''The'' and inserting ''Except in the case of a project funded from sums apportioned under section 104(b)(2), the''.

(e) CONFORMING AMENDMENTS.—

(1) Section 101(a) of title 23, United States Code, is amended by inserting after the undesignated paragraph defining ''maintenance'' the following:

''The term 'maintenance area' means an area that was designated as a nonattainment area, but was later redesignated by the Administrator of the Environmental Protection Agency as an attainment area, under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)).''.

(2) Section 149(b)(1)(A)(ii) of title 23, United States Code, is amended by striking ''an area'' and all that follows and inserting ''a maintenance area; or''.

SEC. 1124. SAFETY BELT USE LAW REQUIREMENTS.

Section 355 of the National Highway System Designation Act of 1995 (109 Stat. 624) is amended—

(1) in the section heading, by striking ''**AND MAINE**'';

(2) in subsection (a)—

(A) by striking ''States of New Hampshire and Maine shall each'' and inserting ''State of New Hampshire shall'';

(B) in paragraph (1), by striking ''and 1996'' and inserting ''through 2000''; and

(3) by striking ''or Maine'' each place it appears.

Subtitle B—Program Streamlining and Flexibility

CHAPTER 1—GENERAL PROVISIONS

SEC. 1201. ADMINISTRATIVE EXPENSES.

Section 104 of title 23, United States Code, is amended by striking subsection (a) and inserting the following:

''(a) ADMINISTRATIVE EXPENSES.—

''(1) IN GENERAL.—Whenever an apportionment is made of the sums made available for expenditure on the surface transportation program under section 133, the congestion mitigation and air quality improvement program under section 149, or the National Highway System under section 103, the Secretary shall deduct a sum, in an amount not to exceed 1½ percent of all sums so made available, as the Secretary determines necessary to administer the provisions of law to be financed from appropriations for the Federal-aid highway program and programs authorized under chapter 2.

''(2) CONSIDERATION OF UNOBLIGATED BALANCES.—In making the determination described in paragraph (1), the Secretary shall take into account the unobligated balance of any sums deducted under that paragraph in prior fiscal years.

''(3) AVAILABILITY.—The sum deducted under paragraph (1) shall remain available until expended.''.

SEC. 1202. REAL PROPERTY ACQUISITION AND CORRIDOR PRESERVATION.

(a) ADVANCE ACQUISITION OF REAL PROPERTY.—Section 108 of title 23, United States Code, is amended—

(1) by striking the section heading and inserting the following:

''§ 108. Advance acquisition of real property'';

and

(2) by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—

''(1) AVAILABILITY OF FUNDS.—For the purpose of facilitating the timely and economical acquisition of real property for a transportation improvement eligible for funding under this title, the Secretary, upon the request of a State, may make available, for the acquisition of real property, such funds apportioned to the State as may be expended on the transportation improvement, under such rules and regulations as the Secretary may issue.

''(2) CONSTRUCTION.—The agreement between the Secretary and the State for the reimbursement of the cost of the real property shall provide for the actual construction of the transportation improvement within a period not to exceed 20 years following the fiscal year for which the request is made, unless the Secretary determines that a longer period is reasonable.''.

(b) CREDIT FOR ACQUIRED LANDS.—Section 323(b) of title 23, United States Code, is amended—

(1) in the subsection heading, by striking ''DONATED'' and inserting ''ACQUIRED'';

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

''(1) IN GENERAL.—Notwithstanding any other provision of this title, the State share of the cost of a project with respect to which Federal assistance is provided from the Highway Trust Fund (other than the Mass Transit Account) may be credited in an amount equal to the fair market value of any land that—

''(A) is obtained by the State, without violation of Federal law; and

''(B) is incorporated into the project.

''(2) ESTABLISHMENT OF FAIR MARKET VALUE.—The fair market value of land incorporated into a project and credited under paragraph (1) shall be established in the manner determined by the Secretary, except that—

''(A) the fair market value shall not include any increase or decrease in the value of donated property caused by the project; and

''(B) the fair market value of donated land shall be established as of the earlier of—

''(i) the date on which the donation becomes effective; or

''(ii) the date on which equitable title to the land vests in the State.'';

(3) by striking paragraph (3);

(4) in paragraph (4), by striking ''to which the donation is applied''; and

(5) by redesignating paragraph (4) as paragraph (3).

(c) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 108 and inserting the following:

''108. Advance acquisition of real property.''.

SEC. 1203. AVAILABILITY OF FUNDS.

Section 118 of title 23, United States Code, is amended by striking subsection (e) and inserting the following:

''(e) AVAILABILITY OF FUNDS.—

''(1) IN GENERAL.—Any Federal-aid highway funds released by the final payment on a project, or by the modification of a project agreement, shall be credited to the same program funding category for which the funds were previously apportioned and shall be immediately available for obligation.

''(2) TRANSFER OF INTERSTATE CONSTRUCTION FUNDS.—Any Federal-aid highway funds apportioned to a State under section 104(b)(5)(A) (as in effect on the day before the date of enactment of this paragraph) and credited under paragraph (1) may be transferred by the Secretary in accordance with section 103(d).''.

SEC. 1204. PAYMENTS TO STATES FOR CONSTRUCTION.

Section 121 of title 23, United States Code, is amended—

(1) in subsection (a), by striking the second and third sentences and inserting the following: ''The payments may also be made for the value of such materials as—

''(1) have been stockpiled in the vicinity of the construction in conformity to plans and specifications for the projects; and

''(2) are not in the vicinity of the construction if the Secretary determines that because of required fabrication at an off-site location the materials cannot be stockpiled in the vicinity.'';

(2) by striking subsection (b) and inserting the following:

''(b) PROJECT AGREEMENTS.—

''(1) PAYMENTS.—A payment under this chapter may be made only for a project covered by a project agreement.

''(2) SOURCE OF PAYMENTS.—After completion of a project in accordance with the project agreement, a State shall be entitled to payment, out of the appropriate sums apportioned or allocated to the State, of the unpaid balance of the Federal share of the cost of the project.'';

(3) by striking subsections (c) and (d); and

(4) by redesignating subsection (e) as subsection (c).

SEC. 1205. PROCEEDS FROM THE SALE OR LEASE OF REAL PROPERTY.

(a) IN GENERAL.—Section 156 of title 23, United States Code, is amended to read as follows:

''§ 156. Proceeds from the sale or lease of real property

''(a) MINIMUM CHARGE.—Subject to section 142(f), a State shall charge, at a minimum, fair market value for the sale, use, lease, or lease renewal (other than for utility use and occupancy or for a transportation project eligible for assistance under this title) of real property acquired with Federal assistance made available from the Highway Trust Fund (other than the Mass Transit Account).

''(b) EXCEPTIONS.—The Secretary may grant an exception to the requirement of subsection (a) for a social, environmental, or economic purpose.

''(c) USE OF FEDERAL SHARE OF INCOME.—The Federal share of net income from the revenues obtained by a State under subsection (a) shall be used by the State for projects eligible under this title.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 156 and inserting the following:

''156. Proceeds from the sale or lease of real property.''.

SEC. 1206. METRIC CONVERSION AT STATE OPTION.

Section 205(c)(2) of the National Highway System Designation Act of 1995 (23 U.S.C. 109 note; 109 Stat. 577) is amended by striking ''Before September 30, 2000, the'' and inserting ''The''.

SEC. 1207. REPORT ON OBLIGATIONS.

Section 104(m) of title 23, United States Code (as redesignated by section 1113(c)(1)), is amended—

(1) by inserting ''REPORT TO CONGRESS.—'' before ''The Secretary'';

(2) by striking ''not later than'' and all that follows through ''a report'' and inserting ''a report for each fiscal year'';

(3) in paragraph (1), by striking ''preceding calendar month'' and inserting ''preceding fiscal year'';

(4) by striking paragraph (2);

(5) in paragraph (3), by striking ''such preceding month'' and inserting ''that preceding fiscal year''; and

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

SEC. 1208. TERMINATIONS.

(a) RIGHT-OF-WAY REVOLVING FUND.—Section 108 of title 23, United States Code, is amended by striking subsection (c) and inserting the following:

''(c) TERMINATION OF RIGHT-OF-WAY REVOLVING FUND.—

''(1) IN GENERAL.—Funds apportioned and advanced to a State by the Secretary from the right-of-way revolving fund established by this section prior to the date of enactment of the Intermodal Transportation Act of 1997 shall remain available to the State for use on the projects for which the funds were advanced for a period of 20 years from the date on which the funds were advanced.

''(2) CREDIT TO HIGHWAY TRUST FUND.—With respect to a project for which funds have been advanced from the right-of-way revolving fund, upon the termination of the 20-year period referred to in paragraph (1), when actual construction is commenced, or upon approval by the Secretary of the plans, specifications, and estimates for the actual construction of the project on the right-of-way, whichever occurs first—

''(A) the Highway Trust Fund shall be credited with an amount equal to the Federal share of the funds advanced, as provided in section 120, out of any Federal-aid highway funds apportioned to the State in which the project is located and available for obligation for projects of the type funded; and

''(B) the State shall reimburse the Secretary in an amount equal to the non-Federal share of the funds advanced for deposit in, and credit to, the Highway Trust Fund.''.

(b) PILOT TOLL COLLECTION PROGRAM.—Section 129 of title 23, United States Code, is amended by striking subsection (d).

(c) NATIONAL RECREATIONAL TRAILS ADVISORY COMMITTEE.—As soon as practicable after the date of enactment of this Act, the Secretary shall take such action as is necessary for the termination of the National Recreational Trails Advisory Committee established by section 1303 of the Intermodal Surface Transportation Efficiency Act of 1991 (16 U.S.C. 1262) (as in effect on the day before the date of enactment of this Act).

(d) CONGRESSIONAL BRIDGE COMMISSIONS.—Public Law 87–441 (76 Stat. 59) is repealed.

SEC. 1209. INTERSTATE MAINTENANCE.

(a) INTERSTATE FUNDS.—Section 119 of title 23, United States Code, is amended—

(1) in subsection (a), by striking the second sentence;

(2) by striking subsection (d); and

(3) by striking subsection (f) and inserting the following:

''(f) TRANSFERABILITY OF FUNDS.—

''(1) UNCONDITIONAL.—A State may transfer an amount not to exceed 30 percent of the sums apportioned to the State under subparagraphs (A) and (B) of section 104(b)(1) to the apportionment of the State under paragraphs (1)(C) and (3) of section 104(b).

''(2) UPON ACCEPTANCE OF CERTIFICATION.—If a State certifies to the Secretary that any part of the sums apportioned to the State under subparagraphs (A) and (B) of section 104(b)(1) is in excess of the needs of the State for resurfacing, restoring, rehabilitating, or reconstructing routes and bridges on the Interstate System in the State and that the State is adequately maintaining the routes and bridges, and the Secretary accepts the certification, the State may transfer, in addition to the amount authorized to be transferred under paragraph (1), an amount not to exceed 20 percent of the sums apportioned to the State under subparagraphs (A) and (B) of section 104(b)(1) to the apportionment of the State under paragraphs (1)(C) and (3) of section 104(b).''.

(b) ELIGIBILITY.—Section 119 of title 23, United States Code, is amended—

(1) in the first sentence of subsection (a), by striking ''and rehabilitating'' and inserting '', rehabilitating, and reconstructing'';

(2) by striking subsections (b), (c), (e), and (g);

(3) by inserting after subsection (a) the following:

''(b) ELIGIBLE ACTIVITIES.—

''(1) IN GENERAL.—A State—

''(A) may use funds apportioned under subparagraph (A) or (B) of section 104(b)(1) for resurfacing, restoring, rehabilitating, and reconstructing routes on the Interstate System, including—

''(i) resurfacing, restoring, rehabilitating, and reconstructing bridges, interchanges, and overcrossings;

''(ii) acquiring rights-of-way; and

''(iii) intelligent transportation system capital improvements that are infrastructure-based to the extent that they improve the performance of the Interstate System; but

''(B) may not use the funds for construction of new travel lanes other than high-occupancy vehicle lanes or auxiliary lanes.

''(2) EXPANSION OF CAPACITY.—

''(A) USING TRANSFERRED FUNDS.—Notwithstanding paragraph (1), funds transferred under subsection (c)(1) may be used for construction to provide for expansion of the capacity of an Interstate System highway (including a bridge).

''(B) USING FUNDS NOT TRANSFERRED.—

''(i) IN GENERAL.—In lieu of transferring funds under subsection (c)(1) and using the transferred funds for the purpose described

in subparagraph (A), a State may use an amount of the sums apportioned to the State under subparagraph (A) or (B) of section 104(b)(1) for the purpose described in subparagraph (A).

''(ii) LIMITATION.—The sum of the amount used under clause (i) and any amount transferred under subsection (c)(1) by a State may not exceed 30 percent of the sums apportioned to the State under subparagraphs (A) and (B) of section 104(b)(1).''; and

(4) by redesignating subsection (f) as subsection (c).

(c) CONFORMING AMENDMENTS.—

(1) Section 119(a) of title 23, United States Code, is amended in the first sentence by striking ''; except that the Secretary may only approve a project pursuant to this subsection on a toll road if such road is subject to a Secretarial agreement provided for in subsection (e)''.

(2) Section 1009(c)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 119 note; 105 Stat. 1933) is amended by striking ''section 119(f)(1)'' and inserting ''section 119(c)(1)''.

CHAPTER 2—PROJECT APPROVAL

SEC. 1221. TRANSFER OF HIGHWAY AND TRANSIT FUNDS.

Section 104 of title 23, United States Code (as amended by section 1118), is amended by inserting after subsection (k) the following:

''(l) TRANSFER OF HIGHWAY AND TRANSIT FUNDS.—

''(1) TRANSFER OF HIGHWAY FUNDS.—Funds made available under this title and transferred for transit projects shall be administered by the Secretary in accordance with chapter 53 of title 49, except that the provisions of this title relating to the non-Federal share shall apply to the transferred funds.

''(2) TRANSFER OF TRANSIT FUNDS.—Funds made available under chapter 53 of title 49 and transferred for highway projects shall be administered by the Secretary in accordance with this title, except that the provisions of that chapter relating to the non-Federal share shall apply to the transferred funds.

''(3) TRANSFER TO AMTRAK AND PUBLICLY-OWNED PASSENGER RAIL LINES.—Funds made available under this title or chapter 53 of title 49 and transferred to the National Railroad Passenger Corporation or to any publicly-owned intercity or intracity passenger rail line shall be administered by the Secretary in accordance with subtitle V of title 49, except that the provisions of this title or chapter 53 of title 49, as applicable, relating to the non-Federal share shall apply to the transferred funds.

''(4) TRANSFER OF OBLIGATION AUTHORITY.—Obligation authority provided for projects described in paragraphs (1) through (3) shall be transferred in the same manner and amount as the funds for the projects are transferred.''.

SEC. 1222. PROJECT APPROVAL AND OVERSIGHT.

(a) IN GENERAL.—Section 106 of title 23, United States Code, is amended—

(1) by striking the section heading and inserting the following:

''§ 106. Project approval and oversight'';

(2) by redesignating subsections (e) and (f) as subsections (g) and (h), respectively;

(3) by striking subsections (a) through (d) and inserting the following:

''(a) IN GENERAL.—Except as otherwise provided in this section, the State transportation department shall submit to the Secretary for approval such plans, specifications, and estimates for each proposed project as the Secretary may require. The Secretary shall act upon such plans, specifications, and estimates as soon as practicable after they have been submitted, and shall enter into a formal project agreement with the State transportation department formalizing the conditions of the project approval. The execution of such project agreement shall be deemed a contractual obligation of the Federal Government for the payment of its proportional contribution thereto. In taking such action, the Secretary shall be guided by the provisions of section 109 of this title.

''(b) PROJECT AGREEMENT.—The project agreement shall make provision for State funds required for the State's pro rata share of the cost of construction of the project and for the maintenance of the project after completion of construction. The Secretary may rely upon representations made by the State transportation department with respect to the arrangements or agreements made by the State transportation department and appropriate local officials where a part of the project is to be constructed at the expense of, or in cooperation with, local subdivisions of the State.

''(c) SPECIAL RULES FOR PROJECT OVERSIGHT.—

''(1) NHS PROJECTS.—Except as otherwise provided in subsection (d) of this section, the Secretary may discharge to the State any of the Secretary's responsibilities for the design, plans, specifications, estimates, contract awards, and inspection of projects under this title on the National Highway System. Before discharging responsibilities to the State, the Secretary shall reach agreement with the State as to the extent to which the State may assume the responsibilities of the Secretary under this subsection. The Secretary may not assume any greater responsibility than the Secretary is permitted under this title as of September 30, 1997, except upon agreement by the Secretary and the State.

''(2) NON-NHS PROJECTS.—For all projects under this title that are off the National Highway System, the State may request that the Secretary no longer review and approve the design, plans, specifications, estimates, contract awards, and inspection of projects under this title. After receiving any such request, the Secretary shall undertake project review only as requested by the State.

''(d) RESPONSIBILITIES OF THE SECRETARY.—

''(1) IN GENERAL.—Subject to paragraph (2), nothing in this section, section 133, or section 149 shall affect or discharge any responsibility or obligation of the Secretary under any Federal law other than this title.

''(2) LIMITATION.—Any responsibility or obligation of the Secretary under sections 113 and 114 of this title shall not be affected and may not be discharged under this section, section 133, or section 149.

''(e) VALUE ENGINEERING ANALYSIS.—In such cases as the Secretary determines advisable, plans, specifications, and estimates for proposed projects on any Federal-aid highway shall be accompanied by a value engineering or other cost reduction analysis.

''(f) FINANCIAL PLAN.—The Secretary shall require a financial plan to be prepared for any project with an estimated total cost of $1,000,000,000 or more.''.

(b) STANDARDS.—

(1) ELIMINATION OF GUIDELINES AND ANNUAL CERTIFICATION REQUIREMENTS.—Section 109 of title 23, United States Code, is amended—

(A) by striking subsection (m); and

(B) by redesignating subsections (n) through (q) as subsections (m) through (p), respectively.

(2) SAFETY STANDARDS.—Section 109 of title 23, United States Code (as amended by paragraph (1)), is amended by adding at the end the following:

''(q) PHASE CONSTRUCTION.—Safety considerations for a project under this title may be met by phase construction.''.

(c) PROGRAMS; PROJECT AGREEMENTS; CERTIFICATION ACCEPTANCE.—Sections 110 and 117 of title 23, United States Code, are repealed.

(d) CONFORMING AMENDMENTS.—

(1) The analysis for chapter 1 of title 23 is amended—

(A) by striking the item relating to section 106 and inserting the following:

''106. Project approval and oversight.'';

and

(B) by striking the items relating to sections 110 and 117.

(2) Section 101(a) of title 23, United States Code, is amended in the undesignated paragraph defining ''project agreement'' by striking ''the provisions of subsection (a) of section 110 of this title'' and inserting ''section 106''.

(3) Section 114(a) of title 23, United States Code, is amended in the second sentence by striking ''section 117 of this title'' and inserting ''section 106''.

SEC. 1223. SURFACE TRANSPORTATION PROGRAM.

(a) TRANSPORTATION ENHANCEMENT ACTIVITIES.—Section 133 of title 23, United States Code, is amended—

(1) in subsection (d)—

(A) in paragraph (2), by striking ''10'' and inserting ''8''; and

(B) in the first sentence of paragraph (3), by striking ''80'' and inserting ''82''; and

(2) in subsection (e)—

(A) in paragraph (3)(B)(i), by striking ''if the Secretary'' and all that follows through ''activities''; and

(B) in paragraph (5), by adding at the end the following:

''(C) INNOVATIVE FINANCING.—

''(i) IN GENERAL.—For each fiscal year, the average annual non-Federal share of the total cost of all projects to carry out transportation enhancement activities in a State shall be not less than the non-Federal share authorized for the State under section 120(b).

''(ii) EXCEPTION.—Subject to clause (i), notwithstanding section 120, in the case of projects to carry out transportation enhancement activities—

''(I) funds from other Federal agencies, and other contributions that the Secretary determines are of value, may be credited toward the non-Federal share of project costs;

''(II) the non-Federal share may be calculated on a project, multiple-project, or program basis; and

''(III) the Federal share of the cost of an individual project subject to subclause (I) or (II) may be equal to 100 percent.''.

(b) PROGRAM APPROVAL.—Section 133(e) of title 23, United States Code, is amended by striking paragraph (2) and inserting the following:

''(2) PROGRAM APPROVAL.—

''(A) SUBMISSION OF PROJECT AGREEMENT.—For each fiscal year, each State shall submit a project agreement that—

''(i) certifies that the State will meet all the requirements of this section; and

''(ii) notifies the Secretary of the amount of obligations needed to carry out the program under this section.

''(B) REQUEST FOR ADJUSTMENTS OF AMOUNTS.—As necessary, each State shall request from the Secretary adjustments to the amount of obligations referred to in subparagraph (A)(ii).

''(C) EFFECT OF APPROVAL BY THE SECRETARY.—Approval by the Secretary of a project agreement under subparagraph (A) shall be deemed a contractual obligation of the United States to pay surface transportation program funds made available under this title.''.

(c) PAYMENTS.—Section 133(e)(3)(A) of title 23, United States Code, is amended by striking the second sentence.

SEC. 1224. DESIGN-BUILD CONTRACTING.

(a) AUTHORITY.—Section 112(b) of title 23, United States Code, is amended—

(1) in the first sentence of paragraph (1), by striking ''paragraph (2)'' and inserting ''paragraphs (2) and (3)'';

(2) in paragraph (2)(A), by striking ''Each'' and inserting ''Subject to paragraph (3), each''; and

(3) by adding at the end the following:

''(3) DESIGN-BUILD CONTRACTING.—

''(A) IN GENERAL.—A State transportation department may award a contract for the design and construction of a qualified project described in subparagraph (B) using competitive selection procedures approved by the Secretary.

''(B) QUALIFIED PROJECTS.—A qualified project referred to in subparagraph (A) is a project under this chapter that involves installation of an intelligent transportation system or that consists of a usable project segment and for which—

''(i) the Secretary has approved the use of design-build contracting described in subparagraph (A) under criteria specified in regulations promulgated by the Secretary; and

''(ii) the total costs are estimated to exceed—

''(I) in the case of a project that involves installation of an intelligent transportation system, $10,000,000; and

''(II) in the case of a usable project segment, $50,000,000.''.

(b) COMPETITIVE BIDDING DEFINED.—Section 112 of title 23, United States Code, is amended by striking subsection (f) and inserting the following:

''(f) COMPETITIVE BIDDING DEFINED.—In this section, the term 'competitive bidding' means the procedures used to award contracts for engineering and design services under subsection (b)(2) and design-build contracts under subsection (b)(3).''.

(c) REGULATIONS.—

(1) IN GENERAL.—Not later than the effective date specified in subsection (e), the Secretary shall promulgate regulations to carry out the amendments made by this section.

(2) CONTENTS.—The regulations shall—

(A) identify the criteria to be used by the Secretary in approving the use by a State transportation department of design-build contracting; and

(B) establish the procedures to be followed by a State transportation department for obtaining the Secretary's approval of the use of design-build contracting by the department and the selection procedures used by the department.

(d) EFFECT ON EXPERIMENTAL PROGRAM.—Nothing in this section or the amendments made by this section affects the authority to carry out, or any project carried out under, any experimental program concerning design-build contracting that is being carried out by the Secretary as of the date of enactment of this Act.

(e) EFFECTIVE DATE FOR AMENDMENTS.—The amendments made by this section take effect 2 years after the date of enactment of this Act.

CHAPTER 3—ELIGIBILITY AND FLEXIBILITY

SEC. 1231. DEFINITION OF OPERATIONAL IMPROVEMENT.

Section 101(a) of title 23, United States Code, is amended by striking the undesignated paragraph defining ''operational improvement'' and inserting the following:

''The term 'operational improvement' means the installation, operation, or maintenance, in accordance with subchapter II of chapter 5, of public infrastructure to support intelligent transportation systems and includes the installation or operation of any traffic management activity, communication system, or roadway weather information and prediction system, and any other improvement that the Secretary may designate that enhances roadway safety and mobility during adverse weather.''.

SEC. 1232. ELIGIBILITY OF FERRY BOATS AND FERRY TERMINAL FACILITIES.

(a) IN GENERAL.—Section 129(c) of title 23, United States Code, is amended by inserting ''in accordance with sections 103, 133, and 149,'' after ''toll or free,''.

(b) NATIONAL HIGHWAY SYSTEM.—Section 103(b)(5) of title 23, United States Code (as amended by section 1234), is amended by adding at the end the following:

''(R) Construction of ferry boats and ferry terminal facilities, if the conditions described in section 129(c) are met.''.

(c) SURFACE TRANSPORTATION PROGRAM.—Section 133(b) of title 23, United States Code, is amended by adding at the end the following:

''(12) Construction of ferry boats and ferry terminal facilities, if the conditions described in section 129(c) are met.''.

(d) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—Section 149(b) of title 23, United States Code, is amended—

(1) in paragraph (3), by striking ''or'' at the end;

(2) in paragraph (4), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(5) if the project or program is to construct a ferry boat or ferry terminal facility and if the conditions described in section 129(c) are met.''.

SEC. 1233. FLEXIBILITY OF SAFETY PROGRAMS.

Section 133(d) of title 23, United States Code, is amended by striking paragraph (1) and inserting the following:

''(1) SAFETY PROGRAMS.—

''(A) IN GENERAL.—With respect to funds apportioned for each of fiscal years 1998 through 2003—

''(i) an amount equal to 2 percent of the amount apportioned to a State under section 104(b)(3) shall be available only to carry out activities eligible under section 130;

''(ii) an amount equal to 2 percent of the amount apportioned to a State under section 104(b)(3) shall be available only to carry out activities eligible under section 152; and

''(iii) an amount equal to 6 percent of the amount apportioned to a State under section 104(b)(3) shall be available only to carry out activities eligible under section 130 or 152.

''(B) TRANSFER OF FUNDS.—If a State certifies to the Secretary that any part of the amount set aside by the State under subparagraph (A)(i) is in excess of the needs of the State for activities under section 130 and the Secretary accepts the certification, the State may transfer that excess part to the set-aside of the State under subparagraph (A)(ii).

''(C) TRANSFERS TO OTHER SAFETY PROGRAMS.—A State may transfer funds set aside under subparagraph (A)(iii) to the apportionment of the State under section 402 or the allocation of the State under section 31104 of title 49.''.

SEC. 1234. ELIGIBILITY OF PROJECTS ON THE NATIONAL HIGHWAY SYSTEM.

Section 103(b) of title 23, United States Code (as amended by section 1701(a)), is amended by adding at the end the following:

''(5) ELIGIBLE PROJECTS FOR NHS.—Subject to approval by the Secretary, funds apportioned to a State under section 104(b)(1)(C) for the National Highway System may be obligated for any of the following:

''(A) Construction, reconstruction, resurfacing, restoration, and rehabilitation of segments of the National Highway System.

''(B) Operational improvements for segments of the National Highway System.

''(C) Construction of, and operational improvements for, a Federal-aid highway not on the National Highway System, construction of a transit project eligible for assistance under chapter 53 of title 49, and capital improvements to any National Railroad Passenger Corporation passenger rail line or any publicly-owned intercity passenger rail line, if—

''(i) the highway, transit, or rail project is in the same corridor as, and in proximity to, a fully access-controlled highway designated as a part of the National Highway System;

''(ii) the construction or improvements will improve the level of service on the fully access-controlled highway described in clause (i) and improve regional traffic flow; and

''(iii) the construction or improvements are more cost-effective than an improvement to the fully access-controlled highway described in clause (i).

''(D) Highway safety improvements for segments of the National Highway System.

''(E) Transportation planning in accordance with sections 134 and 135.

''(F) Highway research and planning in accordance with chapter 5.

''(G) Highway-related technology transfer activities.

''(H) Capital and operating costs for traffic monitoring, management, and control facilities and programs.

''(I) Fringe and corridor parking facilities.

''(J) Carpool and vanpool projects.

''(K) Bicycle transportation and pedestrian walkways in accordance with section 217.

''(L) Development, establishment, and implementation of management systems under section 303.

''(M) In accordance with all applicable Federal law (including regulations), participation in natural habitat and wetland mitigation efforts related to projects funded under this title, which may include participation in natural habitat and wetland mitigation banks, contributions to statewide and regional efforts to conserve, restore, enhance, and create natural habitats and wetland, and development of statewide and regional natural habitat and wetland conservation and mitigation plans, including any such banks, efforts, and plans authorized under the Water Resources Development Act of 1990 (Public Law 101–640) (including crediting provisions). Contributions to the mitigation efforts described in the preceding sentence may take place concurrent with or in advance of project construction, except that contributions in advance of project construction may occur only if the efforts are consistent with all applicable requirements of Federal law (including regulations) and State transportation planning processes.

''(N) Publicly-owned intracity or intercity passenger rail or bus terminals, including terminals of the National Railroad Passenger Corporation and publicly-owned intermodal surface freight transfer facilities, other than seaports and airports, if the terminals and facilities are located on or adjacent to National Highway System routes or connections to the National Highway System selected in accordance with subsection (b).

''(O) Infrastructure-based intelligent transportation systems capital improvements.

''(P) In the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, any project eligible for funding under section 133, any airport, and any seaport.

''(Q) Publicly owned components of magnetic levitation transportation systems.''.

SEC. 1235. ELIGIBILITY OF PROJECTS UNDER THE SURFACE TRANSPORTATION PROGRAM.

Section 133(b) of title 23, United States Code (as amended by section 1232(c)), is amended—

(1) in paragraph (2), by striking ''and publicly owned intracity or intercity bus terminals and facilities'' and inserting '', including vehicles and facilities, whether publicly or privately owned, that are used to provide intercity passenger service by bus or rail'';

(2) in paragraph (3)—

(A) by striking ''and bicycle'' and inserting ''bicycle''; and

(B) by inserting before the period at the end the following: '', and the modification of public sidewalks to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.)'';

(3) in paragraph (4)—

(A) by inserting '', publicly owned passenger rail,'' after ''Highway'';

(B) by inserting ''infrastructure'' after ''safety''; and

(C) by inserting before the period at the end the following: '', and any other noninfrastructure highway safety improvements'';

(4) in the first sentence of paragraph (11)—

(A) by inserting ''natural habitat and'' after ''participation in'' each place it appears;

(B) by striking ''enhance and create'' and inserting ''enhance, and create natural habitats and''; and

(C) by inserting ''natural habitat and'' before ''wetlands conservation''; and

(5) by adding at the end the following:

''(13) Publicly owned intercity passenger rail infrastructure, including infrastructure owned by the National Railroad Passenger Corporation.

''(14) Publicly owned passenger rail vehicles, including vehicles owned by the National Railroad Passenger Corporation.

''(15) Infrastructure-based intelligent transportation systems capital improvements.

''(16) Publicly owned components of magnetic levitation transportation systems.''.

SEC. 1236. DESIGN FLEXIBILITY.

Section 109 of title 23, United States Code, is amended by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—

''(1) REQUIREMENTS FOR FACILITIES.—The Secretary shall ensure that the plans and specifications for each proposed highway project under this chapter provide for a facility that will—

''(A) adequately serve the existing traffic of the highway in a manner that is conducive to safety, durability, and economy of maintenance; and

''(B) be designed and constructed in accordance with criteria best suited to accomplish the objectives described in subparagraph (A) and to conform to the particular needs of each locality.

''(2) CONSIDERATION OF PLANNED FUTURE TRAFFIC DEMANDS.—In carrying out paragraph (1), the Secretary shall ensure the consideration of the planned future traffic demands of the facility.''.

Subtitle C—Finance

CHAPTER 1—GENERAL PROVISIONS

SEC. 1301. STATE INFRASTRUCTURE BANK PROGRAM.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code, is amended by adding at the end the following:

''§ 162. State infrastructure bank program

''(a) DEFINITIONS.—In this section:

''(1) OTHER ASSISTANCE.—The term 'other assistance' includes any use of funds in an infrastructure bank—

''(A) to provide credit enhancements;

''(B) to serve as a capital reserve for bond or debt instrument financing;

''(C) to subsidize interest rates;

''(D) to ensure the issuance of letters of credit and credit instruments;

''(E) to finance purchase and lease agreements with respect to transit projects;

''(F) to provide bond or debt financing instrument security; and

''(G) to provide other forms of debt financing and methods of leveraging funds that are approved by the Secretary and that relate to the project with respect to which the assistance is being provided.

''(2) STATE.—The term 'State' has the meaning given the term under section 401.

''(b) COOPERATIVE AGREEMENTS.—

''(1) IN GENERAL.—

''(A) PURPOSE OF AGREEMENTS.—Subject to this section, the Secretary may enter into cooperative agreements with States for the establishment of State infrastructure banks and multistate infrastructure banks for making loans and providing other assistance to public and private entities carrying out or proposing to carry out projects eligible for assistance under this section.

''(B) CONTENTS OF AGREEMENTS.—Each cooperative agreement shall specify procedures and guidelines for establishing, operating, and providing assistance from the infrastructure bank.

''(2) INTERSTATE COMPACTS.—If 2 or more States enter into a cooperative agreement under paragraph (1) with the Secretary for the establishment of a multistate infrastructure bank, Congress grants consent to those States to enter into an interstate compact establishing the bank in accordance with this section.

''(c) FUNDING.—

''(1) CONTRIBUTION.—Notwithstanding any other provision of law, the Secretary may allow, subject to subsection (h)(1), a State that enters into a cooperative agreement under this section to contribute to the infrastructure bank established by the State not to exceed—

''(A)(i) the total amount of funds apportioned to the State under each of paragraphs (1) and (3) of section 104(b), excluding funds set aside under paragraphs (1) and (2) of section 133(d); and

''(ii) the total amount of funds allocated to the State under section 105 and under section 1102 of the Intermodal Transportation Act of 1997;

''(B) the total amount of funds made available to the State or other Federal transit grant recipient for capital projects (as defined in section 5302 of title 49) under sections 5307, 5309, and 5311 of title 49; and

''(C) the total amount of funds made available to the State under subtitle V of title 49.

''(2) CAPITALIZATION GRANT.—For the purposes of this section, Federal funds contributed to the infrastructure bank under this subsection shall constitute a capitalization grant for the infrastructure bank.

''(3) SPECIAL RULE FOR URBANIZED AREAS OF OVER 200,000.—Funds that are apportioned or allocated to a State under section 104(b)(3) and attributed to urbanized areas of a State with a population of over 200,000 individuals under section 133(d)(2) may be used to provide assistance from an infrastructure bank under this section with respect to a project only if the metropolitan planning organization designated for the area concurs, in writing, with the provision of the assistance.

''(d) FORMS OF ASSISTANCE FROM INFRASTRUCTURE BANKS.—

''(1) IN GENERAL.—An infrastructure bank established under this section may make loans or provide other assistance to a public or private entity in an amount equal to all or part of the cost of carrying out a project eligible for assistance under this section.

''(2) SUBORDINATION OF LOANS.—The amount of any loan or other assistance provided for the project may be subordinated to any other debt financing for the project.

''(3) INITIAL ASSISTANCE.—Initial assistance provided with respect to a project from Federal funds contributed to an infrastructure bank under this section shall not be made in the form of a grant.

''(e) QUALIFYING PROJECTS.—

''(1) IN GENERAL.—Subject to paragraph (2), Federal funds in an infrastructure bank established under this section may be used only to provide assistance with respect to projects eligible for assistance under this title or for capital projects (as defined in section 5302 of title 49).

''(2) INTERSTATE FUNDS.—Funds contributed to an infrastructure bank from funds apportioned to a State under subparagraph (A) or (B) of section 104(b)(1) may be used only to provide assistance with respect to projects eligible for assistance under those subparagraphs.

''(3) RAIL PROGRAM FUNDS.—Funds contributed to an infrastructure bank from funds made available to a State under subtitle V of title 49 shall be used in a manner consistent with any project description specified under the law making the funds available to the State.

''(f) INFRASTRUCTURE BANK REQUIREMENTS.—

''(1) IN GENERAL.—Subject to paragraph (2), in order to establish an infrastructure bank under this section, each State establishing such a bank shall—

''(A) contribute, at a minimum, to the bank from non-Federal sources an amount equal to 25 percent of the amount of each capitalization grant made to the State and contributed to the bank under subsection (c);

''(B) ensure that the bank maintains on a continuing basis an investment grade rating on its debt issuances and its ability to pay claims under credit enhancement programs of the bank;

''(C) ensure that investment income generated by funds contributed to the bank will be—

''(i) credited to the bank;

''(ii) available for use in providing loans and other assistance to projects eligible for assistance from the bank; and

''(iii) invested in United States Treasury securities, bank deposits, or such other financing instruments as the Secretary may approve to earn interest to enhance the leveraging of projects assisted by the bank;

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

''(E) ensure that repayment of the loan from the bank will commence not later than 5 years after the project has been completed or, in the case of a highway project, the facility has opened to traffic, whichever is later;

''(F) ensure that the term for repaying any loan will not exceed the lesser of—

''(i) 35 years after the date of the first payment on the loan under subparagraph (E); or

''(ii) the useful life of the investment; and

''(G) require the bank to make a biennial report to the Secretary and to make such other reports as the Secretary may require in guidelines.

''(2) WAIVERS BY THE SECRETARY.—The Secretary may waive a requirement of any of subparagraphs (C) through (G) of paragraph (1) with respect to an infrastructure bank if the Secretary determines that the waiver is consistent with the objectives of this section.

''(g) LIMITATION ON REPAYMENTS.—Notwithstanding any other provision of law, the repayment of a loan or other assistance provided from an infrastructure bank under this section may not be credited toward the non-Federal share of the cost of any project.

''(h) SECRETARIAL REQUIREMENTS.—In administering this section, the Secretary shall—

''(1) ensure that Federal disbursements shall be at an annual rate of not more than 20 percent of the amount designated by the State for State infrastructure bank capitalization under subsection (c)(1), except that the Secretary may disburse funds to a State in an amount needed to finance a specific project; and

''(2) revise cooperative agreements entered into with States under section 350 of the National Highway System Designation Act of 1995 (Public Law 104–59) to comply with this section.

''(i) APPLICABILITY OF FEDERAL LAW.—

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

''(A) funds made available under that title and contributed to an infrastructure bank established under this section, including the non-Federal contribution required under section (f); and

''(B) projects assisted by the bank through the use of the funds;

except to the extent that the Secretary determines that any requirement of that title is not consistent with the objectives of this section.

''(2) REPAYMENTS.—The requirements of this title or title 49 shall not apply to repayments from non-Federal sources to an infrastructure bank from projects assisted by the bank. Such a repayment shall not be considered to be Federal funds.

''(j) UNITED STATES NOT OBLIGATED.—

''(1) IN GENERAL.—The contribution of Federal funds to an infrastructure bank established under this section shall not be construed as a commitment, guarantee, or obligation on the part of the United States to any third party. No third party shall have any right against the United States for payment solely by virtue of the contribution.

''(2) STATEMENT.—Any security or debt financing instrument issued by the infrastructure bank shall expressly state that the security or instrument does not constitute a commitment, guarantee, or obligation of the United States.

''(k) MANAGEMENT OF FEDERAL FUNDS.—Sections 3335 and 6503 of title 31, United States Code, shall not apply to funds contributed under this section.

''(l) PROGRAM ADMINISTRATION.—

''(1) IN GENERAL.—A State may expend not to exceed 2 percent of the Federal funds contributed to an infrastructure bank established by the State under this section to pay the reasonable costs of administering the bank.

''(2) NON-FEDERAL FUNDS.—The limitation described in paragraph (1) shall not apply to non-Federal funds.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by adding at the end the following:

''162. State infrastructure bank program.''.

CHAPTER 2—TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION

SEC. 1311. SHORT TITLE.

This chapter may be cited as the ''Transportation Infrastructure Finance and Innovation Act of 1997''.

SEC. 1312. FINDINGS.

Congress finds that—

(1) a well-developed system of transportation infrastructure is critical to the economic well-being, health, and welfare of the people of the United States;

(2) traditional public funding techniques such as grant programs are unable to keep pace with the infrastructure investment needs of the United States because of budgetary constraints at the Federal, State, and local levels of government;

(3) major transportation infrastructure facilities that address critical national needs, such as intermodal facilities, border crossings, and multistate trade corridors, are of a scale that exceeds the capacity of Federal and State assistance programs in effect on the date of enactment of this Act;

(4) new investment capital can be attracted to infrastructure projects that are capable of generating their own revenue streams through user charges or other dedicated funding sources; and

(5) a Federal credit program for projects of national significance can complement existing funding resources by filling market gaps, thereby leveraging substantial private co-investment.

SEC. 1313. DEFINITIONS.

In this chapter:

(1) ELIGIBLE PROJECT COSTS.—The term ''eligible project costs'' means amounts substantially all of which are paid by, or for the account of, an obligor in connection with a project, including the cost of—

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

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

(C) interest during construction, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction.

(2) FEDERAL CREDIT INSTRUMENT.—The term ''Federal credit instrument'' means a secured loan, loan guarantee, or line of credit authorized to be made available under this chapter with respect to a project.

(3) LENDER.—The term ''lender'' means any non-Federal qualified institutional buyer (as defined in section 230.144A(a) of title 17, Code of Federal Regulations (or any successor regulation), known as Rule 144A(a) of the Securities and Exchange Commission and issued under the Securities Act of 1933 (15 U.S.C. 77a et seq.)), including—

(A) a qualified retirement plan (as defined in section 4974(c) of the Internal Revenue Code of 1986) that is a qualified institutional buyer; and

(B) a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986) that is a qualified institutional buyer.

(4) LINE OF CREDIT.—The term ''line of credit'' means an agreement entered into by the Secretary with an obligor under section 1316 to provide a direct loan at a future date upon the occurrence of certain events.

(5) LOAN GUARANTEE.—The term ''loan guarantee'' means any guarantee or other pledge by the Secretary to pay all or part of the principal of and interest on a loan or other debt obligation issued by an obligor and funded by a lender.

(6) LOCAL SERVICER.—The term ''local servicer'' means—

(A) a State infrastructure bank established under title 23, United States Code; or

(B) a State or local government or any agency of a State or local government that is responsible for servicing a Federal credit instrument on behalf of the Secretary.

(7) OBLIGOR.—The term ''obligor'' means a party primarily liable for payment of the principal of or interest on a Federal credit instrument, which party may be a corporation, partnership, joint venture, trust, or governmental entity, agency, or instrumentality.

(8) PROJECT.—The term ''project'' means any surface transportation project eligible for Federal assistance under title 23 or chapter 53 of title 49, United States Code.

(9) PROJECT OBLIGATION.—The term ''project obligation'' means any note, bond, debenture, or other debt obligation issued by an obligor in connection with the financing of a project, other than a Federal credit instrument.

(10) SECURED LOAN.—The term ''secured loan'' means a direct loan or other debt obligation issued by an obligor and funded by the Secretary in connection with the financing of a project under section 1315.

(11) STATE.—The term ''State'' has the meaning given the term in section 101 of title 23, United States Code.

(12) SUBSTANTIAL COMPLETION.—The term ''substantial completion'' means the opening of a project to vehicular or passenger traffic.

SEC. 1314. DETERMINATION OF ELIGIBILITY AND PROJECT SELECTION.

(a) ELIGIBILITY.—To be eligible to receive financial assistance under this chapter, a project shall meet the following criteria:

(1) INCLUSION IN TRANSPORTATION PLANS AND PROGRAMS.—The project—

(A) shall be included in the State transportation plan required under section 135 of title 23, United States Code; and

(B) at such time as an agreement to make available a Federal credit instrument is entered into under this chapter, shall be included in the approved State transportation improvement program required under section 134 of that title.

(2) APPLICATION.—A State, a local servicer identified under section 1317(a), or the entity undertaking the project shall submit a project application to the Secretary.

(3) ELIGIBLE PROJECT COSTS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), to be eligible for assistance under this chapter, a project shall have eligible project costs that are reasonably anticipated to equal or exceed the lesser of—

(i) $100,000,000; or

(ii) 50 percent of the amount of Federal-aid highway funds apportioned for the most recently-completed fiscal year under title 23, United States Code, to the State in which the project is located.

(B) INTELLIGENT TRANSPORTATION SYSTEM PROJECTS.—In the case of a project involving the installation of an intelligent transportation system, eligible project costs shall be reasonably anticipated to equal or exceed $30,000,000.

(4) DEDICATED REVENUE SOURCES.—Project financing shall be repayable in whole or in part by user charges or other dedicated revenue sources.

(5) PUBLIC SPONSORSHIP OF PRIVATE ENTITIES.—In the case of a project that is undertaken by an entity that is not a State or local government or an agency or instrumentality of a State or local government, the project that the entity is undertaking shall be publicly sponsored as provided in paragraphs (1) and (2).

(b) SELECTION AMONG ELIGIBLE PROJECTS.—

(1) ESTABLISHMENT.—The Secretary shall establish criteria for selecting among projects that meet the eligibility criteria specified in subsection (a).

(2) SELECTION CRITERIA.—The selection criteria shall include the following:

(A) The extent to which the project is nationally or regionally significant, in terms of generating economic benefits, supporting

international commerce, or otherwise enhancing the national transportation system.

(B) The creditworthiness of the project, including a determination by the Secretary that any financing for the project has appropriate security features, such as a rate covenant, to ensure repayment. The Secretary shall require each project applicant to provide a preliminary rating opinion letter from a nationally recognized bond rating agency.

(C) The extent to which assistance under this chapter would foster innovative public-private partnerships and attract private debt or equity investment.

(D) The likelihood that assistance under this chapter would enable the project to proceed at an earlier date than the project would otherwise be able to proceed.

(E) The extent to which the project uses new technologies, including intelligent transportation systems, that enhance the efficiency of the project.

(F) The amount of budget authority required to fund the Federal credit instrument made available under this chapter.

(c) FEDERAL REQUIREMENTS.—The following provisions of law shall apply to funds made available under this chapter and projects assisted with the funds:

(1) Section 113 of title 23, United States Code.

(2) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.).

(3) The National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(4) The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.).

(5) Section 5333 of title 49, United States Code.

SEC. 1315. SECURED LOANS.

(a) IN GENERAL.—

(1) AGREEMENTS.—Subject to paragraphs (2) and (3), the Secretary may enter into agreements with 1 or more obligors to make secured loans, the proceeds of which shall be used—

(A) to finance eligible project costs; or

(B) to refinance interim construction financing of eligible project costs;

of any project selected under section 1314.

(2) LIMITATION ON REFINANCING OF INTERIM CONSTRUCTION FINANCING.—A loan under paragraph (1) shall not refinance interim construction financing under paragraph (1)(B) later than 1 year after the date of substantial completion of the project.

(3) AUTHORIZATION PERIOD.—The Secretary may enter into a loan agreement during any of fiscal years 1998 through 2003.

(b) TERMS AND LIMITATIONS.—

(1) IN GENERAL.—A secured loan under this section with respect to a project shall be on such terms and conditions and contain such covenants, representations, warranties, and requirements (including requirements for audits) as the Secretary determines appropriate.

(2) MAXIMUM AMOUNT.—The amount of the secured loan shall not exceed 33 percent of the reasonably anticipated eligible project costs.

(3) PAYMENT.—The secured loan—

(A) shall be payable, in whole or in part, from revenues generated by any rate covenant, coverage requirement, or similar security feature supporting the project obligations or from a dedicated revenue stream; and

(B) may have a lien on revenues described in subparagraph (A) subject to any lien securing project obligations.

(4) INTEREST RATE.—The interest rate on the secured loan shall be equal to the yield on marketable United States Treasury securities of a similar maturity to the maturity of the secured loan on the date of execution of the loan agreement.

(5) MATURITY DATE.—The final maturity date of the secured loan shall be not later than 35 years after the date of substantial completion of the project.

(6) NONSUBORDINATION.—The secured loan shall not be subordinated to the claims of any holder of project obligations in the event of bankruptcy, insolvency, or liquidation of the obligor.

(7) FEES.—The Secretary may establish fees at a level sufficient to cover the costs to the Federal Government of making a secured loan under this section.

(c) REPAYMENT.—

(1) SCHEDULE.—The Secretary shall establish a repayment schedule for each secured loan under this section based on the projected cash flow from project revenues and other repayment sources.

(2) COMMENCEMENT.—Scheduled loan repayments of principal or interest on a secured loan under this section shall commence not later than 5 years after the date of substantial completion of the project.

(3) SOURCES OF REPAYMENT FUNDS.—The sources of funds for scheduled loan repayments under this section shall include tolls, user fees, or other dedicated revenue sources.

(4) DEFERRED PAYMENTS.—

(A) AUTHORIZATION.—If, at any time during the 10 years after the date of substantial completion of the project, the project is unable to generate sufficient revenues to pay scheduled principal and interest on the secured loan, the Secretary may, pursuant to established criteria for the project agreed to by the entity undertaking the project and the Secretary, allow the obligor to add unpaid principal and interest to the outstanding balance of the secured loan.

(B) INTEREST.—Any payment deferred under subparagraph (A) shall—

(i) continue to accrue interest in accordance with subsection (b)(4) until fully repaid; and

(ii) be scheduled to be amortized over the remaining term of the loan beginning not later than 10 years after the date of substantial completion of the project in accordance with paragraph (1).

(5) PREPAYMENT.—

(A) USE OF EXCESS REVENUES.—Any excess revenues that remain after satisfying scheduled debt service requirements on the project obligations and secured loan and all deposit requirements under the terms of any trust agreement, bond resolution, or similar agreement securing project obligations may be applied annually to prepay the secured loan without penalty.

(B) USE OF PROCEEDS OF REFINANCING.—The secured loan may be prepaid at any time without penalty from the proceeds of refinancing from non-Federal funding sources.

(d) SALE OF SECURED LOANS.—As soon as practicable after substantial completion of a project, the Secretary shall sell to another entity or reoffer into the capital markets a secured loan for the project if the Secretary determines that the sale or reoffering can be made on favorable terms.

(e) LOAN GUARANTEES.—

(1) IN GENERAL.—The Secretary may provide a loan guarantee to a lender in lieu of making a secured loan if the Secretary determines that the budgetary cost of the loan guarantee is substantially the same as that of a secured loan.

(2) TERMS.—The terms of a guaranteed loan shall be consistent with the terms set forth in this section for a secured loan, except that the rate on the guaranteed loan and any prepayment features shall be negotiated between the obligor and the lender, with the consent of the Secretary.

SEC. 1316. LINES OF CREDIT.

(a) IN GENERAL.—

(1) AGREEMENTS.—The Secretary may enter into agreements to make available lines of credit to 1 or more obligors in the form of direct loans to be made by the Secretary at future dates on the occurrence of certain events for any project selected under section 1314.

(2) USE OF PROCEEDS.—The proceeds of a line of credit made available under this section shall be available to pay debt service on project obligations issued to finance eligible project costs, extraordinary repair and replacement costs, operation and maintenance expenses, and costs associated with unexpected Federal or State environmental restrictions.

(b) TERMS AND LIMITATIONS.—

(1) IN GENERAL.—A line of credit under this section with respect to a project shall be on such terms and conditions and contain such covenants, representations, warranties, and requirements (including requirements for audits) as the Secretary determines appropriate.

(2) MAXIMUM AMOUNTS.—

(A) TOTAL AMOUNT.—The total amount of the line of credit shall not exceed 33 percent of the reasonably anticipated eligible project costs.

(B) ONE-YEAR DRAWS.—The amount drawn in any 1 year shall not exceed 20 percent of the total amount of the line of credit.

(3) DRAWS.—Any draw on the line of credit shall represent a direct loan and shall be made only if net revenues from the project (including capitalized interest, any debt service reserve fund, and any other available reserve) are insufficient to pay debt service on project obligations.

(4) INTEREST RATE.—The interest rate on a direct loan resulting from a draw on the line of credit shall be equal to the yield on 30-year marketable United States Treasury securities as of the date on which the line of credit is obligated.

(5) SECURITY.—The line of credit—

(A) shall be made available only in connection with a project obligation secured, in whole or in part, by a rate covenant, coverage requirement, or similar security feature or from a dedicated revenue stream; and

(B) may have a lien on revenues described in subparagraph (A) subject to any lien securing project obligations.

(6) PERIOD OF AVAILABILITY.—The line of credit shall be available during the period beginning on the date of substantial completion of the project and ending not later than 10 years after that date.

(7) RIGHTS OF THIRD PARTY CREDITORS.—

(A) AGAINST FEDERAL GOVERNMENT.—A third party creditor of the obligor shall not have any right against the Federal Government with respect to any draw on the line of credit.

(B) ASSIGNMENT.—An obligor may assign the line of credit to 1 or more lenders or to a trustee on the lenders' behalf.

(8) NONSUBORDINATION.—A direct loan under this section shall not be subordinated to the claims of any holder of project obligations in the event of bankruptcy, insolvency, or liquidation of the obligor.

(9) FEES.—The Secretary may establish fees at a level sufficient to cover the costs to the Federal Government of providing a line of credit under this section.

(10) RELATIONSHIP TO OTHER CREDIT INSTRUMENTS.—A line of credit under this section shall not be issued for a project with respect to which another Federal credit instrument under this chapter is made available.

(c) REPAYMENT.—

(1) SCHEDULE.—The Secretary shall establish a repayment schedule for each direct loan under this section based on the projected cash flow from project revenues and other repayment sources.

(2) TIMING.—All scheduled repayments of principal or interest on a direct loan under this section shall commence not later than 5 years after substantial completion of the project and be fully repaid, with interest, by the date that is 20 years after the end of the period of availability specified in subsection (b)(6).

(3) SOURCES OF REPAYMENT FUNDS.—The sources of funds for scheduled loan repayments under this section shall include tolls, user fees, or other dedicated revenue sources.

SEC. 1317. PROJECT SERVICING.

(a) REQUIREMENT.—The State in which a project that receives financial assistance under this chapter is located may identify a local servicer to assist the Secretary in servicing the Federal credit instrument made available under this chapter.

(b) AGENCY; FEES.—If a State identifies a local servicer under subsection (a), the local servicer—

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

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

(c) LIABILITY.—A local servicer identified under subsection (a) shall not be liable for the obligations of the obligor to the Secretary or any lender.

(d) ASSISTANCE FROM EXPERT FIRMS.—The Secretary may retain the services of expert firms in the field of municipal and project finance to assist in the underwriting and servicing of Federal credit instruments.

SEC. 1318. OFFICE OF INFRASTRUCTURE FINANCE.

(a) DUTIES OF THE SECRETARY.—Section 301 of title 49, United States Code, is amended—

(1) in paragraph (7), by striking ''and'' at the end;

(2) in paragraph (8), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(9) develop and coordinate Federal policy on financing transportation infrastructure, including the provision of direct Federal credit assistance and other techniques used to leverage Federal transportation funds.''.

(b) OFFICE OF INFRASTRUCTURE FINANCE.—

(1) IN GENERAL.—Chapter 1 of title 49, United States Code, is amended by adding at the end the following:

''§ 113. Office of Infrastructure Finance

''(a) ESTABLISHMENT.—The Secretary of Transportation shall establish within the Office of the Secretary an Office of Infrastructure Finance.

''(b) DIRECTOR.—The Office shall be headed by a Director who shall be appointed by the Secretary not later than 180 days after the date of enactment of this section.

''(c) FUNCTIONS.—The Director shall be responsible for—

''(1) carrying out the responsibilities of the Secretary described in section 301(9);

''(2) carrying out research on financing transportation infrastructure, including educational programs and other initiatives to support Federal, State, and local government efforts; and

''(3) providing technical assistance to Federal, State, and local government agencies and officials to facilitate the development and use of alternative techniques for financing transportation infrastructure.''.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 49, United States Code, is amended by adding at the end the following:

''113. Office of Infrastructure Finance.''.

SEC. 1319. STATE AND LOCAL PERMITS.

The provision of financial assistance under this chapter with respect to a project shall not—

(1) relieve any recipient of the assistance of any obligation to obtain any required State or local permit or approval with respect to the project;

(2) limit the right of any unit of State or local government to approve or regulate any rate of return on private equity invested in the project; or

(3) otherwise supersede any State or local law (including any regulation) applicable to the construction or operation of the project.

SEC. 1320. REGULATIONS.

The Secretary may issue such regulations as the Secretary determines appropriate to carry out this chapter and the amendments made by this chapter.

SEC. 1321. FUNDING.

(a) AUTHORIZATION OF CONTRACT AUTHORITY.—

(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this chapter—

(A) $60,000,000 for fiscal year 1998;

(B) $60,000,000 for fiscal year 1999;

(C) $90,000,000 for fiscal year 2000;

(D) $90,000,000 for fiscal year 2001;

(E) $100,000,000 for fiscal year 2002; and

(F) $100,000,000 for fiscal year 2003.

(2) ADMINISTRATIVE COSTS.—From funds made available under paragraph (1), the Secretary may use, for the administration of this chapter, not more than $2,000,000 for each of fiscal years 1998 through 2003.

(3) AVAILABILITY.—Amounts made available under paragraph (1) shall remain available until expended.

(b) CONTRACT AUTHORITY.—

(1) IN GENERAL.—Notwithstanding any other provision of law, approval by the Secretary of a Federal credit instrument that uses funds made available under this chapter shall be deemed to be acceptance by the United States of a contractual obligation to fund the Federal credit instrument.

(2) AVAILABILITY.—Amounts authorized under this section for a fiscal year shall be available for obligation on October 1 of the fiscal year.

(c) LIMITATIONS ON CREDIT AMOUNTS.—For each of fiscal years 1998 through 2003, principal amounts of Federal credit instruments made available under this chapter shall be limited to the amounts specified in the following table:

Fiscal year:	Maximum amount of credit:
1998	$1,200,000,000
1999	$1,200,000,000
2000	$1,800,000,000
2001	$1,800,000,000
2002	$2,000,000,000
2003	$2,000,000,000.

SEC. 1322. REPORT TO CONGRESS.

Not later than 4 years after the date of enactment of this Act, the Secretary shall submit to Congress a report summarizing the financial performance of the projects that are receiving, or have received, assistance under this chapter, including a recommendation as to whether the objectives of this chapter are best served—

(1) by continuing the program under the authority of the Secretary;

(2) by establishing a Government corporation or Government-sponsored enterprise to administer the program; or

(3) by phasing out the program and relying on the capital markets to fund the types of infrastructure investments assisted by this chapter without Federal participation.

Subtitle D—Safety

SEC. 1401. OPERATION LIFESAVER.

Section 104 of title 23, United States Code (as amended by section 1102(a)), is amended—

(1) in the matter preceding paragraph (1) of subsection (b), by striking ''subsection (f)'' and inserting ''subsections (d) and (f)''; and

(2) in subsection (d), by striking paragraph (1) and inserting the following:

''(1) OPERATION LIFESAVER.—Before making an apportionment of funds under subsection (b)(3) for a fiscal year, the Secretary shall set aside $500,000 of the funds authorized to be appropriated for the surface transportation program for the fiscal year to carry out a public information and education program to help prevent and reduce motor vehicle accidents, injuries, and fatalities and to improve driver performance at railway-highway crossings.''.

SEC. 1402. RAILWAY-HIGHWAY CROSSING HAZARD ELIMINATION IN HIGH SPEED RAIL CORRIDORS.

Section 104(d) of title 23, United States Code, is amended by striking paragraphs (2) and (3) and inserting the following:

''(2) RAILWAY-HIGHWAY CROSSING HAZARD ELIMINATION IN HIGH SPEED RAIL CORRIDORS.—

''(A) IN GENERAL.—Before making an apportionment of funds under subsection (b)(3) for a fiscal year, the Secretary shall set aside $5,000,000 of the funds authorized to be appropriated for the surface transportation program for the fiscal year for elimination of hazards of railway-highway crossings.

''(B) ELIGIBLE CORRIDORS.—Funds made available under subparagraph (A) shall be expended for projects in—

''(i) 5 railway corridors selected by the Secretary in accordance with this subsection (as in effect on the day before the date of enactment of this clause); and

''(ii) 3 railway corridors selected by the Secretary in accordance with subparagraphs (C) and (D).

''(C) REQUIRED INCLUSION OF HIGH SPEED RAIL LINES.—A corridor selected by the Secretary under subparagraph (A) shall include rail lines where railroad speeds of 90 miles or more per hour are occurring or can reasonably be expected to occur in the future.

''(D) CONSIDERATIONS IN CORRIDOR SELECTION.—In selecting corridors under subparagraph (A), the Secretary shall consider—

''(i) projected rail ridership volume in each corridor;

''(ii) the percentage of each corridor over which a train will be capable of operating at its maximum cruise speed taking into account such factors as topography and other traffic on the line;

''(iii) projected benefits to nonriders such as congestion relief on other modes of transportation serving each corridor (including congestion in heavily traveled air passenger corridors);

''(iv) the amount of State and local financial support that can reasonably be anticipated for the improvement of the line and related facilities; and

''(v) the cooperation of the owner of the right-of-way that can reasonably be expected in the operation of high speed rail passenger service in each corridor.''.

SEC. 1403. RAILWAY-HIGHWAY CROSSINGS.

Section 130 of title 23, United States Code, is amended—

(1) in the first sentence of subsection (a)—

(A) by striking ''structures, and'' and inserting ''structures,''; and

(B) by inserting after ''grade crossings,'' the following: ''trespassing countermeasures, railway-highway crossing safety education, enforcement of traffic laws relating to railway-highway crossing safety, and projects at privately owned railway-highway crossings if each such project is publicly sponsored and the Secretary determines that the project would serve a public benefit'';

(2) in subsection (d), by adding at the end the following: ''In a manner established by the Secretary, each State shall submit a report that describes completed railway-highway crossing projects funded under this section to the Department of Transportation for

inclusion in the National Grade Crossing Inventory prepared by the Department of Transportation and the Association of American Railroads.''; and

(3) by striking subsection (e).

SEC. 1404. HAZARD ELIMINATION PROGRAM.

(a) IN GENERAL.—Section 152 of title 23, United States Code, is amended—

(1) in subsection (a), by inserting '', bicyclists,'' after ''motorists'';

(2) in subsection (b), by striking ''highway safety improvement project'' and inserting ''safety improvement project, including a project described in subsection (a)''; and

(3) in subsection (c), by striking ''(other than a highway on the Interstate System)''.

(b) CONFORMING AMENDMENTS.—

(1) Section 101(a) of title 23, United States Code, is amended—

(A) in the undesignated paragraph defining ''highway safety improvement project'', by striking ''highway safety'' and inserting ''safety''; and

(B) by moving that undesignated paragraph to appear before the undesignated paragraph defining ''Secretary''.

(2) Section 152 of title 23, United States Code, is amended in subsections (f) and (g) by striking ''highway safety improvement projects'' each place it appears and inserting ''safety improvement projects''.

SEC. 1405. MINIMUM PENALTIES FOR REPEAT OFFENDERS FOR DRIVING WHILE INTOXICATED OR DRIVING UNDER THE INFLUENCE.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code (as amended by section 1301(a)), is amended by adding at the end the following:

''§ 163. Minimum penalties for repeat offenders for driving while intoxicated or driving under the influence

''(a) DEFINITIONS.—In this section:

''(1) ALCOHOL CONCENTRATION.—The term 'alcohol concentration' means grams of alcohol per 100 milliliters of blood or grams of alcohol per 210 liters of breath.

''(2) DRIVING WHILE INTOXICATED; DRIVING UNDER THE INFLUENCE.—The terms 'driving while intoxicated' and 'driving under the influence' mean driving or being in actual physical control of a motor vehicle while having an alcohol concentration above the permitted limit as established by each State.

''(3) LICENSE SUSPENSION.—The term 'license suspension' means the suspension of all driving privileges.

''(4) MOTOR VEHICLE.—The term 'motor vehicle' means a vehicle driven or drawn by mechanical power and manufactured primarily for use on public highways, but does not include a vehicle operated solely on a rail line or a commercial vehicle.

''(5) REPEAT INTOXICATED DRIVER LAW.—The term 'repeat intoxicated driver law' means a State law that provides, as a minimum penalty, that an individual convicted of a second or subsequent offense for driving while intoxicated or driving under the influence within 5 years after a conviction for that offense whose alcohol concentration with respect to the second or subsequent offense was determined on the basis of a chemical test to be equal to or greater than 0.15 shall receive—

''(A) a license suspension for not less than 1 year;

''(B) an assessment of the individual's degree of abuse of alcohol and treatment as appropriate; and

''(C) either—

''(i) an assignment of 30 days of community service; or

''(ii) 5 days of imprisonment.

''(b) TRANSFER OF FUNDS.—

''(1) FISCAL YEARS 2001 AND 2002.—

''(A) IN GENERAL.—On October 1, 2000, and October 1, 2001, if a State has not enacted or is not enforcing a repeat intoxicated driver law, the Secretary shall transfer an amount equal to 1½ percent of the funds apportioned to the State on that date under paragraphs (1) and (3) of section 104(b) to the apportionment of the State under section 402 to be used for alcohol-impaired driving programs.

''(B) DERIVATION OF AMOUNT TO BE TRANSFERRED.—An amount transferred under subparagraph (A) may be derived—

''(i) from the apportionment of the State under section 104(b)(1);

''(ii) from the apportionment of the State under section 104(b)(3); or

''(iii) partially from the apportionment of the State under section 104(b)(1) and partially from the apportionment of the State under section 104(b)(3).

''(2) FISCAL YEAR 2003 AND FISCAL YEARS THEREAFTER.—On October 1, 2002, and each October 1 thereafter, if a State has not enacted or is not enforcing a repeat intoxicated driver law, the Secretary shall transfer 3 percent of the funds apportioned to the State on that date under each of paragraphs (1) and (3) of section 104(b) to the apportionment of the State under section 402 to be used for alcohol-impaired driving programs.

''(3) FEDERAL SHARE.—The Federal share of the cost of a project carried out under section 402 with funds transferred under paragraph (1) or (2) shall be 100 percent.

''(4) TRANSFER OF OBLIGATION AUTHORITY.—

''(A) IN GENERAL.—If the Secretary transfers under this subsection any funds to the apportionment of a State under section 402 for a fiscal year, the Secretary shall transfer an amount, determined under subparagraph (B), of obligation authority distributed for the fiscal year to the State for Federal-aid highways and highway safety construction programs for carrying out projects under section 402.

''(B) AMOUNT.—The amount of obligation authority referred to in subparagraph (A) shall be determined by multiplying—

''(i) the amount of funds transferred under subparagraph (A) to the apportionment of the State under section 402 for the fiscal year; by

''(ii) the ratio that—

''(I) the amount of obligation authority distributed for the fiscal year to the State for Federal-aid highways and highway safety construction programs; bears to

''(II) the total of the sums apportioned to the State for Federal-aid highways and highway safety construction programs (excluding sums not subject to any obligation limitation) for the fiscal year.

''(5) LIMITATION ON APPLICABILITY OF HIGHWAY SAFETY OBLIGATIONS.—Notwithstanding any other provision of law, no limitation on the total of obligations for highway safety programs under section 402 shall apply to funds transferred under this subsection to the apportionment of a State under that section.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code (as amended by section 1301(b)), is amended by adding at the end the following:

''163. Minimum penalties for repeat offenders for driving while intoxicated or driving under the influence.''.

SEC. 1406. SAFETY INCENTIVE GRANTS FOR USE OF SEAT BELTS.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code (as amended by section 1405(a)), is amended by adding at the end the following:

''§ 164. Safety incentive grants for use of seat belts

''(a) DEFINITIONS.—In this section:

''(1) MOTOR VEHICLE.—The term 'motor vehicle' means a vehicle driven or drawn by mechanical power and manufactured primarily for use on public highways, but does not include a vehicle operated solely on a rail line.

''(2) MULTIPURPOSE PASSENGER MOTOR VEHICLE.—The term 'multipurpose passenger motor vehicle' means a motor vehicle with motive power (except a trailer), designed to carry not more than 10 individuals, that is constructed on a truck chassis or is constructed with special features for occasional off-road operation.

''(3) NATIONAL AVERAGE SEAT BELT USE RATE.—The term 'national average seat belt use rate' means, in the case of each of calendar years 1995 through 2001, the national average seat belt use rate for that year, as determined by the Secretary.

''(4) PASSENGER CAR.—The term 'passenger car' means a motor vehicle with motive power (except a multipurpose passenger motor vehicle, motorcycle, or trailer) designed to carry not more than 10 individuals.

''(5) PASSENGER MOTOR VEHICLE.—The term 'passenger motor vehicle' means a passenger car or a multipurpose passenger motor vehicle.

''(6) SAVINGS TO THE FEDERAL GOVERNMENT.—The term 'savings to the Federal Government' means the amount of Federal budget savings as determined by the Secretary.

''(7) SEAT BELT.—The term 'seat belt' means—

''(A) with respect to an open-body passenger motor vehicle, including a convertible, an occupant restraint system consisting of a lap belt or a lap belt and a detachable shoulder belt; and

''(B) with respect to any other passenger motor vehicle, an occupant restraint system consisting of integrated lap and shoulder belts.

''(8) STATE SEAT BELT USE RATE.—The term 'State seat belt use rate' means the rate of use of seat belts in passenger motor vehicles in a State, as measured and submitted to the Secretary—

''(A) for each of calendar years 1995 through 1997, by the State, as adjusted by the Secretary to ensure national consistency in methods of measurement (as determined by the Secretary); and

''(B) for each of calendar years 1998 through 2001, by the State in a manner consistent with the criteria established by the Secretary under subsection (e).

''(b) DETERMINATIONS BY THE SECRETARY.—Not later than 30 days after the date of enactment of this section, and not later than September 1 of each calendar year thereafter through September 1, 2002, the Secretary shall determine—

''(1)(A) which States had, for each of the previous calendar year (referred to in this subsection as the 'previous calendar year') and the year preceding the previous calendar year, a State seat belt use rate greater than the national average seat belt use rate for that year; and

''(B) in the case of each State described in subparagraph (A), the amount that is equal to the savings to the Federal Government due to the amount by which the State seat belt use rate for the previous calendar year exceeds the national average seat belt use rate for that year; and

''(2) in the case of each State that is not a State described in paragraph (1)(A)—

''(A) the base seat belt use rate of the State, which shall be equal to the highest State seat belt use rate for the State for any calendar year during the period of 1995 through the calendar year preceding the previous calendar year; and

''(B) the amount that is equal to the savings to the Federal Government due to any increase in the State seat belt use rate for the previous calendar year over the base seat

belt use rate determined under subparagraph (A).

''(c) ALLOCATIONS.—

''(1) STATES WITH GREATER THAN THE NATIONAL AVERAGE SEAT BELT USE RATE.—Not later than 30 days after the date of enactment of this section, and not later than each October 1 thereafter through October 1, 2002, the Secretary shall allocate to each State described in subsection (b)(1)(A) an amount equal to the amount determined for the State under subsection (b)(1)(B).

''(2) OTHER STATES.—Not later than 30 days after the date of enactment of this section, and not later than each October 1 thereafter through October 1, 2002, the Secretary shall allocate to each State described in subsection (b)(2) an amount equal to the amount determined for the State under subsection (b)(2)(B).

''(d) USE OF FUNDS.—For each fiscal year, each State that is allocated an amount under this section shall use the amount for projects eligible for assistance under this title.

''(e) CRITERIA.—Not later than 180 days after the date of enactment of the Intermodal Transportation Act of 1997, the Secretary shall establish criteria for the measurement of State seat belt use rates by States to ensure that the measurements are accurate and representative.

''(f) FUNDING.—

''(1) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $60,000,000 for fiscal year 1998, $70,000,000 for fiscal year 1999, $80,000,000 for fiscal year 2000, $90,000,000 for fiscal year 2001, and $100,000,000 for each of fiscal years 2002 and 2003.

''(2) USE OF UNALLOCATED FUNDS.—To the extent that the amounts made available for any fiscal year under paragraph (1) exceed the total amounts to be allocated under subsection (c) for the fiscal year, the excess amounts—

''(A) shall be apportioned in accordance with section 104(b)(3);

''(B) shall be considered to be sums made available for expenditure on the surface transportation program, except that the amounts shall not be subject to section 133(d); and

''(C) shall be available for any purpose eligible for funding under section 133.

''(3) ADMINISTRATIVE EXPENSES.—Not more than 2 percent of the funds made available to carry out this section may be used to pay the necessary administrative expenses incurred in carrying out this section.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code (as amended by section 1405(b)), is amended by adding at the end the following:

''164. Safety incentive grants for use of seat belts.''.

Subtitle E—Environment

SEC. 1501. NATIONAL SCENIC BYWAYS PROGRAM.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code (as amended by section 1406(a)) is amended by adding at the end the following:

''§ 165. National scenic byways program

''(a) DESIGNATION OF ROADS.—

''(1) IN GENERAL.—The Secretary shall carry out a national scenic byways program that recognizes roads having outstanding scenic, historic, cultural, natural, recreational, and archaeological qualities by designating the roads as National Scenic Byways or All-American Roads.

''(2) CRITERIA.—The Secretary shall designate roads to be recognized under the national scenic byways program in accordance with criteria developed by the Secretary.

''(3) NOMINATION.—To be considered for the designation, a road must be nominated by a State or a Federal land management agency and must first be designated as a State scenic byway or, in the case of a road on Federal land, as a Federal land management agency byway.

''(b) GRANTS AND TECHNICAL ASSISTANCE.—

''(1) IN GENERAL.—The Secretary shall make grants and provide technical assistance to States to—

''(A) implement projects on highways designated as National Scenic Byways or All-American Roads, or as State scenic byways; and

''(B) plan, design, and develop a State scenic byway program.

''(2) PRIORITIES.—In making grants, the Secretary shall give priority to—

''(A) each eligible project that is associated with a highway that has been designated as a National Scenic Byway or All-American Road and that is consistent with the corridor management plan for the byway;

''(B) each eligible project along a State-designated scenic byway that is consistent with the corridor management plan for the byway, or is intended to foster the development of such a plan, and is carried out to make the byway eligible for designation as a National Scenic Byway or All-American Road; and

''(C) each eligible project that is associated with the development of a State scenic byway program.

''(c) ELIGIBLE PROJECTS.—The following are projects that are eligible for Federal assistance under this section:

''(1) An activity related to the planning, design, or development of a State scenic byway program.

''(2) Development and implementation of a corridor management plan to maintain the scenic, historical, recreational, cultural, natural, and archaeological characteristics of a byway corridor while providing for accommodation of increased tourism and development of related amenities.

''(3) Safety improvements to a State scenic byway, National Scenic Byway, or All-American Road to the extent that the improvements are necessary to accommodate increased traffic and changes in the types of vehicles using the highway as a result of the designation as a State scenic byway, National Scenic Byway, or All-American Road.

''(4) Construction along a scenic byway of a facility for pedestrians and bicyclists, rest area, turnout, highway shoulder improvement, passing lane, overlook, or interpretive facility.

''(5) An improvement to a scenic byway that will enhance access to an area for the purpose of recreation, including water-related recreation.

''(6) Protection of scenic, historical, recreational, cultural, natural, and archaeological resources in an area adjacent to a scenic byway.

''(7) Development and provision of tourist information to the public, including interpretive information about a scenic byway.

''(8) Development and implementation of a scenic byways marketing program.

''(d) LIMITATION.—The Secretary shall not make a grant under this section for any project that would not protect the scenic, historical, recreational, cultural, natural, and archaeological integrity of a highway and adjacent areas.

''(e) FEDERAL SHARE.—The Federal share of the cost of carrying out a project under this section shall be 80 percent, except that, in the case of any scenic byways project along a public road that provides access to or within Federal or Indian land, a Federal land management agency may use funds authorized for use by the agency as the non-Federal share.

''(f) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $17,000,000 for fiscal year 1998, $17,000,000 for fiscal year 1999, $19,000,000 for fiscal year 2000, $19,000,000 for fiscal year 2001, $21,000,000 for fiscal year 2002, and $23,000,000 for fiscal year 2003.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code (as amended by section 1406(b)), is amended by adding at the end the following:

''165. National scenic byways program.''.

SEC. 1502. PUBLIC-PRIVATE PARTNERSHIPS.

Section 149 of title 23, United States Code, is amended by adding at the end the following:

''(e) PARTNERSHIPS WITH NONGOVERNMENTAL ENTITIES.—

''(1) IN GENERAL.—Notwithstanding any other provision of this title and in accordance with this subsection, a metropolitan planning organization, State transportation department, or other project sponsor may enter into an agreement with any public, private, or nonprofit entity to cooperatively implement any project carried out under this section.

''(2) FORMS OF PARTICIPATION BY ENTITIES.—Participation by an entity under paragraph (1) may consist of—

''(A) ownership or operation of any land, facility, vehicle, or other physical asset associated with the project;

''(B) cost sharing of any project expense;

''(C) carrying out of administrative, construction management, project management, project operation, or any other management or operational duty associated with the project; and

''(D) any other form of participation approved by the Secretary.

''(3) ALLOCATION TO ENTITIES.—A State may allocate funds apportioned under section 104(b)(2) to an entity described in paragraph (1).

''(4) ALTERNATIVE FUEL PROJECTS.—In the case of a project that will provide for the use of alternative fuels by privately owned vehicles or vehicle fleets, activities eligible for funding under this subsection—

''(A) shall include the incremental costs of vehicle refueling infrastructure and other capital investments associated with the project; but

''(B) shall not include the base cost of any vehicle that would otherwise be borne by a private party or the cost of any project element that would otherwise be offset by any other Federal, State, or local program.

''(5) PROHIBITION ON FEDERAL PARTICIPATION WITH RESPECT TO REQUIRED ACTIVITIES.—A Federal participation payment under this subsection may not be made with respect to any activity that is required under the Clean Air Act (42 U.S.C. 7401 et seq.) or any other Federal law.''.

SEC. 1503. WETLAND RESTORATION PILOT PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) surface transportation has unintended but negative consequences for wetlands and other water resources;

(2) in almost every State, construction and other highway activities have reduced or eliminated wetland functions and values, such as wildlife habitat, ground water recharge, flood control, and water quality benefits;

(3) the United States has lost more than ½ of the estimated 220,000,000 acres of wetlands that existed during colonial times; and

(4) while the rate of human-induced destruction and conversion of wetlands has

slowed in recent years, the United States has suffered unacceptable wetland losses as a result of highway projects.

(b) ESTABLISHMENT.—The Secretary shall establish a national wetland restoration pilot program (referred to in this section as the ''program'') to fund mitigation projects to offset the degradation of wetlands, or the loss of functions and values of the aquatic resource, resulting from projects carried out before December 27, 1977, under title 23, United States Code (or similar projects as determined by the Secretary), for which mitigation has not been performed.

(c) APPLICATIONS.—To be eligible for funding under the program, a State shall submit an application to the Secretary that includes—

(1) a description of the wetland proposed to be restored by a mitigation project described in subsection (b) (referred to in this section as a ''wetland restoration project'') under the program (including the size and quality of the wetland);

(2) such information as is necessary to establish a nexus between—

(A) a project carried out under title 23, United States Code (or a similar project as determined by the Secretary); and

(B) the wetland values and functions proposed to be restored by the wetland restoration project;

(3) a description of the benefits expected from the proposed wetland restoration project (including improvement of water quality, improvement of wildlife habitat, ground water recharge, and flood control);

(4) a description of the State's level of commitment to the proposed wetland restoration project (including the monetary commitment of the State and any development of a State or regional conservation plan that includes the proposed wetland restoration); and

(5) the estimated total cost of the wetland restoration project.

(d) SELECTION OF WETLAND RESTORATION PROJECTS.—

(1) INTERAGENCY COUNCIL.—In consultation with the Secretary of the Army, the Secretary of the Interior, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency, the Secretary shall establish an interagency advisory council to—

(A) review the submitted applications that meet the requirements of subsection (c); and

(B) not later than 60 days after the application deadline, select wetland restoration projects for funding under the program.

(2) SELECTION CRITERIA FOR PRIORITY WETLAND RESTORATION PROJECTS.—In consultation with the Secretary of the Army, the Secretary of the Interior, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency, the Secretary shall give priority in funding under this section to wetland restoration projects that—

(A) provide for long-term monitoring and maintenance of wetland resources;

(B) are managed by an entity, such as a nature conservancy, with expertise in the long-term monitoring and protection of wetland resources; and

(C) have a high likelihood of success.

(e) REPORTS.—Not later than April 1, 2000, and April 1, 2003, the Secretary shall submit a report to Congress on the results of the program.

(f) AUTHORIZATION OF CONTRACT AUTHORITY.—

(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $12,000,000 for fiscal year 1998, $13,000,000 for fiscal year 1999, $14,000,000 for fiscal year 2000, $17,000,000 for fiscal year 2001, $20,000,000 for fiscal year 2002, and $24,000,000 for fiscal year 2003.

(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

Subtitle F—Planning

SEC. 1601. METROPOLITAN PLANNING.

(a) IN GENERAL.—Section 134 of title 23, United States Code, is amended to read as follows:

''§ 134. Metropolitan planning

''(a) GENERAL REQUIREMENTS.—

''(1) FINDINGS.—Congress finds that it is in the national interest to encourage and promote the safe and efficient management, operation, and development of surface transportation systems that will serve the mobility needs of people and freight within and through urbanized areas, while minimizing transportation-related fuel consumption and air pollution.

''(2) DEVELOPMENT OF PLANS AND PROGRAMS.—To accomplish the objective stated in paragraph (1), metropolitan planning organizations designated under subsection (b), in cooperation with the State and public transit operators, shall develop transportation plans and programs for urbanized areas of the State.

''(3) CONTENTS.—The plans and programs for each metropolitan area shall provide for the development and integrated management and operation of transportation systems and facilities (including pedestrian walkways and bicycle transportation facilities) that will function as an intermodal transportation system for the metropolitan area and as an integral part of an intermodal transportation system for the State and the United States.

''(4) PROCESS.—The process for developing the plans and programs shall provide for consideration of all modes of transportation and shall be continuing, cooperative, and comprehensive to the degree appropriate, based on the complexity of the transportation problems to be addressed.

''(b) DESIGNATION OF METROPOLITAN PLANNING ORGANIZATIONS.—

''(1) IN GENERAL.—To carry out the transportation planning process required by this section, a metropolitan planning organization shall be designated for each urbanized area with a population of more than 50,000 individuals—

''(A) by agreement between the Governor and units of general purpose local government that together represent at least 75 percent of the affected population (including the central city or cities as defined by the Bureau of the Census); or

''(B) in accordance with procedures established by applicable State or local law.

''(2) REDESIGNATION.—A metropolitan planning organization may be redesignated by agreement between the Governor and units of general purpose local government that together represent at least 75 percent of the affected population (including the central city or cities as defined by the Bureau of the Census) as appropriate to carry out this section.

''(3) DESIGNATION OF MORE THAN 1 METROPOLITAN PLANNING ORGANIZATION.—More than 1 metropolitan planning organization may be designated within an existing metropolitan planning area only if the Governor and the existing metropolitan planning organization determine that the size and complexity of the existing metropolitan planning area make designation of more than 1 metropolitan planning organization for the area appropriate.

''(4) STRUCTURE.—Each policy board of a metropolitan planning organization that serves an area designated as a transportation management area, when designated or redesignated under this subsection, shall consist of—

''(A) local elected officials;

''(B) officials of public agencies that administer or operate major modes of transportation in the metropolitan area (including all transportation agencies included in the metropolitan planning organization as of June 1, 1991); and

''(C) appropriate State officials.

''(5) OTHER AUTHORITY.—Nothing in this subsection interferes with the authority, under any State law in effect on December 18, 1991, of a public agency with multimodal transportation responsibilities to—

''(A) develop plans and programs for adoption by a metropolitan planning organization; or

''(B) develop long-range capital plans, coordinate transit services and projects, and carry out other activities under State law.

''(c) METROPOLITAN PLANNING AREA BOUNDARIES.—

''(1) IN GENERAL.—For the purposes of this section, the boundaries of a metropolitan planning area shall be determined by agreement between the metropolitan planning organization and the Governor.

''(2) INCLUDED AREA.—Each metropolitan planning area—

''(A) shall encompass at least the existing urbanized area and the contiguous area expected to become urbanized within a 20-year forecast period; and

''(B) may encompass the entire metropolitan statistical area or consolidated metropolitan statistical area, as defined by the Bureau of the Census.

''(3) EXISTING METROPOLITAN PLANNING AREAS IN NONATTAINMENT.—Notwithstanding paragraph (2), in the case of an area designated as a nonattainment area for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.), the boundaries of the metropolitan planning area in existence as of the date of enactment of the Intermodal Transportation Act of 1997, shall be retained, except that the boundaries may be adjusted by agreement of the affected metropolitan planning organizations and Governors in the manner described in subsection (b)(2).

''(4) NEW METROPOLITAN PLANNING AREAS IN NONATTAINMENT.—In the case of an urbanized area designated after the date of enactment of the Intermodal Transportation Act of 1997 as a nonattainment area for ozone or carbon monoxide, the boundaries of the metropolitan planning area—

''(A) shall be established by agreement between the appropriate units of general purpose local government (including the central city) and the Governor;

''(B) shall encompass at least the urbanized area and the contiguous area expected to become urbanized within a 20-year forecast period;

''(C) may encompass the entire metropolitan statistical area or consolidated metropolitan statistical area, as defined by the Bureau of the Census; and

''(D) may address any nonattainment area identified under the Clean Air Act (42 U.S.C. 7401 et seq.) for ozone or carbon monoxide.

''(d) COORDINATION IN MULTISTATE AREAS.—

''(1) IN GENERAL.—The Secretary shall encourage each Governor with responsibility for a portion of a multistate metropolitan area and the appropriate metropolitan planning organizations to provide coordinated transportation planning for the entire metropolitan area.

''(2) INTERSTATE COMPACTS.—The consent of Congress is granted to any 2 or more States—

''(A) to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative efforts and mutual

assistance in support of activities authorized under this section as the activities pertain to interstate areas and localities within the States; and

''(B) to establish such agencies, joint or otherwise, as the States may determine desirable for making the agreements and compacts effective.

''(e) COORDINATION OF METROPOLITAN PLANNING ORGANIZATIONS.—If more than 1 metropolitan planning organization has authority within a metropolitan planning area or an area that is designated as a nonattainment area for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.), each such metropolitan planning organization shall consult with the other metropolitan planning organizations designated for the area and the State in the development of plans and programs required by this section.

''(f) SCOPE OF PLANNING PROCESS.—The metropolitan transportation planning process for a metropolitan area under this section shall consider, as appropriate, the following:

''(1) Supporting the economic vitality of the metropolitan area, especially by enabling global competitiveness, productivity, and efficiency.

''(2) Increasing the safety and security of the transportation system for motorized and nonmotorized users.

''(3) Increasing the accessibility and mobility options available to people and for freight.

''(4) Protecting and enhancing the environment and promoting energy conservation and improved quality of life.

''(5) Enhancing the integration and connectivity of the transportation system, across and between modes, for people and freight.

''(6) Promoting efficient system management and operation.

''(7) Emphasizing the preservation of the existing transportation system.

''(g) DEVELOPMENT OF LONG-RANGE TRANSPORTATION PLAN.—

''(1) IN GENERAL.—

''(A) DEVELOPMENT.—In accordance with this subsection, each metropolitan planning organization shall develop, and update periodically, according to a schedule that the Secretary determines to be appropriate, a long-range transportation plan for its metropolitan area.

''(B) FORECAST PERIOD.—In developing long-range transportation plans, the metropolitan planning process shall address—

''(i) the considerations under subsection (f); and

''(ii) any State or local goals developed within the cooperative metropolitan planning process;

as they relate to a 20-year forecast period and to other forecast periods as determined by the participants in the planning process.

''(C) FUNDING ESTIMATES.—For the purpose of developing the long-range transportation plan, the State shall consult with the metropolitan planning organization and each public transit agency in developing estimates of funds that are reasonably expected to be available to support plan implementation.

''(2) LONG-RANGE TRANSPORTATION PLAN.—A long-range transportation plan under this subsection shall, at a minimum, contain—

''(A) an identification of transportation facilities (including major roadways and transit, multimodal, and intermodal facilities) that should function as a future integrated transportation system, giving emphasis to those facilities that serve important national, regional, and metropolitan transportation functions;

''(B) an identification of transportation strategies necessary to—

''(i) ensure preservation, including requirements for management, operation, modernization, and rehabilitation, of the existing and future transportation system; and

''(ii) make the most efficient use of existing transportation facilities to relieve congestion, to efficiently serve the mobility needs of people and goods, and to enhance access within the metropolitan planning area; and

''(C) a financial plan that demonstrates how the long-range transportation plan can be implemented, indicates total resources from public and private sources that are reasonably expected to be available to carry out the plan (without any requirement for indicating project-specific funding sources), and recommends any additional financing strategies for needed projects and programs.

''(3) COORDINATION WITH CLEAN AIR ACT AGENCIES.—In metropolitan areas that are in nonattainment for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.), the metropolitan planning organization shall coordinate the development of a long-range transportation plan with the process for development of the transportation control measures of the State implementation plan required by that Act.

''(4) PARTICIPATION BY INTERESTED PARTIES.—Before adopting a long-range transportation plan, each metropolitan planning organization shall provide citizens, affected public agencies, representatives of transportation agency employees, freight shippers, private providers of transportation, and other interested parties with a reasonable opportunity to comment on the long-range transportation plan.

''(5) PUBLICATION OF LONG-RANGE TRANSPORTATION PLAN.—Each long-range transportation plan prepared by a metropolitan planning organization shall be—

''(A) published or otherwise made readily available for public review; and

''(B) submitted for information purposes to the Governor at such times and in such manner as the Secretary shall establish.

''(h) METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM.—

''(1) DEVELOPMENT.—

''(A) IN GENERAL.—In cooperation with the State and any affected public transit operator, the metropolitan planning organization designated for a metropolitan area shall develop a transportation improvement program for the area for which the organization is designated.

''(B) OPPORTUNITY FOR COMMENT.—In developing the program, the metropolitan planning organization, in cooperation with the State and any affected public transit operator, shall provide citizens, affected public agencies, representatives of transportation agency employees, other affected employee representatives, freight shippers, private providers of transportation, and other interested parties with a reasonable opportunity to comment on the proposed program.

''(C) FUNDING ESTIMATES.—For the purpose of developing the transportation improvement program, the metropolitan planning organization, public transit agency, and State shall cooperatively develop estimates of funds that are reasonably expected to be available to support program implementation.

''(D) UPDATING AND APPROVAL.—The program shall be updated at least once every 2 years and shall be approved by the metropolitan planning organization and the Governor.

''(2) CONTENTS.—The transportation improvement program shall include—

''(A) a list, in order of priority, of proposed federally supported surface transportation projects and strategies to be carried out within each 3-year-period after the initial adoption of the transportation improvement program; and

''(B) a financial plan that—

''(i) demonstrates how the transportation improvement program can be implemented;

''(ii) indicates resources from public and private sources that are reasonably expected to be available to carry out the program (without any requirement for indicating project-specific funding sources); and

''(iii) identifies innovative financing techniques to finance projects, programs, and strategies (without any requirement for indicating project-specific funding sources).

''(3) INCLUDED PROJECTS.—

''(A) CHAPTER 1 AND CHAPTER 53 PROJECTS.—A transportation improvement program developed under this subsection for a metropolitan area shall include the projects and strategies within the area that are proposed for funding under chapter 1 of this title and chapter 53 of title 49.

''(B) CHAPTER 2 PROJECTS.—

''(i) REGIONALLY SIGNIFICANT PROJECTS.—Regionally significant projects proposed for funding under chapter 2 of this title shall be identified individually in the transportation improvement program.

''(ii) OTHER PROJECTS.—Projects proposed for funding under chapter 2 of this title that are not determined to be regionally significant shall be grouped in 1 line item or identified individually in the transportation improvement program.

''(C) CONSISTENCY WITH LONG-RANGE TRANSPORTATION PLAN.—Each project shall be consistent with the long-range transportation plan developed under subsection (g) for the area.

''(D) REQUIREMENT OF ANTICIPATED FULL FUNDING.—The program shall include a project, or an identified phase of a project, only if full funding can reasonably be anticipated to be available for the project within the time period contemplated for completion of the project.

''(4) NOTICE AND COMMENT.—Before approving a transportation improvement program, a metropolitan planning organization shall, in cooperation with the State and any affected public transit operator, provide citizens, affected public agencies, representatives of transportation agency employees, private providers of transportation, and other interested parties with reasonable notice of and an opportunity to comment on the proposed program.

''(5) SELECTION OF PROJECTS.—

''(A) IN GENERAL.—Except as otherwise provided in subsection (i)(4) and in addition to the transportation improvement program development required under paragraph (1), the selection of federally funded projects for implementation in metropolitan areas shall be carried out, from the approved transportation improvement program—

''(i) by—

''(I) in the case of projects under chapter 1, the State; and

''(II) in the case of projects under chapter 53 of title 49, the designated transit funding recipients; and

''(ii) in cooperation with the metropolitan planning organization.

''(B) MODIFICATIONS TO PROJECT PRIORITY.—Notwithstanding any other provision of law, action by the Secretary shall not be required to advance a project included in the approved transportation improvement program in place of another project of higher priority in the program.

''(i) TRANSPORTATION MANAGEMENT AREAS.—

''(1) DESIGNATION.—

''(A) REQUIRED DESIGNATIONS.—The Secretary shall designate as a transportation management area each urbanized area with a population of over 200,000 individuals.

''(B) DESIGNATIONS ON REQUEST.—The Secretary shall designate any additional area as a transportation management area on the request of the Governor and the metropolitan planning organization designated for the area.

''(2) TRANSPORTATION PLANS AND PROGRAMS.—Within a transportation management area, transportation plans and programs shall be based on a continuing and comprehensive transportation planning process carried out by the metropolitan planning organization in cooperation with the State and any affected public transit operator.

''(3) CONGESTION MANAGEMENT SYSTEM.—Within a transportation management area, the transportation planning process under this section shall include a congestion management system that provides for effective management of new and existing transportation facilities eligible for funding under this title and chapter 53 of title 49 through the use of travel demand reduction and operational management strategies.

''(4) SELECTION OF PROJECTS.—

''(A) IN GENERAL.—In addition to the transportation improvement program development required under subsection (h)(1), all federally funded projects carried out within the boundaries of a transportation management area under this title (excluding projects carried out on the National Highway System) or under chapter 53 of title 49 shall be selected for implementation from the approved transportation improvement program by the metropolitan planning organization designated for the area in consultation with the State and any affected public transit operator.

''(B) NATIONAL HIGHWAY SYSTEM PROJECTS.—Projects carried out within the boundaries of a transportation management area on the National Highway System shall be selected for implementation from the approved transportation improvement program by the State in cooperation with the metropolitan planning organization designated for the area.

''(5) CERTIFICATION.—

''(A) IN GENERAL.—The Secretary shall—

''(i) ensure that the metropolitan planning process in each transportation management area is being carried out in accordance with applicable provisions of Federal law; and

''(ii) subject to subparagraph (B), certify, not less often than once every 3 years, that the requirements of this paragraph are met with respect to the transportation management area.

''(B) REQUIREMENTS FOR CERTIFICATION.—The Secretary may make the certification under subparagraph (A) if—

''(i) the transportation planning process complies with the requirements of this section and other applicable requirements of Federal law; and

''(ii) there is a transportation improvement program for the area that has been approved by the metropolitan planning organization and the Governor.

''(C) EFFECT OF FAILURE TO CERTIFY.—

''(i) WITHHOLDING OF FUNDS.—If a metropolitan planning process is not certified, the Secretary may withhold up to 20 percent of the apportioned funds attributable to the transportation management area under this title and chapter 53 of title 49.

''(ii) RESTORATION OF WITHHELD FUNDS.—The withheld apportionments shall be restored to the metropolitan area at such time as the metropolitan planning organization is certified by the Secretary.

''(iii) FEASIBILITY OF PRIVATE ENTERPRISE PARTICIPATION.—The Secretary shall not withhold certification under this paragraph based on the policies and criteria established by a metropolitan planning organization or transit grant recipient for determining the feasibility of private enterprise participation in accordance with section 5306(a) of title 49.

''(j) ABBREVIATED PLANS AND PROGRAMS FOR CERTAIN AREAS.—

''(1) IN GENERAL.—Subject to paragraph (2), in the case of a metropolitan area not designated as a transportation management area under this section, the Secretary may provide for the development of an abbreviated metropolitan transportation plan and program that the Secretary determines is appropriate to achieve the purposes of this section, taking into account the complexity of transportation problems in the area.

''(2) NONATTAINMENT AREAS.—The Secretary may not permit abbreviated plans or programs for a metropolitan area that is in nonattainment for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.).

''(k) ADDITIONAL REQUIREMENTS FOR CERTAIN NONATTAINMENT AREAS.—

''(1) IN GENERAL.—Notwithstanding any other provision of this title or chapter 53 of title 49, in the case of a transportation management area classified as nonattainment for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.), Federal funds may not be programmed in the area for any highway project that will result in a significant increase in carrying capacity for single occupant vehicles unless the project results from an approved congestion management system.

''(2) APPLICABILITY.—This subsection applies to a nonattainment area within the metropolitan planning area boundaries determined under subsection (c).

''(l) LIMITATION.—Nothing in this section confers on a metropolitan planning organization the authority to impose any legal requirement on any transportation facility, provider, or project not eligible for assistance under this title or chapter 53 of title 49.

''(m) FUNDING.—

''(1) IN GENERAL.—Funds set aside under section 104(f) of this title and section 5303 of title 49 shall be available to carry out this section.

''(2) UNUSED FUNDS.—Any funds that are not used to carry out this section may be made available by the metropolitan planning organization to the State to fund activities under section 135.''.

(b) TECHNICAL AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 134 and inserting the following:

''134. Metropolitan planning.''.

SEC. 1602. STATEWIDE PLANNING.

Section 135 of title 23, United States Code, is amended to read as follows:

''§ 135. Statewide planning

''(a) GENERAL REQUIREMENTS.—

''(1) FINDINGS.—It is in the national interest to encourage and promote the safe and efficient management, operation, and development of surface transportation systems that will serve the mobility needs of people and freight throughout each State.

''(2) DEVELOPMENT OF PLANS AND PROGRAMS.—Subject to section 134 of this title and sections 5303 through 5305 of title 49, each State shall develop transportation plans and programs for all areas of the State.

''(3) CONTENTS.—The plans and programs for each State shall provide for the development and integrated management and operation of transportation systems (including pedestrian walkways and bicycle transportation facilities) that will function as an intermodal State transportation system and an integral part of the intermodal transportation system of the United States.

''(4) PROCESS OF DEVELOPMENT.—The process for developing the plans and programs shall provide for consideration of all modes of transportation and shall be continuing, cooperative, and comprehensive to the degree appropriate, based on the complexity of the transportation problems to be addressed.

''(b) SCOPE OF PLANNING PROCESS.—Each State shall carry out a transportation planning process that shall consider, as appropriate, the following:

''(1) Supporting the economic vitality of the United States, the States, and metropolitan areas, especially by enabling global competitiveness, productivity, and efficiency.

''(2) Increasing the safety and security of the transportation system for motorized and nonmotorized users.

''(3) Increasing the accessibility and mobility options available to people and for freight.

''(4) Protecting and enhancing the environment and promoting energy conservation and improved quality of life.

''(5) Enhancing the integration and connectivity of the transportation system, across and between modes throughout the State, for people and freight.

''(6) Promoting efficient system management and operation.

''(7) Emphasizing the preservation of the existing transportation system.

''(c) COORDINATION WITH METROPOLITAN PLANNING; STATE IMPLEMENTATION PLAN.—In carrying out planning under this section, a State shall—

''(1) coordinate the planning with the transportation planning activities carried out under section 134 for metropolitan areas of the State; and

''(2) carry out the responsibilities of the State for the development of the transportation portion of the State air quality implementation plan to the extent required by the Clean Air Act (42 U.S.C. 7401 et seq.).

''(d) ADDITIONAL REQUIREMENTS.—In carrying out planning under this section, each State shall, at a minimum, consider—

''(1) with respect to nonmetropolitan areas, the concerns of local elected officials representing units of general purpose local government;

''(2) the concerns of Indian tribal governments and Federal land management agencies that have jurisdiction over land within the boundaries of the State; and

''(3) coordination of transportation plans, programs, and planning activities with related planning activities being carried out outside of metropolitan planning areas.

''(e) LONG-RANGE TRANSPORTATION PLAN.—

''(1) DEVELOPMENT.—Each State shall develop a long-range transportation plan, with a minimum 20-year forecast period, for all areas of the State, that provides for the development and implementation of the intermodal transportation system of the State.

''(2) CONSULTATION WITH GOVERNMENTS.—

''(A) METROPOLITAN AREAS.—With respect to each metropolitan area in the State, the plan shall be developed in cooperation with the metropolitan planning organization designated for the metropolitan area under section 134 of this title and section 5305 of title 49.

''(B) NONMETROPOLITAN AREAS.—With respect to each nonmetropolitan area, the plan shall be developed in consultation with local elected officials representing units of general purpose local government.

''(C) INDIAN TRIBAL AREAS.—With respect to each area of the State under the jurisdiction of an Indian tribal government, the plan shall be developed in consultation with the tribal government and the Secretary of the Interior.

''(3) PARTICIPATION BY INTERESTED PARTIES.—In developing the plan, the State shall—

''(A) provide citizens, affected public agencies, representatives of transportation agency employees, other affected employee representatives, freight shippers, private providers of transportation, and other interested parties with a reasonable opportunity to comment on the proposed plan; and

''(B) identify transportation strategies necessary to efficiently serve the mobility needs of people.

''(f) STATE TRANSPORTATION IMPROVEMENT PROGRAM.—

''(1) DEVELOPMENT.—

''(A) IN GENERAL.—The State shall develop a transportation improvement program for all areas of the State.

''(B) CONSULTATION WITH GOVERNMENTS.—

''(i) METROPOLITAN AREAS.—With respect to each metropolitan area in the State, the program shall be developed in cooperation with the metropolitan planning organization designated for the metropolitan area under section 134 of this title and section 5305 of title 49.

''(ii) NONMETROPOLITAN AREAS.—With respect to each nonmetropolitan area in the State, the program shall be developed in consultation with units of general purpose local government.

''(iii) INDIAN TRIBAL AREAS.—With respect to each area of the State under the jurisdiction of an Indian tribal government, the program shall be developed in consultation with the tribal government and the Secretary of the Interior.

''(C) PARTICIPATION BY INTERESTED PARTIES.—In developing the program, the Governor shall provide citizens, affected public agencies, representatives of transportation agency employees, other affected employee representatives, freight shippers, private providers of transportation, and other interested parties with a reasonable opportunity to comment on the proposed program.

''(2) INCLUDED PROJECTS.—

''(A) IN GENERAL.—A transportation improvement program developed under this subsection for a State shall include federally supported surface transportation expenditures within the boundaries of the State.

''(B) CHAPTER 2 PROJECTS.—

''(i) REGIONALLY SIGNIFICANT PROJECTS.—Regionally significant projects proposed for funding under chapter 2 shall be identified individually.

''(ii) OTHER PROJECTS.—Projects proposed for funding under chapter 2 that are not determined to be regionally significant shall be grouped in 1 line item or identified individually.

''(C) CONSISTENCY WITH LONG-RANGE TRANSPORTATION PLAN.—Each project shall—

''(i) be consistent with the long-range transportation plan developed under this section for the State;

''(ii) be identical to the project as described in an approved metropolitan transportation improvement program; and

''(iii) be in conformance with the applicable State air quality implementation plan developed under the Clean Air Act (42 U.S.C. 7401 et seq.), if the project is carried out in an area designated as nonattainment for ozone or carbon monoxide under that Act.

''(D) REQUIREMENT OF ANTICIPATED FULL FUNDING.—

''(i) IN GENERAL.—The program shall include a project, or an identified phase of a project, only if full funding can reasonably be anticipated to be available for the project within the time period contemplated for completion of the project.

''(ii) LIMITATION.—Clause (i) does not require the indication of project-specific funding sources.

''(E) PRIORITIES.—The program shall reflect the priorities for programming and expenditures of funds, including transportation enhancements, required by this title.

''(3) PROJECT SELECTION FOR AREAS OF LESS THAN 50,000 POPULATION.—

''(A) IN GENERAL.—Projects carried out in areas with populations of less than 50,000 individuals (excluding projects carried out on the National Highway System) shall be selected, from the approved statewide transportation improvement program, by the State in cooperation with the affected local officials.

''(B) NATIONAL HIGHWAY SYSTEM PROJECTS.—Projects carried out in areas described in subparagraph (A) on the National Highway System shall be selected, from the approved statewide transportation improvement program, by the State in consultation with the affected local officials.

''(4) BIENNIAL REVIEW AND APPROVAL.—A transportation improvement program developed under this subsection shall be reviewed and, on a finding that the planning process through which the program was developed is consistent with this section and section 134, approved not less frequently than biennially by the Secretary.

''(5) MODIFICATIONS TO PROJECT PRIORITY.—Notwithstanding any other provision of law, action by the Secretary shall not be required to advance a project included in the approved statewide transportation improvement program in place of another project of higher priority in the program.

''(g) FUNDING.—Funds set aside under section 505 of this title and section 5313(b) of title 49 shall be available to carry out this section.

''(h) CONTINUATION OF CURRENT REVIEW PRACTICE.—Since plans and programs described in this section or section 134 are subject to a reasonable opportunity for public comment, since individual projects included in the plans and programs are subject to review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and since decisions by the Secretary concerning plans and programs described in this section have not been reviewed under that Act as of January 1, 1997, any decision by the Secretary concerning a plan or program described in this section or section 134 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.).''.

SEC. 1603. ADVANCED TRAVEL FORECASTING PROCEDURES PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish an advanced travel forecasting procedures program—

(1) to provide for completion of the advanced transportation model developed under the Transportation Analysis Simulation System (referred to in this section as ''TRANSIMS''); and

(2) to provide support for early deployment of the advanced transportation modeling computer software and graphics package developed under TRANSIMS and the program established under this section to States, local governments, and metropolitan planning organizations with responsibility for travel modeling.

(b) ELIGIBLE ACTIVITIES.—The Secretary shall use funds made available under this section to—

(1) provide funding for completion of core development of the advanced transportation model;

(2) develop user-friendly advanced transportation modeling computer software and graphics packages;

(3) provide training and technical assistance with respect to the implementation and application of the advanced transportation model to States, local governments, and metropolitan planning organizations with responsibility for travel modeling; and

(4) allocate funds to not more than 12 entities described in paragraph (3) for a pilot program to enable transportation management areas designated under section 134(i) of title 23, United States Code, to convert from the use of travel forecasting procedures in use by the areas as of the date of enactment of this section to the use of the advanced transportation model.

(c) AUTHORIZATION OF CONTRACT AUTHORITY.—

(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $4,000,000 for fiscal year 1998, $3,000,000 for fiscal year 1999, $6,500,000 for fiscal year 2000, $5,000,000 for fiscal year 2001, $4,000,000 for fiscal year 2002, and $2,500,000 for fiscal year 2003.

(2) ALLOCATION OF FUNDS.—

(A) FISCAL YEARS 1998 AND 1999.—For each of fiscal years 1998 and 1999, 100 percent of the funds made available under paragraph (1) shall be allocated to activities in described in paragraphs (1), (2), and (3) of subsection (b).

(B) FISCAL YEARS 2000 THROUGH 2003.—For each of fiscal years 2000 through 2003, not more than 50 percent of the funds made available under paragraph (1) may be allocated to activities described in subsection (b)(4).

(3) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of—

(A) any activity described in paragraph (1), (2), or (3) of subsection (b) shall not exceed 100 percent; and

(B) any activity described in subsection (b)(4) shall not exceed 80 percent.

SEC. 1604. TRANSPORTATION AND COMMUNITY AND SYSTEM PRESERVATION PILOT PROGRAM.

(a) ESTABLISHMENT.—In cooperation with appropriate State, regional, and local governments, the Secretary shall establish a comprehensive initiative to investigate and address the relationships between transportation and community and system preservation.

(b) RESEARCH.—

(1) IN GENERAL.—In cooperation with appropriate Federal agencies, State, regional, and local governments, and other entities eligible for assistance under subsection (d), the Secretary shall carry out a comprehensive research program to investigate the relationships between transportation, community preservation, and the environment.

(2) REQUIRED ELEMENTS.—The program shall provide for monitoring and analysis of projects carried out with funds made available to carry out subsections (c) and (d).

(c) PLANNING.—

(1) IN GENERAL.—The Secretary may allocate funds made available to carry out this subsection to States, metropolitan planning organizations, and local governments to plan, develop, and implement strategies to integrate transportation and community and system preservation plans and practices.

(2) PURPOSES.—The purposes of the allocations shall be—

(A) to improve the efficiency of the transportation system;

(B) to reduce the impacts of transportation on the environment;

(C) to reduce the need for costly future investments in public infrastructure; and

(D) to provide efficient access to jobs, services, and centers of trade.

(3) CRITERIA.—In allocating funds made available to carry out this subsection, the

Secretary shall give priority to applicants that—

(A) propose projects for funding that address the purposes described in paragraph (2);

(B) demonstrate a commitment to public involvement, including involvement of nontraditional partners in the project team; and

(C) demonstrate a commitment of non-Federal resources to the proposed projects.

(d) ALLOCATION OF FUNDS FOR IMPLEMENTATION.—

(1) IN GENERAL.—The Secretary may allocate funds made available to carry out this subsection to States, metropolitan planning organizations, and local governments to carry out projects to address transportation efficiency and community and system preservation.

(2) CRITERIA.—In allocating funds made available to carry out this subsection, the Secretary shall give priority to applicants that—

(A) have instituted preservation or development plans and programs that—

(i) meet the requirements of title 23 and chapter 53 of title 49, United States Code; and

(ii) are—

(I) coordinated with adopted preservation or development plans; or

(II) intended to promote strategic investments in transportation infrastructure;

(B) have instituted other policies to integrate transportation and community and system preservation practices, such as—

(i) spending policies that direct funds to high-growth areas;

(ii) urban growth boundaries to guide metropolitan expansion;

(iii) ''green corridors'' programs that provide access to major highway corridors for areas targeted for efficient and compact development; or

(iv) other similar programs or policies as determined by the Secretary;

(C) have preservation or development policies that include a mechanism for reducing potential impacts of transportation activities on the environment; and

(D) propose projects for funding that address the purposes described in subsection (c)(2).

(3) USE OF ALLOCATED FUNDS.—

(A) IN GENERAL.—An allocation of funds made available to carry out this subsection shall be used by the recipient to implement the projects proposed in the application to the Secretary.

(B) TYPES OF PROJECTS.—The allocation of funds shall be available for obligation for—

(i) any project eligible for funding under title 23 or chapter 53 of title 49, United States Code; or

(ii) any other activity relating to transportation and community and system preservation that the Secretary determines to be appropriate, including corridor preservation activities that are necessary to implement—

(I) transit-oriented development plans;

(II) traffic calming measures; or

(III) other coordinated transportation and community and system preservation practices.

(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $20,000,000 for each of fiscal years 1998 through 2003.

(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

Subtitle G—Technical Corrections

SEC. 1701. FEDERAL-AID SYSTEMS.

(a) IN GENERAL.—Section 103 of title 23, United States Code, is amended to read as follows:

''§ 103. Federal-aid systems

''(a) IN GENERAL.—For the purposes of this title, the Federal-aid systems are the Interstate System and the National Highway System.

''(b) NATIONAL HIGHWAY SYSTEM.—

''(1) DESCRIPTION.—The National Highway System consists of an interconnected system of major routes and connectors that—

''(A) serve major population centers, international border crossings, ports, airports, public transportation facilities, and other intermodal transportation facilities and other major travel destinations;

''(B) meet national defense requirements; and

''(C) serve interstate and interregional travel.

''(2) COMPONENTS.—The National Highway System consists of the following:

''(A) The Interstate System described in subsection (c).

''(B) Other urban and rural principal arterial routes.

''(C) Other connector highways (including toll facilities) that provide motor vehicle access between arterial routes on the National Highway System and a major intermodal transportation facility.

''(D) A strategic highway network consisting of a network of highways that are important to the United States strategic defense policy and that provide defense access, continuity, and emergency capabilities for the movement of personnel, materials, and equipment in both peacetime and wartime. The highways may be highways on or off the Interstate System and shall be designated by the Secretary in consultation with appropriate Federal agencies and the States.

''(E) Major strategic highway network connectors consisting of highways that provide motor vehicle access between major military installations and highways that are part of the strategic highway network. The highways shall be designated by the Secretary in consultation with appropriate Federal agencies and the States.

''(3) MAXIMUM MILEAGE.—The mileage of highways on the National Highway System shall not exceed 178,250 miles.

''(4) MODIFICATIONS TO NHS.—

''(A) IN GENERAL.—The Secretary may make any modification, including any modification consisting of a connector to a major intermodal terminal, to the National Highway System that is proposed by a State or that is proposed by a State and revised by the Secretary if the Secretary determines that the modification—

''(i) meets the criteria established for the National Highway System under this title; and

''(ii) enhances the national transportation characteristics of the National Highway System.

''(B) COOPERATION.—

''(i) IN GENERAL.—In proposing a modification under this paragraph, a State shall cooperate with local and regional officials.

''(ii) URBANIZED AREAS.—In an urbanized area, the local officials shall act through the metropolitan planning organization designated for the area under section 134.

''(c) INTERSTATE SYSTEM.—

''(1) DESCRIPTION.—

''(A) IN GENERAL.—The Dwight D. Eisenhower National System of Interstate and Defense Highways within the United States (including the District of Columbia and Puerto Rico), consists of highways—

''(i) designed—

''(I) in accordance with the standards of section 109(b); or

''(II) in the case of highways in Alaska and Puerto Rico, in accordance with such geometric and construction standards as are adequate for current and probable future traffic demands and the needs of the locality of the highway; and

''(ii) located so as—

''(I) to connect by routes, as direct as practicable, the principal metropolitan areas, cities, and industrial centers;

''(II) to serve the national defense; and

''(III) to the maximum extent practicable, to connect at suitable border points with routes of continental importance in Canada and Mexico.

''(B) SELECTION OF ROUTES.—To the maximum extent practicable, each route of the Interstate System shall be selected by joint action of the State transportation agencies of the State in which the route is located and the adjoining States, in cooperation with local and regional officials, and subject to the approval of the Secretary.

''(2) MAXIMUM MILEAGE.—The mileage of highways on the Interstate System shall not exceed 43,000 miles, exclusive of designations under paragraph (4).

''(3) MODIFICATIONS.—The Secretary may approve or require modifications to the Interstate System in a manner consistent with the policies and procedures established under this subsection.

''(4) INTERSTATE SYSTEM DESIGNATIONS.—

''(A) ADDITIONS.—If the Secretary determines that a highway on the National Highway System meets all standards of a highway on the Interstate System and that the highway is a logical addition or connection to the Interstate System, the Secretary may, upon the affirmative recommendation of the State or States in which the highway is located, designate the highway as a route on the Interstate System.

''(B) DESIGNATIONS AS FUTURE INTERSTATE SYSTEM ROUTES.—

''(i) IN GENERAL.—If the Secretary determines that a highway on the National Highway System would be a logical addition or connection to the Interstate System and would qualify for designation as a route on the Interstate System under subparagraph (A), the Secretary may, upon the affirmative recommendation of the State or States in which the highway is located, designate the highway as a future Interstate System route.

''(ii) WRITTEN AGREEMENT OF STATES.—A designation under clause (i) shall be made only upon the written agreement of the State or States described in that clause that the highway will be constructed to meet all standards of a highway on the Interstate System by the date that is 12 years after the date of the agreement.

''(iii) REMOVAL OF DESIGNATION.—

''(I) IN GENERAL.—If the State or States described in clause (i) have not substantially completed the construction of a highway designated under this subparagraph within the time provided for in the agreement between the Secretary and the State or States under clause (ii), the Secretary shall remove the designation of the highway as a future Interstate System route.

''(II) EFFECT OF REMOVAL.—Removal of the designation of a highway under subclause (I) shall not preclude the Secretary from designating the highway as a route on the Interstate System under subparagraph (A) or under any other provision of law providing for addition to the Interstate System.

''(iv) PROHIBITION ON REFERRAL AS INTERSTATE SYSTEM ROUTE.—No law, rule, regulation, map, document, or other record of the United States, or of any State or political subdivision of a State, shall refer to any highway designated as a future Interstate

System route under this subparagraph, nor shall any such highway be signed or marked, as a highway on the Interstate System until such time as the highway is constructed to the geometric and construction standards for the Interstate System and has been designated as a route on the Interstate System.

''(C) FINANCIAL RESPONSIBILITY.—

''(i) IN GENERAL.—Except as provided in clause (ii), the designation of a highway under this paragraph shall create no additional Federal financial responsibility with respect to the highway.

''(ii) CERTAIN HIGHWAYS.—Subject to section 119(b)(1)(B), a State may use funds available to the State under paragraphs (1) and (3) of section 104(b) for the resurfacing, restoration, rehabilitation, and reconstruction of a highway—

''(I) designated before March 9, 1984, as a route on the Interstate System under subparagraph (A) or as a future Interstate System route under subparagraph (B); or

''(II) in Alaska or Puerto Rico designated under subparagraph (A).

''(d) TRANSFER OF INTERSTATE CONSTRUCTION FUNDS.—

''(1) INTERSTATE CONSTRUCTION FUNDS NOT IN SURPLUS.—

''(A) IN GENERAL.—Upon application by a State and approval by the Secretary, the Secretary may transfer to the apportionment of the State under section 104(b)(1) any amount of funds apportioned to the State under section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Intermodal Transportation Act of 1997), if the amount does not exceed the Federal share of the costs of construction of segments of the Interstate System in the State included in the most recent Interstate System cost estimate.

''(B) EFFECT OF TRANSFER.—Upon transfer of an amount under subparagraph (A), the construction on which the amount is based, as included in the most recent Interstate System cost estimate, shall be ineligible for funding under section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Intermodal Transportation Act of 1997) or 104(k).

''(2) SURPLUS INTERSTATE CONSTRUCTION FUNDS.—Upon application by a State and approval by the Secretary, the Secretary may transfer to the apportionment of the State under section 104(b)(1) any amount of surplus funds apportioned to the State under section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Intermodal Transportation Act of 1997), if the State has fully financed all work eligible under the most recent Interstate System cost estimate.

''(3) APPLICABILITY OF CERTAIN LAWS.—Funds transferred under this subsection shall be subject to the laws (including regulations, policies, and procedures) relating to the apportionment to which the funds are transferred.

''(e) UNOBLIGATED BALANCES OF INTERSTATE SUBSTITUTE FUNDS.—Unobligated balances of funds apportioned to a State under section 103(e)(4)(H) (as in effect on the day before the date of enactment of the Intermodal Transportation Act of 1997) shall be available for obligation by the State under the law (including regulations, policies, and procedures) relating to the obligation and expenditure of the funds in effect on that date.''.

(b) CONFORMING AMENDMENTS.—

(1)(A) Section 101(a) of title 23, United States Code, is amended in the undesignated paragraph defining ''Interstate System'' by striking ''subsection (e) of section 103 of this title'' and inserting ''section 103(c)''.

(B) Section 104(f)(1) of title 23, United States Code, is amended by striking '', except that'' and all that follows through ''programs''.

(C) Section 115(a) of title 23, United States Code, is amended—

(i) in the subsection heading, by striking ''SUBSTITUTE,''; and

(ii) in paragraph (1)(A)(i), by striking ''103(e)(4)(H),'';

(D) Section 118 of title 23, United States Code (as amended by section 1118(b)), is amended—

(i) by striking subsection (d); and

(ii) by redesignating subsections (e), (f), and (g) (as added by section 1103(d)) as subsections (c), (d), and (e), respectively.

(E) Section 129(b) of title 23, United States Code, is amended in the first sentence by striking ''which has been'' and all that follows through ''and has not'' and inserting ''which is a public road and has not''.

(2)(A) Section 139 of title 23, United States Code, is repealed.

(B) The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 139.

(C) Section 119(a) of title 23, United States Code, is amended in the first sentence—

(i) by striking ''sections 103 and 139(c) of this title'' and inserting ''section 103(c)(1) and, in Alaska and Puerto Rico, under section 103(c)(4)(A)''; and

(ii) by striking ''section 139 (a) and (b) of this title'' and inserting ''subparagraphs (A) and (B) of section 103(c)(4)''.

(D) Section 127(f) of title 23, United States Code, is amended by striking ''section 139(a)'' and inserting ''section 103(c)(4)(A)''.

(E) Section 1105(e)(5) of the Intermodal Surface Transportation Efficiency Act of 1991 (109 Stat. 597) is amended by striking subparagraph (B) and inserting the following:

''(B) TREATMENT OF SEGMENTS.—Subject to subparagraph (C), segments designated as parts of the Interstate System under this paragraph shall be treated in the same manner as segments designated under section 103(c)(4)(A) of title 23, United States Code.''.

SEC. 1702. MISCELLANEOUS TECHNICAL CORRECTIONS.

(a) DEFINITIONS AND DECLARATION OF POLICY.—

(1) CREATION OF POLICY SECTION.—Section 102 of title 23, United States Code, is amended—

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

''§ 102. Declaration of policy'';

(B) by redesignating subsection (a) as subsection (c) and moving that subsection to the end of section 146; and

(C) by redesignating subsection (b) as subsection (f) and moving that subsection to the end of section 118 (as amended by section 1701(b)(1)(D)(ii)).

(2) TRANSFER OF POLICY PROVISIONS.—Section 101 of title 23, United States Code, is amended—

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

''§ 101. Definitions'';

(B) in subsection (a), by striking ''(a)'';

(C) by striking subsection (b); and

(D) by redesignating subsections (c) through (e) as subsections (a) through (c), respectively, and moving those subsections to section 102 (as amended by paragraph (1)).

(3) CONFORMING AMENDMENTS.—

(A) The analysis for chapter 1 of title 23, United States Code, is amended by striking the items relating to sections 101 and 102 and inserting the following:

''101. Definitions.
''102. Declaration of policy.''.

(B) Section 47107(j)(1)(B) of title 49, United States Code, is amended by striking ''section 101(a)'' and inserting ''section 101''.

(b) ADVANCE CONSTRUCTION.—Section 115 of title 23, United States Code, is amended—

(1) in subsection (b)—

(A) by striking ''PROJECTS'' and all that follows through ''When a State'' and inserting ''PROJECTS.—When a State'';

(B) by striking paragraphs (2) and (3); and

(C) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and indenting appropriately;

(2) by striking subsection (c);

(3) in subsection (d), by striking ''section 135(f)'' and inserting ''section 135''; and

(4) by redesignating subsection (d) as subsection (c).

(c) MAINTENANCE.—Section 116 of title 23, United States Code, is amended—

(1) in subsection (a), by striking the second sentence;

(2) by striking subsection (b);

(3) in subsection (c)—

(A) in the first sentence, by striking ''he'' and inserting ''the Secretary''; and

(B) in the second sentence, by striking ''further projects'' and inserting ''further expenditure of Federal-aid highway program funds''; and

(4) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(d) INTERSTATE MAINTENANCE PROGRAM.—Section 119(a) of title 23, United States Code, is amended in the first sentence by striking ''the date of enactment of this sentence'' and inserting ''March 9, 1984''.

(e) ADVANCES TO STATES.—Section 124 of title 23, United States Code, is amended—

(1) by striking ''(a)''; and

(2) by striking subsection (b).

(f) DIVERSION.—

(1) IN GENERAL.—Section 126 of title 23, United States Code, is repealed.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 126.

(g) RAILWAY-HIGHWAY CROSSINGS.—Section 130(f) of title 23, United States Code, is amended by striking ''APPORTIONMENT'' and all that follows through the first sentence and inserting ''FEDERAL SHARE.—''.

(h) SURFACE TRANSPORTATION PROGRAM.—Section 133(a) of title 23, United States Code, is amended by striking ''ESTABLISHMENT.—The Secretary shall establish'' and inserting ''IN GENERAL.—The Secretary shall carry out''.

(i) CONTROL OF JUNKYARDS.—Section 136 of title 23, United States Code, is amended by striking subsection (m) and inserting the following:

''(m) PRIMARY SYSTEM DEFINED.—For purposes of this section, the term 'primary system' means the Federal-aid primary system in existence on June 1, 1991, and any highway which is not on such system but which is on the National Highway System.''.

(j) FRINGE AND CORRIDOR PARKING FACILITIES.—Section 137(a) of title 23, United States Code, is amended in the first sentence by striking ''on the Federal-aid urban system'' and inserting ''on a Federal-aid highway''.

(k) NONDISCRIMINATION.—Section 140 of title 23, United States Code, is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking ''subsection (a) of section 105 of this title,'' and inserting ''section 106(a),'';

(B) by striking ''he'' each place it appears and inserting ''the Secretary'';

(C) in the second sentence, by striking ''He'' and inserting ''The Secretary'';

(D) in the third sentence, by striking ''In approving programs for projects on any of the Federal-aid systems,'' and inserting ''Before approving any project under section 106(a),''; and

(E) in the last sentence, by striking ''him'' and inserting ''the Secretary'';

(2) by striking subsection (b);

(3) in the subsection heading of subsection (d), by striking ''AND CONTRACTING''; and

(4) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(l) PRIORITY PRIMARY ROUTES.—

(1) IN GENERAL.—Section 147 of title 23, United States Code, is repealed.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 147.

(m) DEVELOPMENT OF A NATIONAL SCENIC AND RECREATIONAL HIGHWAY.—

(1) IN GENERAL.—Section 148 of title 23, United States Code, is repealed.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 148.

(n) HAZARD ELIMINATION PROGRAM.—Section 152(e) of title 23, United States Code, is amended by striking ''apportioned to'' in the first sentence and all that follows through ''shall be'' in the second sentence.

(o) ACCESS HIGHWAYS TO PUBLIC RECREATION AREAS ON CERTAIN LAKES.—

(1) IN GENERAL.—Section 155 of title 23, United States Code, is repealed.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 155.

SEC. 1703. NONDISCRIMINATION.

(a) IN GENERAL.—Section 324 of title 23, United States Code, is amended—

(1) by inserting ''(d) PROHIBITION OF DISCRIMINATION ON THE BASIS OF SEX.—'' before ''No person''; and

(2) by moving subsection (d) (as designated by paragraph (1)) to the end of section 140 (as amended by section 1702(k)).

(b) CONFORMING AMENDMENTS.—

(1) Section 324 of title 23, United States Code, is repealed.

(2) The analysis for chapter 3 of title 23, United States Code, is amended by striking the item relating to section 324.

SEC. 1704. STATE TRANSPORTATION DEPARTMENT.

(a) IN GENERAL.—Section 302 of title 23, United States Code, is amended—

(1) in subsection (a)—

(A) by striking ''(a)'';

(B) by striking the second sentence; and

(C) by adding at the end the following: ''Compliance with this section shall have no effect on the eligibility of costs.''; and

(2) by striking subsection (b).

(b) CONFORMING AMENDMENTS.—

(1) Title 23, United States Code, is amended—

(A) by striking ''State highway department'' each place it appears and inserting ''State transportation department''; and

(B) by striking ''State highway departments'' each place it appears and inserting ''State transportation departments''.

(2) The analysis for chapter 3 of title 23, United States Code, is amended in the item relating to section 302 by striking ''highway'' and inserting ''transportation''.

(3) Section 302 of title 23, United States Code, is amended in the section heading by striking ''**highway**'' and inserting ''**transportation**''.

(4) Section 410(h)(5) of title 23, United States Code, is amended in the paragraph heading by striking ''HIGHWAY'' and inserting ''TRANSPORTATION''.

(5) Section 201(b) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the second sentence by striking ''State highway department'' and inserting ''State transportation department''.

(6) Section 138(c) of the Surface Transportation Assistance Act of 1978 (40 U.S.C. App. note to section 201 of the Appalachian Regional Development Act of 1965; Public Law 95–599) is amended in the first sentence by striking ''State highway department'' and inserting ''State transportation department''.

TITLE II—RESEARCH AND TECHNOLOGY

Subtitle A—Research and Training

SEC. 2001. STRATEGIC RESEARCH PLAN.

Subtitle III of title 49, United States Code, is amended—

(1) in the table of chapters, by inserting after the item relating to chapter 51 the following:

''52. RESEARCH AND DEVELOPMENT .. 5201''; and

(2) by inserting after chapter 51 the following:

''CHAPTER 52—RESEARCH AND DEVELOPMENT

''§ 5201. Definitions

''In this chapter:

''(1) DEPARTMENT.—The term 'Department' means the Department of Transportation.

''(2) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

''SUBCHAPTER I—GENERAL AND ADMINISTRATIVE PROVISIONS

''§ 5211. Transactional authority

''To further the objectives of this chapter, the Secretary may make grants to, and enter into contracts, cooperative agreements, and other transactions with—

''(1) any person or any agency or instrumentality of the United States;

''(2) any unit of State or local government;

''(3) any educational institution; and

''(4) any other entity.

''SUBCHAPTER II—STRATEGIC PLANNING

''§ 5221. Strategic planning

''(a) AUTHORITY.—The Secretary shall establish a strategic planning process to—

''(1) determine national transportation research, development, and technology deployment priorities, strategies, and milestones over the next 5 years;

''(2) coordinate Federal transportation research, development, and technology deployment activities; and

''(3) measure the impact of the research, development, and technology investments described in paragraph (2) on the performance of the transportation system of the United States.

''(b) CRITERIA.—In developing strategic plans for intermodal, multimodal, and mode-specific research, development, and technology deployment, the Secretary shall consider the need to—

''(1) coordinate and integrate Federal, regional, State, and metropolitan planning research, development, and technology activities in urban and rural areas;

''(2) promote standards that facilitate a seamless and interoperable transportation system;

''(3) encourage innovation;

''(4) identify and facilitate initiatives and partnerships to deploy technology with the potential for improving transportation systems during the next 5-year and 10-year periods;

''(5) identify core research to support the long-term transportation technology and system needs of urban and rural areas of the United States, including safety;

''(6) ensure the ability of the United States to compete on a global basis; and

''(7) provide a means of assessing the impact of Federal research and technology investments on the performance of the transportation system of the United States.

''(c) IMPLEMENTATION.—

''(1) IN GENERAL.—In carrying out subsection (a), the Secretary shall adopt such policies and procedures as are appropriate—

''(A) to provide for integrated planning, coordination, and consultation among the Administrators of the operating administrations of the Department and other Federal officials with responsibility for research, development, and technology transfer important to national transportation needs;

''(B) to promote the exchange of information on transportation-related research and development activities among the operating elements of the Department, other Federal departments and agencies, State and local governments, colleges and universities, industry, and other private and public sector organizations engaged in the activities;

''(C) to ensure that the research and development programs of the Department do not duplicate other Federal and, to the maximum extent practicable, private sector research and development programs; and

''(D) to ensure that the research and development activities of the Department—

''(i) make appropriate use of the talents, skills, and abilities at the Federal laboratories; and

''(ii) leverage, to the maximum extent practicable, the research, development, and technology transfer capabilities of institutions of higher education and private industry.

''(2) CONSULTATION.—The procedures and policies adopted under paragraph (1) shall include consultation with State officials and members of the private sector.

''(d) REPORTS.—

''(1) IN GENERAL.—Concurrent with the submission to Congress of the budget of the President for each fiscal year, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the strategic plans, goals, and milestones developed under subsections (a) and (b) to help guide research, development, and technology transfer activities during the 5-year period beginning on the date of the report.

''(2) COMPARISON TO PREVIOUS REPORT.—The report shall include a delineation of the progress made with respect to each of the plans, goals, and milestones specified in the previous report.

''(3) PROHIBITION ON OBLIGATION FOR FAILURE TO SUBMIT REPORT.—Beginning on the date of the submission to Congress of the budget of the President for fiscal year 2000, and on the date of the submission for each fiscal year thereafter, none of the funds made available under this chapter or chapter 5 of title 23 may be obligated until the report required under paragraph (1) for that fiscal year is submitted.

''§ 5222. Authorization of contract authority

''(a) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subchapter $1,500,000 for each of fiscal years 1998 through 2003.

''(b) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, except that—

''(1) any Federal share of the cost of an activity under this subchapter shall be determined in accordance with this subchapter; and

''(2) the funds shall remain available for obligation for a period of 2 years after the last day of the fiscal year for which the funds are authorized.

''(c) USE OF UNALLOCATED FUNDS.—To the extent that the amounts made available for any fiscal year under subsection (a) exceed the amounts used to carry out section 5221 for the fiscal year, the excess amounts—

''(1) shall be apportioned in accordance with section 104(b)(3) of title 23;

''(2) shall be considered to be sums made available for expenditure on the surface transportation program, except that the amounts shall not be subject to section 133(d) of that title; and

''(3) shall be available for any purpose eligible for funding under section 133 of that title.''.

SEC. 2002. MULTIMODAL TRANSPORTATION RESEARCH AND DEVELOPMENT PROGRAM.

Chapter 52 of title 49, United States Code (as added by section 2001), is amended by adding at the end the following:

''SUBCHAPTER III—MULTIMODAL TRANSPORTATION RESEARCH AND DEVELOPMENT PROGRAM

''§ 5231. Multimodal Transportation Research and Development Program

''(a) ESTABLISHMENT.—The Secretary shall establish a program to be known as the 'Multimodal Transportation Research and Development Program'.

''(b) PURPOSES.—The purposes of the Multimodal Transportation Research and Development Program are to—

''(1) enhance the capabilities of Federal agencies to meet national transportation needs, as defined by the missions of the agencies, through support for long-term and applied research and development that would benefit the various modes of transportation, including research and development in safety, security, mobility, energy and the environment, information and physical infrastructure, and industrial design;

''(2) identify and apply innovative research performed by the Federal Government, academia, and the private sector to the intermodal and multimodal transportation research, development, and deployment needs of the Department and the transportation enterprise of the United States;

''(3) identify and leverage research, technologies, and other information developed by the Federal Government for national defense and nondefense purposes for the benefit of the public, commercial, and defense transportation sectors; and

''(4) share information and analytical and research capabilities among the Federal Government, State and local governments, colleges and universities, and private organizations to advance their ability to meet their transportation research, development, and deployment needs.

''(c) PROCESS FOR CONSULTATION.—To advise the Secretary in establishing priorities within the Program, the Secretary shall establish a process for consultation among the Administrators of the operating administrations of the Department and other Federal officials with responsibility for research.

''§ 5232. Authorization of contract authority

''(a) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subchapter $2,500,000 for each of fiscal years 1998 through 2003.

''(b) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, except that—

''(1) any Federal share of the cost of an activity under this subchapter shall be determined in accordance with this subchapter; and

''(2) the funds shall remain available for obligation for a period of 2 years after the last day of the fiscal year for which the funds are authorized.''.

SEC. 2003. NATIONAL UNIVERSITY TRANSPORTATION CENTERS.

(a) IN GENERAL.—Chapter 52 of title 49, United States Code (as amended by section 2002), is amended by adding at the end the following:

''SUBCHAPTER IV—NATIONAL UNIVERSITY TRANSPORTATION CENTERS

''§ 5241. National university transportation centers

''(a) REGIONALLY BASED CENTERS.—The Secretary shall make grants to, or enter into contracts with, the nonprofit institutions of higher learning selected under section 5317 (as in effect on the day before the date of enactment of this section) to operate 1 university transportation center in each of the 10 Federal administrative regions that comprise the Standard Federal Regional Boundary System.

''(b) ADDITIONAL CENTERS.—

''(1) IN GENERAL.—The Secretary may make grants to nonprofit institutions of higher learning to establish and operate not more than 10 additional university transportation centers to address—

''(A) transportation management, research, and development, with special attention to increasing the number of highly skilled minority individuals and women entering the transportation workforce;

''(B) transportation and industrial productivity;

''(C) rural transportation;

''(D) advanced transportation technology;

''(E) international transportation policy studies;

''(F) transportation infrastructure technology;

''(G) urban transportation research;

''(H) transportation and the environment;

''(I) surface transportation safety; or

''(J) infrastructure finance studies.

''(2) SELECTION CRITERIA.—

''(A) APPLICATION.—A nonprofit institution of higher learning that desires to receive a grant under paragraph (1) shall submit an application to the Secretary in such manner and containing such information as the Secretary may require.

''(B) SELECTION OF RECIPIENTS.—The Secretary shall select each grant recipient under paragraph (1) on the basis of—

''(i) the demonstrated research and extension resources available to the recipient to carry out this section;

''(ii) the capability of the recipient to provide leadership in making national and regional contributions to the solution of immediate and long-term transportation problems;

''(iii) the establishment by the recipient of a surface transportation program that encompasses several modes of transportation;

''(iv) the demonstrated ability of the recipient to disseminate results of transportation research and education programs through a statewide or regionwide continuing education program; and

''(v) the strategic plan that the recipient proposes to carry out using the grant funds.

''(c) OBJECTIVES.—Each university transportation center shall use grant funds under subsection (a) or (b) to carry out—

''(1) multimodal basic and applied research, the products of which are judged by peers or other experts in the field to advance the body of knowledge in transportation;

''(2) an education program that includes multidisciplinary course work and participation in research; and

''(3) an ongoing program of technology transfer that makes research results available to potential users in a form that can be readily implemented, used, or otherwise applied.

''(d) MAINTENANCE OF EFFORT.—Before making a grant under subsection (a) or (b), the Secretary shall require the grant recipient to enter into an agreement with the Secretary to ensure that the recipient will maintain, during the period of the grant, a level of total expenditures from all other sources for establishing and operating a university transportation center and carrying out related research activities that is at least equal to the average level of those expenditures in the 2 fiscal years of the recipient prior to the award of a grant under subsection (a) or (b).

''(e) ADDITIONAL GRANTS AND CONTRACTS.—

''(1) GRANTS OR CONTRACTS.—In addition to grants under subsection (a) or (b), the Secretary may make grants to, or enter into contracts with, university transportation centers without the need for a competitive process.

''(2) USE OF GRANTS OR CONTRACTS.—A noncompetitive grant or contract under paragraph (1) shall be used for transportation research, development, education, or training consistent with the strategic plan approved as part of the selection process for the center.

''(f) FEDERAL SHARE.—The Federal share of the cost of establishing and operating a university transportation center and carrying out related research activities under this section shall be not more than 50 percent.

''(g) PROGRAM COORDINATION.—

''(1) IN GENERAL.—The Secretary shall—

''(A) coordinate research, education, training, and technology transfer activities carried out by grant recipients under this section;

''(B) disseminate the results of the research; and

''(C) establish and operate a clearinghouse for disseminating the results of the research.

''(2) REVIEW AND EVALUATION.—

''(A) IN GENERAL.—Not less often than annually, the Secretary shall review and evaluate programs carried out by grant recipients under this section.

''(B) NOTIFICATION OF DEFICIENCIES.—In carrying out subparagraph (A), if the Secretary determines that a university transportation center is deficient in meeting the objectives of this section, the Secretary shall notify the grant recipient operating the center of each deficiency and provide specific recommendations of measures that should be taken to address the deficiency.

''(C) DISQUALIFICATION.—If, after the end of the 180-day period that begins on the date of notification to a grant recipient under subparagraph (B) with respect to a center, the Secretary determines that the recipient has not corrected each deficiency identified under subparagraph (B), the Secretary may, after notifying the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives of the determination—

''(i) disqualify the university transportation center from further participation under this section; and

''(ii) make a grant for the establishment of a new university transportation center, in lieu of the disqualified center, under subsection (a) or (b), as applicable.

''(3) FUNDING.—The Secretary may use not more than 1 percent of Federal funds made available under this section to carry out this subsection.

''(h) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $12,000,000 for each of fiscal years 1998 through 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be made available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, except that the Federal share of the cost of a project under this section shall be determined in accordance with this section.

''(3) TECHNOLOGY TRANSFER ACTIVITIES.—For each fiscal year, not less than 5 percent of the amounts made available to carry out this section shall be available to carry out technology transfer activities.

''(i) LIMITATION ON AVAILABILITY OF FUNDS.—Funds authorized under this section shall remain available for obligation for a period of 2 years after the last day of the fiscal year for which the funds are authorized.''.

(b) CONFORMING AMENDMENTS.—

(1) Sections 5316 and 5317 of title 49, United States Code, are repealed.

(2) The analysis for chapter 53 of title 49, United States Code, is amended by striking the items relating to sections 5316 and 5317.

SEC. 2004. BUREAU OF TRANSPORTATION STATISTICS.

(a) IN GENERAL.—Section 111 of title 49, United States Code, is amended—

(1) in subsection (b)(4), by striking the second sentence;

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (J), by striking ''and'' at the end;

(ii) in subparagraph (K), by striking the period at the end and inserting ''; and''; and

(iii) by adding at the end the following:

''(L) transportation-related variables that influence global competitiveness.'';

(B) in paragraph (2)—

(i) in the first sentence, by striking ''national transportation system'' and inserting ''transportation systems of the United States'';

(ii) by striking subparagraph (A) and inserting the following:

''(A) be coordinated with efforts to measure outputs and outcomes of the Department of Transportation and the transportation systems of the United States under the Government Performance and Results Act of 1993 (Public Law 103–62) and the amendments made by that Act;''; and

(iii) in subparagraph (C), by inserting '', made relevant to the States and metropolitan planning organizations,'' after ''accuracy'';

(C) in paragraph (3), by adding at the end the following: ''The Bureau shall review and report to the Secretary of Transportation on the sources and reliability of the statistics proposed by the heads of the operating administrations of the Department to measure outputs and outcomes as required by the Government Performance and Results Act of 1993 (Public Law 103–62) and the amendments made by that Act, and shall carry out such other reviews of the sources and reliability of other data collected by the heads of the operating administrations of the Department as shall be requested by the Secretary.''; and

(D) by adding at the end the following:

''(7) SUPPORTING TRANSPORTATION DECISIONMAKING.—Ensuring that the statistics compiled under paragraph (1) are relevant for transportation decisionmaking by the Federal Government, State and local governments, transportation-related associations, private businesses, and consumers.'';

(3) by redesignating subsections (d), (e) and (f) as subsections (h), (i) and (j), respectively;

(4) by striking subsection (g);

(5) by inserting after subsection (c) the following:

''(d) TRANSPORTATION DATA BASE.—

''(1) IN GENERAL.—In consultation with the Associate Deputy Secretary, the Assistant Secretaries, and the heads of operating administrations of the Department of Transportation, the Director shall establish and maintain a transportation data base for all modes of transportation.

''(2) USE.—The data base shall be suitable for analyses carried out by the Federal Government, the States, and metropolitan planning organizations.

''(3) CONTENTS.—The data base shall include—

''(A) information on the volumes and patterns of movement of goods, including local, interregional, and international movement, by all modes of transportation and intermodal combinations, and by relevant classification;

''(B) information on the volumes and patterns of movement of people, including local, interregional, and international movements, by all modes of transportation (including bicycle and pedestrian modes) and intermodal combinations, and by relevant classification;

''(C) information on the location and connectivity of transportation facilities and services; and

''(D) a national accounting of expenditures and capital stocks on each mode of transportation and intermodal combination.

''(e) NATIONAL TRANSPORTATION LIBRARY.—

''(1) IN GENERAL.—The Director shall establish and maintain a National Transportation Library, which shall contain a collection of statistical and other information needed for transportation decisionmaking at the Federal, State, and local levels.

''(2) ACCESS.—The Bureau shall facilitate and promote access to the Library, with the goal of improving the ability of the transportation community to share information and the ability of the Bureau to make statistics readily accessible under subsection (c)(5).

''(3) COORDINATION.—The Bureau shall work with other transportation libraries and other transportation information providers, both public and private, to achieve the goal specified in paragraph (2).

''(f) NATIONAL TRANSPORTATION ATLAS DATA BASE.—

''(1) IN GENERAL.—The Director shall develop and maintain geospatial data bases that depict—

''(A) transportation networks;

''(B) flows of people, goods, vehicles, and craft over the networks; and

''(C) social, economic, and environmental conditions that affect or are affected by the networks.

''(2) INTERMODAL NETWORK ANALYSIS.—The data bases shall be able to support intermodal network analysis.

''(g) RESEARCH AND DEVELOPMENT GRANTS.—The Secretary may make grants to, or enter into cooperative agreements or contracts with, public and nonprofit private entities (including State departments of transportation, metropolitan planning organizations, and institutions of higher education) for—

''(1) investigation of the subjects specified in subsection (c)(1) and research and development of new methods of data collection, management, integration, dissemination, interpretation, and analysis;

''(2) development of electronic clearinghouses of transportation data and related information, as part of the National Transportation Library under subsection (e); and

''(3) development and improvement of methods for sharing geographic data, in support of the national transportation atlas data base under subsection (f) and the National Spatial Data Infrastructure developed under Executive Order No. 12906.'';

(6) by striking subsection (i) (as redesignated by paragraph (3)) and inserting the following:

''(i) PROHIBITION ON CERTAIN DISCLOSURES.—

''(1) IN GENERAL.—An officer or employee of the Bureau may not—

''(A) make any disclosure in which the data provided by an individual or organization under subsection (c)(2) can be identified;

''(B) use the information provided under subsection (c)(2) for a nonstatistical purpose; or

''(C) permit anyone other than an individual authorized by the Director to examine any individual report provided under subsection (c)(2).

''(2) PROHIBITION ON REQUESTS FOR CERTAIN DATA.—

''(A) GOVERNMENT AGENCIES.—No department, bureau, agency, officer, or employee of the United States (except the Director of the Bureau of Transportation Statistics in carrying out this section) may require, for any reason, a copy of any report that has been filed under subsection (c)(2) with the Bureau of Transportation Statistics or retained by an individual respondent.

''(B) COURTS.—Any copy of a report described in subparagraph (A) that has been retained by an individual respondent or filed with the Bureau or any of its employees, contractors, or agents—

''(i) shall be immune from legal process; and

''(ii) shall not, without the consent of the individual concerned, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

''(C) APPLICABILITY.—This paragraph shall apply only to information that permits information concerning an individual or organization to be reasonably inferred by direct or indirect means.

''(3) DATA COLLECTED FOR NONSTATISTICAL PURPOSES.—In a case in which the Bureau is authorized by statute to collect data or information for a nonstatistical purpose, the Director shall clearly distinguish the collection of the data or information, by rule and on the collection instrument, so as to inform a respondent that is requested or required to supply the data or information of the nonstatistical purpose.'';

(7) in subsection (j) (as redesignated by paragraph (3)), by striking ''On or before January 1, 1994, and annually thereafter, the'' and inserting ''The''; and

(8) by adding at the end the following:

''(k) PROCEEDS OF DATA PRODUCT SALES.—Notwithstanding section 3302 of title 31, United States Code, funds received by the Bureau of Transportation Statistics from the sale of data products, for necessary expenses incurred, may be credited to the Highway Trust Fund (other than the Mass Transit Account) for the purpose of reimbursing the Bureau for the expenses.

''(l) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than

the Mass Transit Account) to carry out this section $26,000,000 for fiscal year 1998, $27,000,000 for fiscal year 1999, $28,000,000 for fiscal year 2000, $29,000,000 for fiscal year 2001, $30,000,000 for fiscal year 2002, and $31,000,000 for fiscal year 2003, except that not more than $500,000 for each fiscal year may be made available to carry out subsection (g).

''(2) AVAILABILITY.—Funds authorized under this subsection shall remain available for a period of 3 years after the last day of the fiscal year for which the funds are authorized.

''(3) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23.''.

(b) CONFORMING AMENDMENTS.—Section 5503 of title 49, United States Code, is amended—

(1) by striking subsection (d); and

(2) by redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

SEC. 2005. RESEARCH AND TECHNOLOGY PROGRAM.

Title 23, United States Code, is amended—

(1) in the table of chapters, by adding at the end the following:

''5. Research and Technology ..... 501'';

and

(2) by adding at the end the following:

''CHAPTER 5—RESEARCH AND TECHNOLOGY

''SUBCHAPTER I—RESEARCH AND TRAINING

''SUBCHAPTER II—INTELLIGENT TRANSPORTATION SYSTEMS

''SUBCHAPTER III—FUNDING

''SUBCHAPTER I—RESEARCH AND TRAINING

''§ 501. Definition of safety

''In this chapter, the term 'safety' includes highway and traffic safety systems, research and development relating to vehicle, highway, driver, passenger, bicyclist, and pedestrian characteristics, accident investigations, communications, emergency medical care, and transportation of the injured.

''§ 502. Research and technology program

''(a) GENERAL AUTHORITY AND COLLABORATIVE AGREEMENTS.—

''(1) AUTHORITY OF THE SECRETARY.—

''(A) IN GENERAL.—The Secretary—

''(i) shall carry out research, development, and technology transfer activities with respect to—

''(I) motor carrier transportation;

''(II) all phases of transportation planning and development (including construction, operation, modernization, development, design, maintenance, safety, financing, and traffic conditions); and

''(III) the effect of State laws on the activities described in subclauses (I) and (II); and

''(ii) may test, develop, or assist in testing and developing any material, invention, patented article, or process.

''(B) COOPERATION, GRANTS, AND CONTRACTS.—The Secretary may carry out this section—

''(i) independently;

''(ii) in cooperation with other Federal departments, agencies, and instrumentalities; or

''(iii) by making grants to, or entering into contracts, cooperative agreements, and other transactions with, the National Academy of Sciences, the American Association of State Highway and Transportation Officials, or any State agency, authority, association, institution, for-profit or nonprofit corporation, organization, foreign country, or person.

''(C) TECHNICAL INNOVATION.—The Secretary shall develop and carry out programs to facilitate the application of such products of research and technical innovations as will improve the safety, efficiency, and effectiveness of the transportation system.

''(D) FUNDS.—

''(i) IN GENERAL.—Except as otherwise specifically provided in other sections of this chapter—

''(I) to carry out this subsection, the Secretary shall use—

''(aa) funds made available under section 541 for research, technology, and training; and

''(bb) such funds as may be deposited by any cooperating organization or person in a special account of the Treasury established for this purpose; and

''(II) the funds described in item (aa) shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the funds are authorized.

''(ii) USE OF FUNDS.—The Secretary shall use funds described in clause (i) to develop, administer, communicate, and achieve the use of products of research, development, and technology transfer programs under this section.

''(2) COLLABORATIVE RESEARCH AND DEVELOPMENT.—

''(A) IN GENERAL.—To encourage innovative solutions to surface transportation problems and stimulate the deployment of new technology, the Secretary may carry out, on a cost-shared basis, collaborative research and development with 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) AGREEMENTS.—In carrying out this paragraph, 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)).

''(C) FEDERAL SHARE.—

''(i) IN GENERAL.—The Federal share of the cost of activities carried out under a cooperative research and development agreement entered into under this paragraph shall not exceed 50 percent, except that if there is substantial public interest or benefit, the Secretary may approve a greater Federal share.

''(ii) NON-FEDERAL SHARE.—All costs directly incurred by the non-Federal partners, including personnel, travel, and hardware development costs, shall be credited toward the non-Federal share of the cost of the activities described in clause (i).

''(D) USE OF TECHNOLOGY.—The research, development, or use of a technology under a cooperative research and development agreement entered into under this paragraph, 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.).

''(3) WAIVER OF ADVERTISING REQUIREMENTS.—Section 3709 of the Revised Statutes (41 U.S.C. 5) shall not apply to a contract or agreement entered into under this chapter.

''(b) MANDATORY ELEMENTS OF PROGRAM.—The Secretary shall include in the surface transportation research, development, and technology transfer programs under this subsection and as specified elsewhere in this title—

''(1) a coordinated long-term program of research for the development, use, and dissemination of performance indicators to measure the performance of the surface transportation systems of the United States, including indicators for productivity, efficiency, energy use, air quality, congestion, safety, maintenance, and other factors that reflect the overall performance of the system; and

''(2) a program to strengthen and expand surface transportation infrastructure research, development, and technology transfer, which shall include, at a minimum—

''(A) methods and materials for improving the durability of surface transportation infrastructure facilities and extending the life of bridge structures, including new and innovative technologies to reduce corrosion;

''(B) a research and development program directed toward the reduction of costs, and the mitigation of impacts, associated with the construction of highways and mass transit systems;

''(C) a surface transportation research program to develop nondestructive evaluation equipment for use with existing infrastructure facilities and with next-generation infrastructure facilities that use advanced materials;

''(D)(i) information technology, including appropriate computer programs to collect and analyze data on the status of infrastructure facilities described in subparagraph (C) with respect to enhancing management, growth, and capacity; and

''(ii) dynamic simulation models of surface transportation systems for—

''(I) predicting capacity, safety, and infrastructure durability problems;

''(II) evaluating planned research projects; and

''(III) testing the strengths and weaknesses of proposed revisions to surface transportation operation programs;

''(E) new innovative technologies to enhance and facilitate field construction and rehabilitation techniques for minimizing disruption during repair and maintenance of structures;

''(F) initiatives to improve the ability of the United States to respond to emergencies and natural disasters and to enhance national defense mobility; and

''(G) an evaluation of traffic calming measures that promote community preservation, transportation mode choice, and safety.

''(c) REPORT ON GOALS, MILESTONES, AND ACCOMPLISHMENTS.—The goals, milestones, and accomplishments relevant to each of the mandatory program elements described in subsection (b) shall be specified in the report required under section 5221(d) of title 49.''.

SEC. 2006. ADVANCED RESEARCH PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as added by section 2005), is amended by adding at the end the following:

"§ 503. Advanced research program

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—The Secretary shall establish an advanced research program within the Federal Highway Administration to address longer-term, higher-risk research that shows potential benefits for improving the durability, mobility, efficiency, environmental impact, productivity, and safety of transportation systems.

''(2) DEVELOPMENT OF PARTNERSHIPS.—In carrying out the program, the Secretary shall attempt to develop partnerships with the public and private sectors.

''(b) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—Under the program, the Secretary may make grants and enter into cooperative agreements and contracts for advanced research.

''(c) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $5,000,000 for fiscal year 1998, $7,000,000 for fiscal year 1999, $9,000,000 for fiscal year 2000, and $10,000,000 for each of fiscal years 2001 through 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that the Federal share of the cost of any activity funded under this subsection shall be determined by the Secretary.''.

SEC. 2007. LONG-TERM PAVEMENT PERFORMANCE PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2006), is amended by adding at the end the following:

"§ 504. Long-term pavement performance program

''(a) AUTHORITY.—The Secretary shall complete the long-term pavement performance program tests initiated under the strategic highway research program established under section 307(d) (as in effect on the day before the date of enactment of this section) and continued by the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240) through the midpoint of a planned 20-year life of the long-term pavement performance program (referred to in this section as the 'program').

''(b) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—Under the program, the Secretary shall make grants and enter into cooperative agreements and contracts to—

''(1) monitor, material-test, and evaluate highway test sections in existence as of the date of the grant, agreement, or contract;

''(2) analyze the data obtained in carrying out paragraph (1); and

''(3) prepare products to fulfill program objectives and meet future pavement technology needs.

''(c) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $15,000,000 for each of fiscal years 1998 through 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

''(A) the Federal share of the cost of any activity funded under this section shall be determined by the Secretary; and

''(B) the funds shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the funds are authorized.''.

SEC. 2008. STATE PLANNING AND RESEARCH PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2007), is amended by adding at the end the following:

"§ 505. State planning and research program

''(a) IN GENERAL.—

''(1) AVAILABILITY OF FUNDS.—Two percent of the sums apportioned for fiscal year 1998 and each fiscal year thereafter to any State under section 104 (except section 104(f)) and any transfers or additions to the surface transportation program under section 133 shall be available for expenditure by the State transportation agency, in consultation with the Secretary, in accordance with this section.

''(2) USE OF FUNDS.—The sums referred to in paragraph (1) shall be available only for—

''(A) intermodal metropolitan, statewide, and nonmetropolitan planning under sections 134 and 135;

''(B) development and implementation of management systems referred to in section 303;

''(C) studies, research, development, and technology transfer activities necessary for the planning, design, construction, management, operation, maintenance, regulation, and taxation of the use of surface transportation systems, including training and accreditation of inspection and testing on engineering standards and construction materials for the systems; and

''(D) studies of the economy, safety, and convenience of surface transportation usage and the desirable regulation and equitable taxation of surface transportation usage.

''(b) MINIMUM EXPENDITURES ON STUDIES, RESEARCH, DEVELOPMENT, AND TECHNOLOGY TRANSFER ACTIVITIES.—

''(1) IN GENERAL.—Not less than 25 percent of the funds of a State that are subject to subsection (a) shall be expended by the State transportation agency for studies, research, development, and technology transfer activities described in subparagraphs (C) and (D) of subsection (a)(2) unless the State certifies to the Secretary for the fiscal year that the total expenditures by the State transportation agency for transportation planning under sections 134 and 135 will exceed 75 percent of the amount of the funds and the Secretary accepts the certification.

''(2) EXEMPTION FROM SMALL BUSINESS ASSESSMENT.—Funds expended under paragraph (1) shall not be considered to be part of the extramural budget of the agency for the purpose of section 9 of the Small Business Act (15 U.S.C. 638).

''(c) FEDERAL SHARE.—The Federal share of the cost of a project financed with funds referred to in subsection (a) shall be 80 percent unless the Secretary determines that the interests of the Federal-aid highway program would be best served by decreasing or eliminating the non-Federal share.

''(d) ADMINISTRATION OF FUNDS.—Funds referred to in subsection (a) shall be combined and administered by the Secretary as a single fund, which shall be available for obligation for the same period as funds apportioned under section 104(b)(1).''.

SEC. 2009. EDUCATION AND TRAINING.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2008), is amended by adding at the end the following:

"§ 506. Education and training

''(a) LOCAL TECHNICAL ASSISTANCE PROGRAM.—

''(1) AUTHORITY.—The Secretary shall carry out a transportation assistance program that will provide access to modern highway technology to—

''(A) highway and transportation agencies in urbanized areas with populations of between 50,000 and 1,000,000 individuals;

''(B) highway and transportation agencies in rural areas; and

''(C) contractors that do work for the agencies.

''(2) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—The Secretary may make grants and enter into cooperative agreements and contracts to provide education and training, technical assistance, and related support services that will—

''(A) assist rural, local transportation agencies and tribal governments, and the consultants and construction personnel working for the agencies and governments, to—

''(i) develop and expand their expertise in road and transportation areas (including pavement, bridge, safety management systems, and traffic safety countermeasures);

''(ii) improve roads and bridges;

''(iii) enhance—

''(I) programs for the movement of passengers and freight; and

''(II) intergovernmental transportation planning and project selection; and

''(iv) deal effectively with special transportation-related problems by preparing and providing training packages, manuals, guidelines, and technical resource materials;

''(B) identify, package, and deliver transportation technology and traffic safety information to local jurisdictions to assist urban transportation agencies in developing and expanding their ability to deal effectively with transportation-related problems;

''(C) operate, in cooperation with State transportation agencies and universities—

''(i) local technical assistance program centers to provide transportation technology transfer services to rural areas and to urbanized areas with populations of between 50,000 and 1,000,000 individuals; and

''(ii) local technical assistance program centers designated to provide transportation technical assistance to Indian tribal governments; and

''(D) allow local transportation agencies and tribal governments, in cooperation with the private sector, to enhance new technology implementation.

''(3) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) $7,000,000 for fiscal year 1998, $7,000,000 for fiscal year 1999, $7,000,000 for fiscal year 2000, $8,000,000 for fiscal year 2001, $8,000,000 for fiscal year 2002, and $8,000,000 for fiscal year 2003 to be used to develop and administer the program established under this section and to provide technical and financial support for the centers operated under paragraph (2)(C).

''(B) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

''(i) the Federal share of the cost of any activity under this subsection shall be determined by the Secretary; and

''(ii) the funds shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the funds are authorized.

''(b) NATIONAL HIGHWAY INSTITUTE.—

''(1) ESTABLISHMENT; DUTIES; PROGRAMS.—

''(A) ESTABLISHMENT.—The Secretary shall establish and operate in the Federal Highway Administration a National Highway Institute (referred to in this subsection as the 'Institute').

''(B) DUTIES.—

''(i) INSTITUTE.—In cooperation with State transportation agencies, United States industry, and any national or international entity, the Institute shall develop and administer education and training programs of instruction for—

''(I) Federal Highway Administration, State, and local transportation agency employees;

''(II) regional, State, and metropolitan planning organizations;

''(III) State and local police, public safety, and motor vehicle employees; and

''(IV) United States citizens and foreign nationals engaged or to be engaged in surface transportation work of interest to the United States.

''(ii) SECRETARY.—The Secretary shall administer, through the Institute, the authority vested in the Secretary by this title or by any other law for the development and conduct of education and training programs relating to highways.

''(C) TYPES OF PROGRAMS.—Programs that the Institute may develop and administer may include courses in modern developments, techniques, methods, regulations, management, and procedures relating to—

''(i) surface transportation;

''(ii) environmental factors;

''(iii) acquisition of rights-of-way;

''(iv) relocation assistance;

''(v) engineering;

''(vi) safety;

''(vii) construction;

''(viii) maintenance;

''(ix) operations;

''(x) contract administration;

''(xi) motor carrier activities;

''(xii) inspection; and

''(xiii) highway finance.

''(2) SET ASIDE; FEDERAL SHARE.—Not to exceed ¼ of 1 percent of the funds apportioned to a State under section 104(b)(3) for the surface transportation program shall be available for expenditure by transportation agencies of the State for the payment of not to exceed 80 percent of the cost of tuition and direct educational expenses (excluding travel, subsistence, or salaries) in connection with the education and training of employees of State and local transportation agencies in accordance with this subsection.

''(3) FEDERAL RESPONSIBILITY.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), education and training of employees of Federal, State, and local transportation (including highway) agencies authorized under this subsection may be provided—

''(i) by the Secretary at no cost to the States and local governments if the Secretary determines that provision at no cost is in the public interest; or

''(ii) by the State through grants, cooperative agreements, and contracts with public and private agencies, institutions, individuals, and the Institute.

''(B) PAYMENT OF FULL COST BY PRIVATE PERSONS.—Private agencies, international or foreign entities, and individuals shall pay the full cost of any education and training received by them unless the Secretary determines that a lower cost is of critical importance to the public interest.

''(4) TRAINING FELLOWSHIPS; COOPERATION.—The Institute may—

''(A) engage in training activities authorized under this subsection, including the granting of training fellowships; and

''(B) carry out its authority independently or in cooperation with any other branch of the Federal Government or any State agency, authority, association, institution, forprofit or nonprofit corporation, other national or international entity, or other person.

''(5) COLLECTION OF FEES.—

''(A) GENERAL RULE.—In accordance with this subsection, the Institute may assess and collect fees solely to defray the costs of the Institute in developing or administering education and training programs under this subsection.

''(B) LIMITATION.—Fees may be assessed and collected under this subsection only in a manner that may reasonably be expected to result in the collection of fees during any fiscal year in an aggregate amount that does not exceed the aggregate amount of the costs referred to in subparagraph (A) for the fiscal year.

''(C) PERSONS SUBJECT TO FEES.—Fees may be assessed and collected under this subsection only with respect to—

''(i) persons and entities for whom education or training programs are developed or administered under this subsection; and

''(ii) persons and entities to whom education or training is provided under this subsection.

''(D) AMOUNT OF FEES.—The fees assessed and collected under this subsection shall be established in a manner that ensures that the liability of any person or entity for a fee is reasonably based on the proportion of the costs referred to in subparagraph (A) that relate to the person or entity.

''(E) USE.—All fees collected under this subsection shall be used to defray costs associated with the development or administration of education and training programs authorized under this subsection.

''(6) FUNDING.—

''(A) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $5,000,000 for fiscal year 1998, $5,000,000 for fiscal year 1999, $5,000,000 for fiscal year 2000, $6,000,000 for fiscal year 2001, $6,000,000 for fiscal year 2002, and $6,000,000 for fiscal year 2003.

''(B) RELATION TO OTHER FEES.—The funds provided under this paragraph may be combined with or held separate from the fees collected under paragraph (5).

''(C) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

''(i) the Federal share of the cost of any activity under this subsection shall be determined by the Secretary; and

''(ii) the funds shall remain available for obligation for a period of 1 year after the last day of the fiscal year for which the funds are authorized.

''(7) CONTRACTS.—Section 3709 of the Revised Statutes (41 U.S.C. 5) shall not apply to a contract or agreement entered into under this subsection.

''(c) DWIGHT DAVID EISENHOWER TRANSPORTATION FELLOWSHIP PROGRAM.—

''(1) GENERAL AUTHORITY.—The Secretary, acting independently or in cooperation with other Federal departments, agencies, and instrumentalities, may make grants for fellowships for any purpose for which research, technology, or capacity building is authorized under this chapter.

''(2) DWIGHT DAVID EISENHOWER TRANSPORTATION FELLOWSHIP PROGRAM.—

''(A) IN GENERAL.—The Secretary shall carry out a transportation fellowship program, to be known as the 'Dwight David Eisenhower Transportation Fellowship Program', for the purpose of attracting qualified students to the field of transportation.

''(B) TYPES OF FELLOWSHIPS.—The program shall offer fellowships at the junior through postdoctoral levels of college education.

''(C) CITIZENSHIP.—Each recipient of a fellowship under the program shall be a United States citizen.

''(3) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $2,000,000 for each of fiscal years 1998 through 2003.

''(B) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

''(i) the Federal share of the cost of any activity funded under this subsection shall be determined by the Secretary; and

''(ii) the funds shall remain available for obligation for a period of 1 year after the last day of the fiscal year for which the funds are authorized.

''(d) HIGHWAY CONSTRUCTION TRAINING PROGRAMS.—

''(1) USE OF FUNDS BY THE SECRETARY.—

''(A) IN GENERAL.—The Secretary, in cooperation with any other department or agency of the Federal Government, State agency, authority, association, institution, Indian tribal government, for-profit or nonprofit corporation, or other organization or person, may—

''(i) develop, conduct, and administer highway construction and technology training, including skill improvement, programs; and

''(ii) develop and fund Summer Transportation Institutes.

''(B) WAIVER OF ADVERTISING REQUIREMENTS.—Section 3709 of the Revised Statutes (41 U.S.C. 5) shall not apply to a contract or agreement entered into by the Secretary under this subsection.

''(C) FUNDING.—

''(i) IN GENERAL.—Before making apportionments under section 104(b) for a fiscal year, the Secretary shall deduct such sums as the Secretary determines are necessary, but not to exceed $10,000,000 for each fiscal year, to carry out this subsection.

''(ii) AVAILABILITY.—Sums deducted under clause (i) shall remain available until expended.

''(2) USE OF FUNDS APPORTIONED TO STATES.—Notwithstanding any other provision of law, upon request of a State transportation department to the Secretary, not to exceed ½ of 1 percent of the funds apportioned to the State for a fiscal year under paragraphs (1) and (3) of section 104(b) may be made available to carry out this subsection.

''(3) RESERVATION OF TRAINING POSITIONS FOR INDIVIDUALS RECEIVING WELFARE ASSISTANCE.—In carrying out this subsection, the Secretary and States may reserve training positions for individuals who receive welfare assistance from a State.''.

SEC. 2010. INTERNATIONAL HIGHWAY TRANSPORTATION OUTREACH PROGRAM.

(a) IN GENERAL.—Title 23, United States Code, is amended—

(1) by redesignating section 325 as section 507;

(2) by moving that section to appear at the end of subchapter I of chapter 5 (as amended by section 2009);

(3) in subsection (a) of that section, by inserting '', goods, and services'' after ''expertise''; and

(4) by striking subsection (c) of that section and inserting the following:

''(c) USE OF FUNDS.—

''(1) FUNDS DEPOSITED IN SPECIAL ACCOUNT.—Funds available to carry out this section shall include funds deposited by any cooperating organization or person in a special account for the program established under this section with the Secretary of the Treasury.

''(2) USE OF FUNDS.—The funds deposited in the special account and other funds available

to carry out this section shall be available to pay the cost of any activity eligible under this section, including the cost of promotional materials, travel, reception and representation expenses, and salaries and benefits of officers and employees of the Department of Transportation.

''(3) REIMBURSEMENTS.—Reimbursements for the salaries and benefits of Federal Highway Administration employees who provide services under this section shall be credited to the special account.

''(d) ELIGIBLE USE OF STATE PLANNING AND RESEARCH FUNDS.—A State, in coordination with the Secretary, may obligate funds made available to carry out section 505 for any activity authorized under subsection (a).''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 3 of title 23, United States Code, is amended by striking the item relating to section 325.

SEC. 2011. NATIONAL TECHNOLOGY DEPLOYMENT INITIATIVES AND PARTNERSHIPS PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2010), is amended by adding at the end the following:

''§ 508. National technology deployment initiatives and partnerships program

''(a) ESTABLISHMENT.—The Secretary shall develop and administer a national technology deployment initiatives program.

''(b) PURPOSE.—The purpose of the program is to significantly accelerate the adoption of innovative technologies by the surface transportation community.

''(c) DEPLOYMENT GOALS.—

''(1) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall establish not more than 5 deployment goals to carry out subsection (a).

''(2) DESIGN.—Each of the goals and the program developed to achieve the goals shall be designed to provide tangible benefits, with respect to transportation systems, in the areas of efficiency, safety, reliability, service life, environmental protection, or sustainability.

''(3) STRATEGIES FOR ACHIEVEMENT.—For each goal, the Secretary, in cooperation with representatives of the transportation community such as States, local governments, the private sector, and academia, shall use domestic and international technology to develop strategies and initiatives to achieve the goal, including technical assistance in deploying technology and mechanisms for sharing information among program participants.

''(d) CONTINUATION OF SHRP PARTNERSHIPS.—Under the program, the Secretary shall continue the partnerships established through the strategic highway research program established under section 307(d) (as in effect on the day before the date of enactment of this section).

''(e) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—Under the program, the Secretary may make grants and enter into cooperative agreements and contracts to foster alliances and support efforts to stimulate advances in transportation technology, including—

''(1) the testing and evaluation of products of the strategic highway research program;

''(2) the further development and implementation of technology in areas such as the Superpave system and the use of lithium salts to prevent and mitigate alkali silica reactivity; and

''(3) the provision of support for long-term pavement performance product implementation and technology access.

''(f) REPORTS.—Not later than 18 months after the date of enactment of this section, and biennially thereafter, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the progress and results of activities carried out under this section.

''(g) FUNDING.—

''(1) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $50,000,000 for each of fiscal years 1998 through 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

''(A) the Federal share of the cost of any activity under this section shall be determined by the Secretary; and

''(B) the funds shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the funds are authorized.

''(3) ALLOCATION.—To the extent appropriate to achieve the goals established under subsection (c), the Secretary may further allocate funds made available to carry out this subsection to States for their use.''.

SEC. 2012. INFRASTRUCTURE INVESTMENT NEEDS REPORT.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2011), is amended by adding at the end the following:

''§ 509. Infrastructure investment needs report

''Not later than January 31, 1999, and January 31 of every second year thereafter, the Secretary shall report to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on estimates of the future highway and bridge needs of the United States.''.

SEC. 2013. INNOVATIVE BRIDGE RESEARCH AND CONSTRUCTION PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2012), is amended by adding at the end the following:

''§ 510. Innovative bridge research and construction program

''(a) IN GENERAL.—The Secretary shall establish and carry out a program to demonstrate the application of innovative material technology in the construction of bridges and other structures.

''(b) GOALS.—The goals of the program shall include—

''(1) the development of new, cost-effective innovative material highway bridge applications;

''(2) the reduction of maintenance costs and life-cycle costs of bridges, including the costs of new construction, replacement, or rehabilitation of deficient bridges;

''(3) the development of construction techniques to increase safety and reduce construction time and traffic congestion;

''(4) the development of engineering design criteria for innovative products and materials for use in highway bridges and structures; and

''(5) the development of highway bridges and structures that will withstand natural disasters, including alternative processes for the seismic retrofit of bridges.

''(c) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—

''(1) IN GENERAL.—Under the program, the Secretary shall make grants to, and enter into cooperative agreements and contracts with—

''(A) States, other Federal agencies, universities and colleges, private sector entities, and nonprofit organizations to pay the Federal share of the cost of research, development, and technology transfer concerning innovative materials; and

''(B) States to pay the Federal share of the cost of repair, rehabilitation, replacement, and new construction of bridges or structures that demonstrates the application of innovative materials.

''(2) GRANTS.—

''(A) APPLICATIONS.—

''(i) SUBMISSION.—To receive a grant under this section, an entity described in paragraph (1) shall submit an application to the Secretary.

''(ii) CONTENTS.—The application shall be in such form and contain such information as the Secretary may require.

''(B) APPROVAL CRITERIA.—The Secretary shall select and approve applications for grants under this section based on whether the project that is the subject of the grant meets the goals of the program described in subsection (b).

''(d) TECHNOLOGY AND INFORMATION TRANSFER.—The Secretary shall take such action as is necessary to ensure that the information and technology resulting from research conducted under subsection (c) is made available to State and local transportation departments and other interested parties as specified by the Secretary.

''(e) FEDERAL SHARE.—The Federal share of the cost of a project under this section shall be determined by the Secretary.

''(f) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account)—

''(A) to carry out subsection (c)(1)(A) $1,000,000 for each of fiscal years 1998 through 2003; and

''(B) to carry out subsection (c)(1)(B)—

''(i) $10,000,000 for fiscal year 1998;

''(ii) $15,000,000 for fiscal year 1999;

''(iii) $17,000,000 for fiscal year 2000; and

''(iv) $20,000,000 for each of fiscal years 2001 through 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be made available for obligation in the same manner as if the funds were apportioned under chapter 1, except that the Federal share of the cost of a project under this section shall be determined in accordance with this section.''.

SEC. 2014. USE OF BUREAU OF INDIAN AFFAIRS ADMINISTRATIVE FUNDS.

Section 204(b) of title 23, United States Code, is amended in the last sentence by striking ''326'' and inserting ''506''.

SEC. 2015. STUDY OF FUTURE STRATEGIC HIGHWAY RESEARCH PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2013), is amended by adding at the end the following:

''§ 511. Study of future strategic highway research program

''(a) STUDY.—

''(1) IN GENERAL.—Not later than 120 days after the date of enactment of this section, the Secretary shall make a grant to, or enter into a cooperative agreement or contract with, the Transportation Research Board of the National Academy of Sciences (referred to in this section as the 'Board') to conduct a study to determine the goals, purposes, research agenda and projects, administrative structure, and fiscal needs for a new strategic highway research program to replace the program established under section 307(d) (as in effect on the day before the date of enactment of this section), or a similar effort.

''(2) CONSULTATION.—In conducting the study, the Board shall consult with the American Association of State Highway and

Transportation Officials and such other entities as the Board determines to be necessary to the conduct of the study.

''(b) REPORT.—Not later than 2 years after making a grant or entering into a cooperative agreement or contract under subsection (a), the Board shall submit a final report on the results of the study to the Secretary, the Committee on Environment and Public Works of the Senate, and the Committee on Transportation and Infrastructure of the House of Representatives.''.

SEC. 2016. JOINT PARTNERSHIPS FOR ADVANCED VEHICLES, COMPONENTS, AND INFRASTRUCTURE PROGRAM.

(a) IN GENERAL.—Subchapter I of chapter 3 of subtitle I of title 49, United States Code, is amended by adding at the end the following:

''§ 310. Joint partnerships for advanced vehicles, components, and infrastructure program

''(a) PURPOSE.—The Secretary of Transportation, in coordination with other government agencies and private consortia, shall encourage and promote the research, development, and deployment of transportation technologies that will use technological advances in multimodal vehicles, vehicle components, environmental technologies, and related infrastructure to remove impediments to an efficient and cost-effective national transportation system.

''(b) DEFINITION OF ELIGIBLE CONSORTIUM.—In this section, the term 'eligible consortium' means a consortium that receives funding under the Department of Defense Appropriations Act, 1993 (Public Law 102–396; 106 Stat. 1876), and that comprises 2 or more of the following entities:

''(1) Businesses incorporated in the United States.

''(2) Public or private educational or research organizations located in the United States.

''(3) Entities of State or local governments in the United States.

''(4) Federal laboratories.

''(c) PROGRAM.—The Secretary shall enter into contracts, cooperative agreements, and other transactions as authorized by section 2371 of title 10 with, and make grants to, eligible consortia to promote the development and deployment of innovation in transportation technology services, management, and operational practices.

''(d) ELIGIBILITY CRITERIA.—To be eligible to receive assistance under this section, an eligible consortium shall—

''(1) for a period of not less than the 3 years preceding the date of a contract, cooperative agreement, or other transaction, be organized on a statewide or multistate basis for the purpose of designing, developing, and deploying transportation technologies that address identified technological impediments in the transportation field;

''(2) facilitate the participation in the consortium of small- and medium-sized businesses, utilities, public laboratories and universities, and other relevant entities;

''(3) be actively engaged in transportation technology projects that address compliance in non-attainment areas under the Clean Air Act (42 U.S.C. 7401 et seq.);

''(4) be designed to use Federal and State funding to attract private capital in the form of grants or investments to carry out this section; and

''(5) ensure that at least 50 percent of the funding for the consortium project will be provided by non-Federal sources.

''(e) PROPOSALS.—The Secretary shall prescribe such terms and conditions as the Secretary determines to be appropriate for the content and structure of proposals submitted for assistance under this section.

''(f) REPORTING REQUIREMENTS.—At least once each year, the Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the projects undertaken by the eligible consortia and the progress made in advancing the purposes of this section.

''(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 1998 through 2003, to remain available until expended.''.

(b) CONFORMING AMENDMENT.—The analysis for subchapter I of chapter 3 of subtitle I of title 49, United States Code, is amended by adding at the end the following:

''310. Joint partnerships for advanced vehicles, components, and infrastructure program.''.

SEC. 2017. CONFORMING AMENDMENTS.

(a) Sections 307, 321, and 326 of title 23, United States Code, are repealed.

(b) The analysis for chapter 3 of title 23, United States Code, is amended by striking the items relating to sections 307, 321, and 326.

(c) Section 115(a)(1)(A)(i) of title 23, United States Code, is amended by striking ''or 307'' and inserting ''or 505''.

(d) Section 151(d) of title 23, United States Code, is amended by striking ''section 307(a),'' and inserting ''section 506,''.

(e) Section 106 of Public Law 89–564 (23 U.S.C. 403 note) is amended in the third sentence by striking ''sections 307 and 403 of title 23, United States Code,'' and inserting ''section 403 and chapter 5 of title 23, United States Code,''.

Subtitle B—Intelligent Transportation Systems

SEC. 2101. SHORT TITLE.

This subtitle may be cited as the ''Intelligent Transportation Systems Act of 1997''.

SEC. 2102. FINDINGS.

Congress finds that—

(1) numerous studies conducted on behalf of the Department of Transportation document that investment in intelligent transportation systems offers substantial benefits in relationship to costs;

(2) as a result of the investment authorized by the Intelligent Transportation Systems Act of 1991 (23 U.S.C. 307 note; 105 Stat. 2189), progress has been made on each of the goals set forth for the national intelligent transportation system program in section 6052(b) of that Act; and

(3) continued investment by the Department of Transportation is needed to complete implementation of those goals.

SEC. 2103. INTELLIGENT TRANSPORTATION SYSTEMS.

Chapter 5 of title 23, United States Code (as added by section 2005), is amended by adding at the end the following:

''SUBCHAPTER II—INTELLIGENT TRANSPORTATION SYSTEMS

''§ 521. Purposes

''The purposes of this subchapter are—

''(1) to expedite deployment and integration of basic intelligent transportation system services for consumers of passenger and freight transportation across the United States;

''(2) to encourage the use of intelligent transportation systems to enhance international trade and domestic economic productivity;

''(3) to encourage the use of intelligent transportation systems to promote the achievement of national environmental and safety goals;

''(4) to continue research, development, testing, and evaluation activities to continually expand the state-of-the-art in intelligent transportation systems;

''(5) to provide financial and technical assistance to State and local governments and metropolitan planning organizations to ensure the integration of interoperable, intermodal, and cost-effective intelligent transportation systems;

''(6) to foster regional cooperation, standards implementation, and operations planning to maximize the benefits of integrated and coordinated intelligent transportation systems;

''(7) to promote the consideration of intelligent transportation systems in mainstream transportation planning and investment decisionmaking by ensuring that Federal and State transportation officials have adequate, working knowledge of intelligent transportation system technologies and applications and by ensuring comprehensive funding eligibility for the technologies and applications;

''(8) to encourage intelligent transportation system training for, and technology transfer to, State and local agencies;

''(9) to promote the deployment of intelligent transportation system services in rural America so as to achieve safety benefits, promote tourism, and improve quality of life;

''(10) to promote the innovative use of private resources, such as through public-private partnerships or other uses of private sector investment, to support the development and integration of intelligent transportation systems throughout the United States;

''(11) to complete the Federal investment in the Commercial Vehicle Information Systems and Networks by September 30, 2003; and

''(12) to facilitate intermodalism through deployment of intelligent transportation systems, including intelligent transportation system technologies for transit systems to improve safety, efficiency, capacity, and utility for the public.

''§ 522. Definitions

''In this subchapter:

''(1) COMMERCIAL VEHICLE INFORMATION SYSTEMS AND NETWORKS.—The term 'Commercial Vehicle Information Systems and Networks' means the information systems and communications networks that support commercial vehicle operations.

''(2) COMMERCIAL VEHICLE OPERATIONS.—The term 'commercial vehicle operations'—

''(A) means motor carrier operations and motor vehicle regulatory activities associated with the commercial movement of goods, including hazardous materials, and passengers; and

''(B) with respect to the public sector, includes the issuance of operating credentials, the administration of motor vehicle and fuel taxes, and roadside safety and border crossing inspection and regulatory compliance operations.

''(3) COMPLETED STANDARD.—The term 'completed standard' means a standard adopted and published by the appropriate standards-setting organization through a voluntary consensus standardmaking process.

''(4) CORRIDOR.—The term 'corridor' means any major transportation route that includes parallel limited access highways, major arterials, or transit lines.

''(5) INTELLIGENT TRANSPORTATION SYSTEM.—The term 'intelligent transportation system' means electronics, communications, or information processing used singly or in combination to improve the efficiency or safety of a surface transportation system.

''(6) NATIONAL ARCHITECTURE.—The term 'national architecture' means the common

framework for interoperability adopted by the Secretary that defines—

''(A) the functions associated with intelligent transportation system user services;

''(B) the physical entities or subsystems within which the functions reside;

''(C) the data interfaces and information flows between physical subsystems; and

''(D) the communications requirements associated with the information flows.

''(7) PROVISIONAL STANDARD.—The term 'provisional standard' means a provisional standard established by the Secretary under section 528(c).

''(8) STANDARD.—The term 'standard' means a document that—

''(A) contains technical specifications or other precise criteria for intelligent transportation systems that are to be used consistently as rules, guidelines, or definitions of characteristics so as to ensure that materials, products, processes, and services are fit for their purposes; and

''(B) may support the national architecture and promote—

''(i) the widespread use and adoption of intelligent transportation system technology as a component of the surface transportation systems of the United States; and

''(ii) interoperability among intelligent transportation system technologies implemented throughout the States.

''§ 523. Cooperation, consultation, and analysis

''(a) COOPERATION.—In carrying out this subchapter, the Secretary shall—

''(1) foster enhanced operation and management of the surface transportation systems of the United States;

''(2) promote the widespread deployment of intelligent transportation systems; and

''(3) advance emerging technologies, in cooperation with State and local governments and the private sector.

''(b) CONSULTATION.—As appropriate, in carrying out this subchapter, the Secretary shall—

''(1) consult with the heads of other interested Federal departments and agencies; and

''(2) maximize the involvement of the United States private sector, colleges and universities, and State and local governments in all aspects of carrying out this subchapter.

''(c) PROCUREMENT METHODS.—To meet the need for effective implementation of intelligent transportation system projects, the Secretary shall develop appropriate technical assistance and guidance to assist State and local agencies in evaluating and selecting appropriate methods of procurement for intelligent transportation system projects, including innovative and nontraditional methods of procurement.

''§ 524. Research, development, and training

''(a) IN GENERAL.—The Secretary shall carry out a comprehensive program of intelligent transportation system research, development, operational testing, technical assistance and training, national architecture activities, standards development and implementation, and other similar activities that are necessary to carry out the purposes of this subchapter.

''(b) INTELLIGENT VEHICLE AND INTELLIGENT INFRASTRUCTURE PROGRAMS.—

''(1) IN GENERAL.—

''(A) PROGRAM.—The Secretary shall carry out a program to conduct research, development, and engineering designed to stimulate and advance deployment of an integrated intelligent vehicle program and an integrated intelligent infrastructure program, consisting of—

''(i) projects such as crash avoidance, automated highway systems, advanced vehicle controls, and roadway safety and efficiency systems linked to intelligent vehicles; and

''(ii) projects that improve mobility and the quality of the environment, including projects for traffic management, incident management, transit management, toll collection, traveler information, and traffic control systems.

''(B) CONSIDERATION OF VEHICLE AND INFRASTRUCTURE ELEMENTS.—In carrying out subparagraph (A), the Secretary may consider systems that include both vehicle and infrastructure elements and determine the most appropriate mix of those elements.

''(2) NATIONAL ARCHITECTURE.—The program carried out under paragraph (1) shall be consistent with the national architecture.

''(3) PRIORITIES.—In carrying out paragraph (1), the Secretary shall give higher priority to activities that—

''(A) assist motor vehicle drivers in avoiding motor vehicle crashes;

''(B) assist in the development of an automated highway system; or

''(C) improve the integration of air bag technology with other on-board safety systems.

''(4) COST SHARING.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share of the cost of a research project carried out in cooperation with a non-Federal entity under a program carried out under paragraph (1) shall not exceed 80 percent.

''(B) INNOVATIVE OR HIGH-RISK RESEARCH PROJECTS.—The Federal share of the cost of an innovative or high-risk research project described in subparagraph (A) may, at the discretion of the Secretary, be 100 percent.

''(5) PLAN.—The Secretary shall—

''(A) not later than 1 year after the date of enactment of this subchapter, submit to Congress a 6-year plan specifying the goals, objectives, and milestones to be achieved by each program carried out under paragraph (1); and

''(B) report biennially to Congress on the progress in meeting the goals, objectives, and milestones.

''(c) EVALUATION.—

''(1) GUIDELINES AND REQUIREMENTS.—

''(A) IN GENERAL.—The Secretary shall establish guidelines and requirements for the independent evaluation of field and related operational tests, and, if necessary, deployment projects, carried out under this subchapter.

''(B) REQUIRED PROVISIONS.—The guidelines and requirements established under subparagraph (A) shall include provisions to ensure the objectivity and independence of the evaluator so as to avoid any real or apparent conflict of interest or potential influence on the outcome by parties to any such test or deployment project or by any other formal evaluation carried out under this subchapter.

''(2) FUNDING.—

''(A) SMALL PROJECTS.—In the case of a test or project with a cost of less than $5,000,000, the Secretary may allocate not more than 15 percent of the funds made available to carry out the test or project for an evaluation of the test or project.

''(B) MODERATE PROJECTS.—In the case of a test or project with a cost of $5,000,000 or more, but less than $10,000,000, the Secretary may allocate not more than 10 percent of the funds made available to carry out the test or project for an evaluation of the test or project.

''(C) LARGE PROJECTS.—In the case of a test or project with a cost of $10,000,000 or more, the Secretary may allocate not more than 5 percent of the funds made available to carry out the test or project for an evaluation of the test or project.

''(3) INAPPLICABILITY OF PAPERWORK REDUCTION ACT.—Any survey, questionnaire, or interview that the Secretary considers necessary to carry out the evaluation of any test or program assessment activity under this subchapter shall not be subject to chapter 35 of title 44.

''(d) INFORMATION CLEARINGHOUSE.—

''(1) IN GENERAL.—The Secretary shall—

''(A) maintain a repository for technical and safety data collected as a result of federally sponsored projects carried out under this subchapter; and

''(B) on request, make that information (except for proprietary information and data) readily available to all users of the repository at an appropriate cost.

''(2) DELEGATION OF AUTHORITY.—

''(A) IN GENERAL.—The Secretary may delegate the responsibility of the Secretary under this subsection, with continuing oversight by the Secretary, to an appropriate entity not within the Department of Transportation.

''(B) FEDERAL ASSISTANCE.—If the Secretary delegates the responsibility, the entity to which the responsibility is delegated shall be eligible for Federal assistance under this section.

''(e) TRAFFIC INCIDENT MANAGEMENT AND RESPONSE.—The Secretary shall carry out a program to advance traffic incident management and response technologies, strategies, and partnerships that are fully integrated with intelligent transportation systems.

''(f) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $120,000,000 for fiscal year 1998, $125,000,000 for fiscal year 1999, $130,000,000 for fiscal year 2000, $135,000,000 for fiscal year 2001, $140,000,000 for fiscal year 2002, and $150,000,000 for fiscal year 2003, of which, for each fiscal year—

''(A) not less than $25,000,000 shall be available for activities that assist motor vehicle drivers in avoiding motor vehicle crashes, including activities that improve the integration of air bag technology with other onboard safety systems;

''(B) not less than $25,000,000 shall be available for activities that assist in the development of an automated highway system; and

''(C) not less than $3,000,000 shall be available for traffic incident management and response.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1.

''§ 525. Intelligent transportation system integration program

''(a) IN GENERAL.—The Secretary shall conduct a comprehensive program (referred to in this section as the 'program') to accelerate the integration and interoperability of intelligent transportation systems.

''(b) SELECTION OF PROJECTS.—

''(1) IN GENERAL.—Under the program, the Secretary shall select for funding, through competitive solicitation, projects that will serve as models to improve transportation efficiency, promote safety, increase traffic flow, reduce emissions of air pollutants, improve traveler information, or enhance alternative transportation modes.

''(2) PRIORITIES.—Under the program, the Secretary shall give higher priority to funding projects that—

''(A) promote and foster integration strategies and written agreements among local governments, States, and other regional entities;

''(B) build on existing (as of the date of project selection) intelligent transportation system projects;

''(C) deploy integrated intelligent transportation system projects throughout metropolitan areas;

''(D) deploy integrated intelligent transportation system projects that enhance safe freight movement or coordinate intermodal travel, including intermodal travel at ports of entry into the United States; and

''(E) advance intelligent transportation system deployment projects that are consistent with the national architecture and, as appropriate, comply with required standards as described in section 528.

''(c) PRIVATE SECTOR INVOLVEMENT.—In carrying out the program, the Secretary shall encourage private sector involvement and financial commitment, to the maximum extent practicable, through innovative financial arrangements, especially public-private partnerships.

''(d) FINANCING AND OPERATIONS PLANS.—As a condition of receipt of funds under the program, a recipient participating in a project shall submit to the Secretary a multiyear financing and operations plan that describes how the project can be cost-effectively operated and maintained.

''(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $100,000,000 for fiscal year 1998, $110,000,000 for fiscal year 1999, $115,000,000 for fiscal year 2000, $130,000,000 for fiscal year 2001, $135,000,000 for fiscal year 2002, and $145,000,000 for fiscal year 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that, in the case of a project funded under paragraph (1)—

''(A) the Federal share of the cost of the project payable from funds made available under paragraph (1) shall not exceed 50 percent; and

''(B) the total Federal share of the cost of the project payable from all eligible sources (including paragraph (1)) shall not exceed 80 percent.

''§ 526. Integration program for rural areas

''(a) IN GENERAL.—The Secretary shall conduct a comprehensive program (referred to in this section as the 'program') to accelerate the integration or deployment of intelligent transportation systems in rural areas.

''(b) SELECTION OF PROJECTS.—Under the program, the Secretary shall—

''(1) select projects through competitive solicitation; and

''(2) give higher priority to funding projects that—

''(A) promote and foster integration strategies and agreements among local governments, States, and other regional entities;

''(B) deploy integrated intelligent transportation system projects that improve mobility, enhance the safety of the movement of passenger vehicles and freight, or promote tourism; or

''(C) advance intelligent transportation system deployment projects that are consistent with the national architecture and comply with required standards as described in section 528.

''(c) PRIVATE SECTOR INVOLVEMENT.—In carrying out the program, the Secretary shall encourage private sector involvement and financial commitment, to the maximum extent practicable, through innovative financial arrangements, especially public-private partnerships.

''(d) FINANCING AND OPERATIONS PLANS.—As a condition of receipt of funds under the program, a recipient participating in a project shall submit to the Secretary a multiyear financing and operations plan that describes how the project can be cost-effectively operated and maintained

''(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $10,000,000 for fiscal year 1998, $10,000,000 for fiscal year 1999, $15,000,000 for fiscal year 2000, $15,000,000 for fiscal year 2001, $20,000,000 for fiscal year 2002, and $20,000,000 for fiscal year 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that, in the case of a project funded under paragraph (1)—

''(A) the Federal share of the cost of the project payable from funds made available under paragraph (1) shall not exceed 50 percent; and

''(B) the total Federal share of the cost of the project payable from all eligible sources (including paragraph (1)) shall not exceed 80 percent.

''§ 527. Commercial vehicle intelligent transportation system infrastructure

''(a) IN GENERAL.—The Secretary shall carry out a comprehensive program—

''(1) to deploy intelligent transportation systems that will promote the safety and productivity of commercial vehicles and drivers; and

''(2) to reduce costs associated with commercial vehicle operations and State and Federal commercial vehicle regulatory requirements.

''(b) ELEMENTS OF PROGRAM.—

''(1) SAFETY INFORMATION SYSTEMS AND NETWORKS.—

''(A) IN GENERAL.—The program shall advance the technological capability and promote the deployment of commercial vehicle, commercial driver, and carrier-specific safety information systems and networks and other intelligent transportation system technologies used to assist States in identifying high-risk commercial operations and in conducting other innovative safety strategies, including the Commercial Vehicle Information Systems and Networks.

''(B) FOCUS OF PROJECTS.—Projects assisted under the program shall focus on—

''(i) identifying and eliminating unsafe and illegal carriers, vehicles, and drivers in a manner that does not unduly hinder the productivity and efficiency of safe and legal commercial operations;

''(ii) enhancing the safe passage of commercial vehicles across the United States and across international borders;

''(iii) reducing the numbers of violations of out-of-service orders; and

''(iv) complying with directives to address other safety violations.

''(2) MONITORING SYSTEMS.—The program shall advance on-board driver and vehicle safety monitoring systems, including fitness-for-duty, brake, and other operational monitoring technologies, that will facilitate commercial vehicle safety, including inspection by motor carrier safety assistance program officers and employees under chapter 311 of title 49.

''(c) USE OF FEDERAL FUNDS.—

''(1) IN GENERAL.—Federal funds used to carry out the program shall be primarily used to improve—

''(A) commercial vehicle safety and the effectiveness and efficiency of enforcement efforts conducted under the motor carrier safety assistance program under chapter 311 of title 49;

''(B) electronic processing of registration, driver licensing, fuel tax, and other safety information; and

''(C) communication of the information described in subparagraph (B) to other States.

''(2) LEVERAGING.—Federal funds used to carry out the program shall, to the maximum extent practicable—

''(A) be leveraged with non-Federal funds; and

''(B) be used for activities not carried out through the use of private funds.

''(d) FEDERAL SHARE.—The Federal share of the cost of a project assisted under the program shall be not more than 80 percent.

''(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $25,000,000 for fiscal year 1998, $25,000,000 for fiscal year 1999, $25,000,000 for fiscal year 2000, $35,000,000 for fiscal year 2001, $35,000,000 for fiscal year 2002, and $40,000,000 for fiscal year 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that, in the case of a project funded under paragraph (1)—

''(A) the Federal share of the cost of the project payable from funds made available under paragraph (1) shall not exceed 50 percent; and

''(B) the total Federal share of the cost of the project payable from all eligible sources (including paragraph (1)) shall not exceed 80 percent.

''§ 528. Standards

''(a) IN GENERAL.—

''(1) DEVELOPMENT, IMPLEMENTATION, AND MAINTENANCE.—The Secretary shall develop, implement, and maintain a national architecture and supporting standards to promote the widespread use and evaluation of intelligent transportation system technology as a component of the surface transportation systems of the United States.

''(2) INTEROPERABILITY AND EFFICIENCY.—To the maximum extent practicable, the standards shall promote interoperability among, and efficiency of, intelligent transportation system technologies implemented throughout the States.

''(3) USE OF STANDARDS-SETTING ORGANIZATIONS.—In carrying out this section, the Secretary may use the services of such standards-setting organizations as the Secretary determines appropriate.

''(b) REPORT.—

''(1) IN GENERAL.—Not later than January 1, 1999, the Secretary shall submit a report describing the status of all standards.

''(2) CONTENTS.—The report shall—

''(A) identify each standard that is needed for operation of intelligent transportation systems in the United States;

''(B) specify the status of the development of each standard;

''(C) provide a timetable for achieving agreement on each standard as described in this section; and

''(D) determine which standards are critical to ensuring national interoperability or critical to the development of other standards.

''(c) ESTABLISHMENT OF PROVISIONAL STANDARDS.—

''(1) ESTABLISHMENT.—Subject to subsection (d), if a standard determined to be critical under subsection (b)(2)(D) is not adopted and published by the appropriate standards-setting organization by January 1, 2001, the Secretary shall establish a provisional standard after consultation with affected parties.

''(2) PERIOD OF EFFECTIVENESS.—The provisional standard shall—

''(A) be published in the Federal Register;

''(B) take effect not later than May 1, 2001; and

''(C) remain in effect until the appropriate standards-setting organization adopts and publishes a standard.

''(d) WAIVER OF REQUIREMENT TO ESTABLISH PROVISIONAL STANDARDS.—

''(1) NOTICE.—The Secretary may waive the requirement to establish a provisional standard by submitting, not later than January 1, 2001, to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives, a notice that—

''(A) specifies the provisional standard subject to the waiver;

''(B) describes the history of the development of the standard subject to the waiver;

''(C) specifies the reasons why the requirement for the establishment of the provisional standard is being waived;

''(D) describes the impacts of delaying the establishment of the standard subject to the waiver, especially the impacts on the purposes of this subchapter; and

''(E) provides specific estimates as to when the standard subject to the waiver is expected to be adopted and published by the appropriate standards-setting organization.

''(2) PROGRESS REPORTS.—

''(A) IN GENERAL.—In the case of each standard subject to a waiver by the Secretary under paragraph (1), the Secretary shall submit, in accordance with the schedule specified in subparagraph (B), a report to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the progress of the adoption of a completed standard.

''(B) SCHEDULE OF REPORTS.—The Secretary shall submit a report under subparagraph (A) with respect to a standard—

''(i) not later than 180 days after the date of submission of the notice under paragraph (1) with respect to the standard; and

''(ii) at the end of each 180-day period thereafter until such time as a standard has been adopted and published by the appropriate standards-setting organization or the waiver is withdrawn under paragraph (3).

''(C) CONSULTATION.—In developing each progress report under subparagraph (A), the Secretary shall consult with the standards-setting organizations involved in the standardmaking process for the standard.

''(3) WITHDRAWAL OF WAIVER.—

''(A) IN GENERAL.—At any time, the Secretary may, through notification to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives, withdraw a notice of a waiver of the requirement to establish a provisional standard.

''(B) IMPLEMENTATION.—If the Secretary submits notification under subparagraph (A) with respect to a provisional standard, not less than 30 days, but not more than 90 days, after the date of the notification, the Secretary shall implement the provisional standard, unless, by the end of the 90-day period beginning on the date of the notification, a standard has been adopted and published by the appropriate standards-setting organization.

''(e) REQUIREMENT FOR COMPLIANCE WITH STANDARD.—

''(1) IN GENERAL.—

''(A) STANDARD IN EXISTENCE.—Funds made available from the Highway Trust Fund shall not be used to deploy an intelligent transportation system technology if the technology does not comply with each applicable provisional standard or completed standard.

''(B) NO STANDARD IN EXISTENCE.—In the absence of a provisional standard or completed standard, Federal funds shall not be used to deploy an intelligent transportation system technology if the deployment is not consistent with the interfaces to ensure interoperability that are contained in the national architecture.

''(2) APPLICABILITY.—Paragraph (1) shall not apply to—

''(A) the operation or maintenance of an intelligent transportation system in existence on the date of enactment of this subchapter; or

''(B) the upgrade or expansion of an intelligent transportation system in existence on the date of enactment of this subchapter if the Secretary determines that the upgrade or expansion—

''(i) does not adversely affect the purposes of this subchapter, especially the goal of national or regional interoperability;

''(ii) is carried out before the end of the useful life of the system; and

''(iii) is cost effective as compared to alternatives that meet the compliance requirement of paragraph (1)(A) or the consistency requirement of paragraph (1)(B).

''(f) SPECTRUM.—

''(1) CONSULTATION.—The Secretary shall consult with the Secretary of Commerce, the Secretary of Defense, and the Chairman of the Federal Communications Commission to determine the best means for securing the necessary spectrum for the near-term establishment of a dedicated short-range vehicle-to-wayside wireless standard and any other spectrum that the Secretary determines to be critical to the implementation of this title.

''(2) PROGRESS REPORT.—After consultation under paragraph (1) and with other affected agencies, but not later than 1 year after the date of enactment of this subchapter, the Secretary shall submit a report to Congress on the progress made in securing the spectrum described in paragraph (1).

''(3) DEADLINE FOR SECURING SPECTRUM.—Notwithstanding any other provision of law, not later than 2 years after the date of enactment of this subchapter, the Secretary of Commerce shall release to the Federal Communications Commission, and the Federal Communications Commission shall allocate, the spectrum described in paragraph (1).

''(g) FUNDING.—The Secretary shall use funds made available under section 524 to carry out this section.

''§ 529. Funding limitations

''(a) CONSISTENCY WITH NATIONAL ARCHITECTURE.—The Secretary shall use funds made available under this subchapter to deploy intelligent transportation system technologies that are consistent with the national architecture.

''(b) COMPETITION WITH PRIVATELY FUNDED PROJECTS.—To the maximum extent practicable, the Secretary shall not fund any intelligent transportation system operational test or deployment project that competes with a similar privately funded project.

''(c) INFRASTRUCTURE DEVELOPMENT.—Funds made available under this subchapter for operational tests and deployment projects—

''(1) shall be used primarily for the development of intelligent transportation system infrastructure; and

''(2) to the maximum extent practicable, shall not be used for the construction of physical highway and transit infrastructure unless the construction is incidental and critically necessary to the implementation of an intelligent transportation system project.

''(d) PUBLIC RELATIONS AND TRAINING.—For each fiscal year, not more than $15,000,000 of the funds made available under this subchapter shall be used for intelligent transportation system outreach, public relations, training, mainstreaming, shareholder relations, or related activities.

''§ 530. Advisory committees

''(a) IN GENERAL.—In carrying out this subchapter, the Secretary shall use 1 or more advisory committees.

''(b) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—Any advisory committee so used shall be subject to the Federal Advisory Committee Act (5 U.S.C. App.).''.

SEC. 2104. CONFORMING AMENDMENT.

The Intermodal Surface Transportation Efficiency Act of 1991 is amended by striking part B of title VI (23 U.S.C. 307 note; 105 Stat. 2189).

Subtitle C—Funding

SEC. 2201. FUNDING.

Chapter 5 of title 23, United States Code (as amended by section 2103), is amended by adding at the end the following:

''SUBCHAPTER III—FUNDING

''§ 541. Funding

''(a) RESEARCH, TECHNOLOGY, AND TRAINING.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out sections 502, 507, 509, and 511 $98,000,000 for fiscal year 1998, $101,000,000 for fiscal year 1999, $104,000,000 for fiscal year 2000, $107,000,000 for fiscal year 2001, $110,000,000 for fiscal year 2002, and $114,000,000 for fiscal year 2003.

''(b) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

''(1) any Federal share of the cost of an activity under this chapter shall be determined in accordance with this chapter; and

''(2) the funds shall remain available for obligation for a period of 4 years after the last day of the fiscal year for which the funds are authorized.

''(c) LIMITATIONS ON OBLIGATIONS.—Notwithstanding any other provision of law, the total amount of all obligations under subsection (a) shall not exceed—

''(1) $98,000,000 for fiscal year 1998;

''(2) $101,000,000 for fiscal year 1999;

''(3) $104,000,000 for fiscal year 2000;

''(4) $107,000,000 for fiscal year 2001;

''(5) $110,000,000 for fiscal year 2002; and

''(6) $114,000,000 for fiscal year 2003.''.

Mr. CHAFEE. Mr. President, I rise today as a cosponsor of the Intermodal Transportation Act of 1997, a comprehensive, 6-year measure to reauthorize the Nation's Federal aid-highway, highway safety, and other surface transportation programs. I am particularly pleased to be doing so with 10 of my colleagues from the Environment and Public Works Committee, Senator WARNER and Senator BAUCUS, Senators BOND, THOMAS, KEMPTHORNE, REID, GRAHAM, SMITH, ALLARD, INHOFE; as well as Senators DORGAN, HARKIN, and GRASSLEY. As you can tell from the list of names I just read, this bill truly represents a consensus effort, with cosponsors from all regions of the country and from both sides of the aisle.

This legislation is the product of well over a year of hard work and careful negotiation. Some say that it has taken a long time to get to this point, but we had three very different proposals—all commendable—to coalesce into one unified plan that we can rally around. We also could not put together a serious proposal before we knew the amount of money we had for transportation under the budget agreement.

The result of these efforts, the Intermodal Transportation Act of 1997

[ITA], provides $145 billion over the next 6 years to keep our Nation's transportation system up and running. This bill preserves and builds upon the laudable goals of ISTEA—intermodalism and efficiency. More important, it does so in a manner that: First, stays within a balanced budget; second, enhances highway and driver safety; and finally, protects the environment.

First, I want to stress that the Intermodal Transportation Act is fiscally responsible and fiscally innovative. In my view, the most important aspect of this bill is that it works within the context of a balanced budget. This is essential. On America's highways, you get to where you are going by staying within the lines and playing by the rules. That should be our guide when it comes to the budget as well.

To maximize limited Federal funds, strategic investment in transportation is critical. Forty years ago, it made sense for the Nation to build an interstate highway system. Today, however, we must be more creative. Simply building more roads and highways is no longer a workable solution. We must carefully plan and allocate our limited resources.

The bill before us includes a number of innovative ways to finance our formidable transportation needs. It establishes a federal credit assistance program for surface transportation. The provision is identical to S. 986, the Transportation Infrastructure Finance and Innovation Act, which I introduced in the Senate earlier this year. This new program leverages limited Federal funds by allowing up to a $10 billion Federal line-of-credit for transportation projects, at a cost to the Federal budget of just over $500 million. The bill also provides tools, such as the State Infrastructure Bank Program, to enable States to make the most of their transportation dollars.

Second, this legislation substantially increases the Federal commitment to safety. I am very concerned about the safety of our Nation's highways, and I am particularly alarmed by the escalating incidence of highway motor vehicle injuries and fatalities. In the United States alone, there are more than 40,000 fatalities and 3.5 million automobile crashes every year. Between 1992 and 1995, the average highway fatality rate increased by more than 2,000 lives, while the annual injury rate increased by over 380,000. We must work vigorously to reverse this trend, and this bill will help us do so. The funds set-aside for safety programs such as hazard elimination and railway-highway crossings under this bill totals $690 million dollars per year, almost a 55-percent increase over the current level.

Often, it is a safety belt that can make the difference between saving a life and becoming another tragic statistic. The bill establishes a new State safety belt incentive program, rewarding those States that increase their seat belt use rate or take other measures to promote seat belt use. It provides an average of $83 million per year from the highway trust fund to pay for the new incentives program.

The ITA establishes a new program that, through economic sanctions, encourages States to enact laws and minimum penalties for repeat drunk driving offenders. The bill also establishes a new border infrastructure and safety program to address safety concerns that have resulted from NAFTA, such as deteriorating roads and bridges in our border States. I can assure you that safety is an uncompromising priority of the legislation before us.

Third, the Intermodal Transportation Act upholds ISTEA's strong commitment to preserving and protecting our environment. As valuable as transportation is to our society through the movement of goods and people, it takes a heavy toll on the Nation's air, land, and water. The costs of air pollution that can be attributed to cars and trucks range from $30 to $200 billion per year. Passenger cars alone account for almost 30 percent of the Nation's total oil consumption.

ISTEA provided States and localities with tools to cope with the growing demands on our transportation system and the corresponding strain on our environment. I am proud that the bill before us increases funding for ISTEA's key programs to offset transportation's impact on the environment.

The bill before us provides an average of $1.18 billion per year over the next 6 years for the CMAQ, or Congestion Mitigation and Air Quality Improvement, Program. That's an 18-percent increase over the current funding levels for transit improvements, shared ride services, and bicycle and pedestrian facilities, to help fight air pollution.

Highway construction can be a destructive impact on a community and its surrounding environment. To redress some of the damage highways have done in the past, the bill increases funding for enhancement activities to $552 million per year, a 24-percent increase over the current law. Enhancement money can be used for a variety of projects, such as billboard removal, historic preservation, and the Rails-to-Trails Program.

We must recognize that caring for our precious natural heritage and expanding transportation infrastructure can go hand in hand. The bill establishes a new wetlands restoration pilot program. The purpose of the program is to fund projects to offset the loss or degradation of wetlands resulting from Federal-aid transportation projects. It also establishes a new pilot program to integrate transportation, development and the environment, and to preserve communities.

When it was enacted in 1991, ISTEA expanded the focus of national policy, transforming what was once simply a highway program into a surface transportation program, dedicated to the mobility of passengers and goods. And it recognized, for the first time, that the individual transportation modes function best as a cohesive and interrelated system.

Admittedly, the transition from old policies and practices to those embodied in ISTEA has not always been easy. The two complaints we have heard time and again from the States are that ISTEA's program structure is too complicated and its formulas are not fair. The bill before us will carry forward ISTEA's strengths but it also will correct ISTEA's weaknesses, and provide a responsive transportation program to take us into the next century.

The Intermodal Transportation Act addresses the concerns of the States by making the program easier to understand and by providing real flexibility to States and localities. It reduces the number of ISTEA program categories from 5 to 3, and it includes more than 20 improvements to reduce the redtape involved in carrying out transportation projects. The bill also expands the eligibility of NHS and surface transportation funds to passenger rail, such as AMTRAK, and intelligent transportation systems.

Moreover, the Intermodal Transportation Act significantly reforms the ISTEA funding formulas to balance the diverse needs of the various regions of the Nation. It guarantees 90 cents back for every dollar a State contributes to the highway trust fund. Fortynine of the fifty States share in the growth of the overall program. The bill also recognizes the diversity and uniqueness of the country and all of its transportation needs.

By making the surface transportation program more responsive to all regions of the country, this bill will ensure that the laudable goals of the original ISTEA—intermodalism and efficiency—are upheld. Finding the right solutions to address all of our needs requires strategic and comprehensive approaches to transportation policy.

Before I conclude, I want to give a special thanks to Senators WARNER and BAUCUS for their hard work and determination in developing this legislation. It has not been easy, and we still have a long way to go. But I look forward to working with the other members of the Environment and Public Works Committee and all Members of the Senate, as well as the House leadership, to enact a bill this year that will take the Nation's transportation system into the 21st century.

Mr. BAUCUS. Mr. President, let me start by thanking the chairman of the committee and the chairman of the subcommittee for their fine work on this bill. Their efforts have produced a bill that will build upon and improve the current transportation bill, ISTEA.

The bill we will introduce shortly is a good bill. It is a balanced bill. It is a national bill. And while it may not be everyone's idea of the perfect bill, it is a solid start for the Senate debate.

When we began developing the legislation, I had three principal goals. I am pleased that this bill meets all three:

First, the bill is fair to all regions of the country. It recognizes the diverse transportation needs of all regions of this country—Western States, Southern States and Northeastern States. And it includes programs and funding to meet those needs.

Second, the bill streamlines today's complex transportation programs while still retaining the integrity of ISTEA.

We have consolidated funding categories—yet maintained funding requirements for all portions of the transportation system, including interstate highways and our bridges.

Third, the bill gives State and local officials back home greater flexibility to deliver transportation services efficiently.

I also am pleased that the bill retains an emphasis on the National Highway System, which includes the Interstate System. These are the most important roads and bridges in the country and they deserve the priority this bill gives them.

Finally, we have retained important programs on air quality and enhancements.

The chairman rightly points out that the bill does not bust the budget. Under the bill, spending for transportation will increase substantially over the next 6 years. Yet it is consistent with the budget resolution.

But as I have said before, I believe those levels are too low. They simply cannot meet today's very real transportation needs. So as we move forward in the Senate, I hope we can identify ways to attain a more appropriate level of funding.

In conclusion, this bill will keep our economy growing, while it improves the safety of our roads and bridges, and protects our environment.

I look forward to moving this bill through the Senate and I again thank my colleagues for their hard work on this measure.

Mr. GRAHAM. Mr. President, I am very pleased to be able to join my good friend and colleagues, Senator BAUCUS and Senator WARNER, in discussing the legislation that was introduced or will be introduced today, and was presented yesterday, the Intermodal Transportation Act.

Mr. President, I will discuss some of the substantive provisions of this which have caused me to give it enthusiastic support, but I would like to comment in a preliminary manner about the way in which this legislation was developed.

In a sense, this legislation has been in the course of development since we adopted the current Highway Transportation Act in 1991. It has been a course of development both by those who had high expectations and those such as myself who had apprehensions about the 1991 enactment and have been monitoring it closely to see what lessons we might learn from that experience to apply to now the next 6-year reauthorization of this important national legislation.

This close scrutiny has particularly drawn the attention of those who have responsibility for the management of our highway systems at the State and local level, and it is appropriate that it should have that close scrutiny. Most of the responsibility for the construction, the management, the operation of our highway and bridge system is at the State and local level. Those officials represent a unique source of insight and wisdom as to what our national policy should be, and those resources of wisdom and insight have been applied in the development of the legislation that today is being introduced.

I will also comment about the bipartisan spirit in which this has been developed. Senator WARNER spoke about the many months in which we worked together in attempting to develop some principles that would be sound for America and would represent a fair and balanced program for each of the States of America. The fact that we are at the point of introducing this legislation, with almost every region of the country, almost every difference in the country from States that are mature, States that are rapidly growing, States that have peculiar climactic considerations that impact their highway system, large States, small States, States from every corner of the geography of America, Members of the U.S. Senate representing those States have now come together behind this legislation. That is in the best spirit of a democracy, seeking consensus behind a plan which will then have the confidence and support of the American people.

I want to particularly commend Senator WARNER, Senator BAUCUS, and Senator CHAFEE for their leadership on the Environment and Public Works Committee for taking all the principle, ideas, and suggestions and now putting them in the form of this legislation with strong bipartisan support.

Let me talk briefly, Mr. President, about some of the reasons I am supporting this legislation. First, I am doing it as a strong supporter of a balanced budget. It would be easy to have a highway bill which would satisfy everyone's needs if there was an unlimited amount of money to be spent in that area of national responsibility. The fact is, there is not an unlimited amount of money to be spent in that area or in any other of our national responsibilities. We have committed ourselves to a policy of fiscal prudence, and to balance the Nation's budget by the year 2002. It would be the height of irresponsibility, within less than 2 months of having congratulated ourselves on having passed a balanced budget agreement, to then bust that agreement by presenting a highway bill which was substantially beyond the limits that had been prescribed in the balanced budget as our Nation's allocation for highway and bridge construction. I am pleased that this legislation complies with the balanced budget agreement.

Second, I am pleased that this legislation will bring fundamental fairness and integrity to the allocation of our national resources for surface transportation among the 50 States and among the communities of America.

We have had a system in the past which has utilized a number of factors that were increasingly irrelevant and frequently outdated in terms of their ability to determine relative need among the States in terms of highway and bridge construction. As an example, the current legislation that we are using in 1997 has the factor of census—where are the American people—and one of the considerations as to where the American people's transportation dollars should be allocated among the 50 States in order to best meet national needs.

The difficulty is that the census that is used in that formula is the 1980 census, 17 years out of date. For a rapidly growing State like mine, that is a punishing provision. For some States, where the population has been stable or even declining over that 17-year period, it creates an unwarranted bonus.

One of the principles of this bill in terms of fairness is that a key central indicator of highway need is the amount of highway transactions collected within that State for Federal purposes. All motorists across this land pay the same number of pennies per gallon of motor fuel purchased for Federal highway purposes. Therefore, there is a relationship between how much individual States collect for that Federal highway motor fuel tax and what the relative demand on the system is. People buy gasoline and other motor fuels because they will drive their vehicles. They tend to drive the vehicles relatively close to the point of purchase of that motor fuel. So, assessing how much tax is collected is a very strong indicator of where the need for the transportation services resides.

So this bill essentially says that 90 cents of every dollar will be returned to the State at the point of collection. If a particular State collects $100 million a year of Federal motor fuel tax, it can be assured it will get back at least $90 million to meet the needs that were generated by those persons who purchased their motor fuel and paid that Federal tax. This is a very significant departure from our previous surface transportation acts.

To put this in the context of my State of Florida, a large, fast-growing State, since 1991 we have averaged receiving not 90 cents, but less than 78 cents per year of our Federal motor fuels tax. That has resulted in an average per year return to our State of $768 million. When this legislation goes into effect for the next 6 years at a somewhat higher annual level of return, because as the country grows and as the economy expands more motor fuel is purchased, therefore, more taxes are

paid, but primarily because we will be moving from 78 cents to 90 cents of every dollar returned, our State is projected for the next 6 years to receive an average of $1 billion a year in Federal highway funds. That will allow my fast-growing State and its 15 million residents to be able to much better meet the needs of maintaining the system that is in existence and expanding the system in order to meet the demands of a growing population and an expanding economy.

Third, Mr. President, this legislation balances national needs and State and local needs. Some would argue, and I think with considerable persuasion, that what we ought to do is to have the National Government substantially back away from a Federal highway program, repeal substantial amounts of the Federal motor fuel tax and let the States make a determination as to whether they want to pick up that tax and levy it now as a State tax and use those funds directly for State purposes.

Frankly, moving toward the 90 cents on the dollar program to assure fundamental fairness is a major step toward that type of a turnback philosophy. But this legislation continues to recognize that there is an important national role in transportation. If I want to drive my car from Miami Lakes, FL, to the home State of our Presiding Officer, I have to drive through many States. It is, therefore, important to me that each one of those States has a safe and efficient highway system to allow me to achieve my destination of mobility from one part of America to another. That is a national need for which we all have an interest and a responsibility. I believe that this legislation balances those two desires to place as much responsibility and freedom of action and determination of priorities at the State and local level out of a belief that it is there that there is the best ability to assess what the real needs are, while still maintaining a sufficient national role to assure that we have national mobility across this great continent. I believe that the legislation that we introduce today strikes that appropriate balance.

A fourth aspect of this legislation is simplification and streamlining. As Senator WARNER discussed, this legislation will reduce the number of categories in which the Federal Government provides highway and bridge funds to the States and local communities. It will make it easier for the public, easier for people in our communities and States, easier for us here in the Congress to understand the system, because it will be more simplified. We will get greater efficiency out of the funds derived. There should be lessened administrative costs because there will be fewer programs to maintain and monitor. Increasing the ability of people in our communities and in our States to make their transportation decisions should be and is a key priority of this legislation.

Mr. President, I close by discussing a final point, which is a point at which I suggest that we need to be totally candid with the American people. I voted against ISTEA in 1991 and stated that one of my reasons for voting against it was the fact that in all probability, at the end of the 6-year period of that legislation, our roads and bridges would be in worse shape than they were in 1991. I am sad to report that the U.S. Department of Transportation has issued reports which indicate that my prophecy was correct, that we had lower levels of maintenance on our highways, we have more bridges in need of serious repair, we have not maintained sufficient capacity in order to meet the needs of a growing economy and a growing American population.

I regret to say that I am afraid the same prophecy can be made about the legislation that we are about to pass, and that is a serious commentary. It speaks to the level of our commitment to transportation as an important national priority. Transportation is not being singled out. We are doing an inadequate job in almost every area of our Nation's infrastructure. One of those areas in which I am particularly concerned is educational infrastructure. All over the country we see older schools crumbling because of lack of adequate maintenance and repair and rehabilitation. All over the country, we see children going to classrooms that don't have the kind of access to modern technology that an education at the end of the 20th century requires. We see students in portables and inappropriate educational facilities because there have not been the resources to keep pace with building the new classrooms that the expanding student populations require. So what we are encountering in our transportation system is replicated in our education system, also in water and sewer and other basic community health services. I hope that, as part of this debate on transportation in 1997, we will use this as a means of stimulating a national awareness to the fact that we have a much greater job to do in terms of building the basic systems upon which our people, our society, our free enterprise economic system depend.

Having said that, there is a glimmer of hope in this legislation relative to the total adequacy of funds for transportation. While recognizing that the traditional means of funding transportation—so much money from the National Government through a Federal program, supplemented by additional funds from State or local sources—while those traditional sources are not likely to be adequate in order to maintain our current system and meet the needs for expansion, this legislation does call for some new opportunities for creativity and innovation and encouraging nontraditional funding to come into transportation—particularly, funding from the private sector.

We started several years ago with a plan that encouraged States to set up State banks to engage in various forms of innovative financing—public-private partnerships, encouragement to early acquisition of highway corridors in order to lower the cost of right-of-way acquisition—a whole series of innovative ideas at the State level, with Federal support, in order to stretch our available dollars further so that we have a better chance of meeting the total demands that would be made upon transportation as one important part of our infrastructure obligations.

This legislation builds on those past provisions. It expands the States' ability to set up those State-based infrastructure banks. It also will create a new Federal innovative financing program to work with the States where they have projects that will benefit by these kinds of new means of financing transportation and involving the private sector. I think that is going to be an absolute key if we are going to meet our obligation to future generations in terms of maintaining a transportation system that will give us the economic capabilities to sustain our global position as well as provide the mobility that the American people require for their own day-to-day life experiences.

So, Mr. President, I am enthusiastic about the legislation that we are introducing today. I believe it represents a significant step forward in terms of accepting our national responsibility and doing it in a fair and balanced manner. I applaud those who have joined in this effort and look forward to this Senate passing this legislation at the earliest possible date so that before we recess for 1997, we can say as one of our accomplishments for this year that we have passed a significant national transportation policy and have that policy in place for the next 6 years, and we can get on with the business of benefiting by that new policy.

ADDITIONAL COSPONSORS

S. 22

At the request of Mr. MOYNIHAN, the names of the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Illinois [Mr. DURBIN] were added as cosponsors of S. 22, a bill to establish a bipartisan national commission to address the year 2000 computer problem.

S. 389

At the request of Mr. ABRAHAM, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 389, a bill to improve congressional deliberation on proposed Federal private sector mandates, and for other purposes.

S. 781

At the request of Mr. HATCH, the name of the Senator from Wyoming [Mr. THOMAS] was added as a cosponsor of S. 781, a bill to establish a uniform and more efficient Federal process for protecting property owners' rights guaranteed by the fifth amendment.

S. 852

At the request of Mr. LOTT, the names of the Senator from West Virginia [Mr. ROCKEFELLER] and the Senator from Kansas [Mr. ROBERTS] were added as cosponsors of S. 852, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

S. 1113

At the request of Mr. GRASSLEY, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1113, a bill to extend certain temporary judgeships in the Federal judiciary.

SENATE CONCURRENT RESOLUTION 51

At the request of Mr. HELMS, the name of the Senator from California [Mrs. FEINSTEIN] was added as a cosponsor of Senate Concurrent Resolution 51, a concurrent resolution expressing the sense of Congress regarding elections for the legislature of the Hong Kong Special Administrative Region.

AMENDMENTS SUBMITTED

THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

DEWINE AMENDMENT NO. 1134

(Ordered to lie on the table.)

Mr. DEWINE submitted an amendment intended to be proposed by him to the bill (H.R. 2107) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998, and for other purposes; as follows:

At the end of title III, insert the following:

SEC. . (a) In providing services or awarding financial assistance under the National Foundation on the Arts and the Humanities Act of 1965 from funds appropriated under this Act, the Chairperson of the National Endowment for the Arts and the Chairperson of the National Endowment for the Humanities shall ensure that priority is given to providing services or awarding financial assistance for projects, productions, workshops assistance for projects, productions, workshops, or programs that serve underserved populations.

(b) In this section:

(1) The term ''underserved population'' means a population of individuals who have historically been outside the purview of arts and humanities programs due to a high incidence of income below the poverty line or to geographic isolation.

(2) The term ''poverty line'' means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

DEWINE AMENDMENT NO. 1135

(Ordered to lie on the table.)

Mr. DEWINE submitted an amendment intended to be proposed by him to an amendment intended to be proposed by Mr. JEFFORDS to the bill, H.R. 2107, supra; as follows:

On page 9, strike lines 21 through 24, and insert the following:

''(9) UNDERSERVED POPULATION.—The term 'underserved population' means a population of individuals who have historically been outside the purview of arts and humanities programs due to a high incidence of income below the poverty line or to geographic isolation. For purposes of the preceding sentence, the term 'poverty line' means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved.

On page 20, lines 9 and 10, strike ''UNDERSERVED COMMUNITIES GRANTS.—'' and insert ''UNDERSERVED POPULATIONS GRANTS.—''.

On page 21, line 12, strike ''UNDERSERVED COMMUNITIES GRANTS.—'' and insert ''UNDERSERVED POPULATIONS GRANTS.—''.

On page 25, lines 21 and 22, strike ''in rural and urban underserved communities'' and insert ''for rural and urban underserved populations''.

On page 30, lines 7 and 8, strike ''underserved communities'' and insert ''underserved populations''.

On page 31, lines 3 and 4, strike ''in rural and urban underserved communities'' and insert ''for rural and urban underserved populations''.

On page 33, lines 17 and 18, strike ''underserved communities'' and insert ''underserved populations''.

On page 38, line 10, strike ''underserved communities'' and insert ''underserved populations''.

On page 41, line 14, strike ''underserved communities'' and insert ''underserved populations''.

On page 43, lines 10 and 11, strike ''UNDERSERVED COMMUNITIES GRANTS.—'' and insert ''UNDERSERVED POPULATIONS GRANTS.—''.

On page 43, lines 15 and 16, strike ''in underserved communities'' and insert ''for underserved populations''.

On page 45, lines 2 and 3, strike ''in underserved communities'' and insert ''for underserved populations''.

On page 45, lines 5 and 6, strike ''in underserved communities'' and insert ''serving underserved populations''.

On page 45, lines 9 and 10, strike ''in underserved communities'' and insert ''serving underserved populations''.

On page 47, line 18, strike ''underserved communities'' and insert ''underserved populations''.

On page 54, line 12, strike ''underserved communities'' and insert ''areas serving underserved populations''.

On page 58, line 7, strike ''underserved community'' and insert ''underserved population''.

THE FOOD AND DRUG ADMINISTRATION MODERNIZATION AND ACCOUNTABILITY ACT OF 1997; PRESCRIPTION DRUG USERS FEE REAUTHORIZATION ACT OF 1997

DEWINE AMENDMENT NO. 1136

(Ordered to lie on the table.)

Mr. DEWINE submitted an amendment intended to be proposed by him to the bill (S. 830) to amend the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act to improve the regulation of food, drugs, devices, and biological products, and for other purposes; as follows:

Strike section 618 and insert the following:

SEC. 618. PEDIATRIC STUDIES MARKETING EXCLUSIVITY.

(a) GENERAL AUTHORITY.—Chapter V of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351 et seq.) is amended by inserting after section 505 the following:

''SEC. 505A. PEDIATRIC STUDIES OF DRUGS.

''(a) MARKET EXCLUSIVITY FOR NEW DRUGS.—If, prior to approval of an application that is submitted under subsection (b)(1) or (j) of section 505, the Secretary determines that information relating to the use of a drug in the pediatric population may produce health benefits in that population, the Secretary makes a written request for pediatric studies (which may include a timeframe for completing such studies), and such studies are completed within any such timeframe and the reports thereof submitted in accordance with subsection (d)(2) or completed within any such timeframe and the reports thereof are accepted in accordance with subsection (d)(3)—

''(1)(A) the period during which an application may not be submitted under subsections (c)(3)(D)(ii) and (j)(4)(D)(ii) of section 505 shall be five years and six months rather than five years, and the references in subsections (c)(3)(D)(ii) and (j)(4)(D)(ii) of section 505 to four years, to forty-eight months, and to seven and one-half years shall be deemed to be four and one-half years, fifty-four months, and eight years, respectively; or

''(B) the period of market exclusivity under subsections (c)(3)(D) (iii) and (iv) and (j)(4)(D) (iii) and (iv) of section 505 shall be three years and six months rather than three years; and

''(2)(A) if the drug is the subject of—

''(i) a listed patent for which a certification has been submitted under subsection (b)(2)(A)(ii) or (j)(2)(A)(vii)(II) of section 505 and for which pediatric studies were submitted prior to the expiration of the patent (including any patent extensions); or

''(ii) a listed patent for which a certification has been submitted under subsection (b)(2)(A)(iii) or (j)(2)(A)(vii)(III) of section 505,

the period during which an application may not be approved under subsection (c)(3) or (j)(4)(B) of section 505 shall be extended by a period of six months after the date the patent expires (including any patent extensions); or

''(B) if the drug is the subject of a listed patent for which a certification has been submitted under subsection (b)(2)(A)(iv) or (j)(2)(A)(vii)(IV) of section 505, and in the patent infringement litigation resulting from the certification the court determines that the patent is valid and would be infringed, the period during which an application may not be approved under subsection (c)(3) or (j)(4)(B) of section 505 shall be extended by a period of six months after the date the patent expires (including any patent extensions).

''(b) SECRETARY TO DEVELOP LIST OF DRUGS FOR WHICH ADDITIONAL PEDIATRIC INFORMATION MAY BE BENEFICIAL.—Not later than 180 days after the date of enactment of this section, the Secretary, after consultation with experts in pediatric research (such as the American Academy of Pediatrics, the Pediatric Pharmacology Research Unit Network, and the United States Pharmacopoeia) shall develop, prioritize, and publish an initial list of approved drugs for which additional pediatric information may produce health benefits in the pediatric population. The Secretary shall annually update the list.

''(c) MARKET EXCLUSIVITY FOR ALREADY-MARKETED DRUGS.—If the Secretary makes a written request for pediatric studies (which

may include a timeframe for completing such studies) concerning a drug identified in the list described in subsection (b) to the holder of an approved application under subsection (b)(1) or (j) of section 505 for the drug, the holder agrees to the request, and the studies are completed within any such timeframe and the reports thereof submitted in accordance with subsection (d)(2) or completed within any such timeframe and the reports thereof accepted in accordance with subsection (d)(3)—

''(1)(A) the period during which an application may not be submitted under subsections (c)(3)(D)(ii) and (j)(4)(D)(ii) of section 505 shall be five years and six months rather than five years, and the references in subsections (c)(3)(D)(ii) and (j)(4)(D)(ii) of section 505 to four years, to forty-eight months, and to seven and one-half years shall be deemed to be four and one-half years, fifty-four months, and eight years, respectively; or

''(B) the period of market exclusivity under subsections (c)(3)(D) (iii) and (iv) and (j)(4)(D) (iii) and (iv) of section 505 shall be three years and six months rather than three years; and

''(2)(A) if the drug is the subject of—

''(i) a listed patent for which a certification has been submitted under subsection (b)(2)(A)(ii) or (j)(2)(A)(vii)(II) of section 505 and for which pediatric studies were submitted prior to the expiration of the patent (including any patent extensions); or

''(ii) a listed patent for which a certification has been submitted under subsection (b)(2)(A)(iii) or (j)(2)(A)(vii)(III) of section 505,

the period during which an application may not be approved under subsection (c)(3) or (j)(4)(B) of section 505 shall be extended by a period of six months after the date the patent expires (including any patent extensions); or

''(B) if the drug is the subject of a listed patent for which a certification has been submitted under subsection (b)(2)(A)(iv) or (j)(2)(A)(vii)(IV) of section 505, and in the patent infringement litigation resulting from the certification the court determines that the patent is valid and would be infringed, the period during which an application may not be approved under subsection (c)(3) or (j)(4)(B) of section 505 shall be extended by a period of six months after the date the patent expires (including any patent extensions).

''(d) CONDUCT OF PEDIATRIC STUDIES.—

''(1) AGREEMENT FOR STUDIES.—The Secretary may, pursuant to a written request for studies, after consultation with—

''(A) the sponsor of an application for an investigational new drug under section 505(i);

''(B) the sponsor of an application for a drug under subsection (b)(1) or (j) of section 505; or

''(C) the holder of an approved application for a drug under subsection (b)(1) or (j) of section 505,

agree with the sponsor or holder for the conduct of pediatric studies for such drug.

''(2) WRITTEN PROTOCOLS TO MEET THE STUDIES REQUIREMENT.—If the sponsor or holder and the Secretary agree upon written protocols for the studies, the studies requirement of subsection (a) or (c) is satisfied upon the completion of the studies and submission of the reports thereof in accordance with the original written request and the written agreement referred to in paragraph (1). Not later than 60 days after the submission of the report of the studies, the Secretary shall determine if such studies were or were not conducted in accordance with the original written request and the written agreement and reported in accordance with the requirements of the Secretary for filing and so notify the sponsor or holder.

''(3) OTHER METHODS TO MEET THE STUDIES REQUIREMENT.—If the sponsor or holder and the Secretary have not agreed in writing on the protocols for the studies, the studies requirement of subsection (a) or (c) is satisfied when such studies have been completed and the reports accepted by the Secretary. Not later than 90 days after the submission of the reports of the studies, the Secretary shall accept or reject such reports and so notify the sponsor or holder. The Secretary's only responsibility in accepting or rejecting the reports shall be to determine, within the 90 days, whether the studies fairly respond to the written request, whether such studies have been conducted in accordance with commonly accepted scientific principles and protocols, and whether such studies have been reported in accordance with the requirements of the Secretary for filing.

''(e) DELAY OF EFFECTIVE DATE FOR CERTAIN APPLICATIONS; PERIOD OF MARKET EXCLUSIVITY.—If the Secretary determines that the acceptance or approval of an application under subsection (b)(2) or (j) of section 505 for a drug may occur after submission of reports of pediatric studies under this section, which were submitted prior to the expiration of the patent (including any patent extension) or market exclusivity protection, but before the Secretary has determined whether the requirements of subsection (d) have been satisfied, the Secretary shall delay the acceptance or approval under subsection (b)(2) or (j), respectively, of section 505 until the determination under subsection (d) is made, but such delay shall not exceed 90 days. In the event that requirements of this section are satisfied, the applicable period of market exclusivity referred to in subsection (a) or (c) shall be deemed to have been running during the period of delay.

''(f) NOTICE OF DETERMINATIONS ON STUDIES REQUIREMENT.—The Secretary shall publish a notice of any determination that the requirements of subsection (d) have been met and that submissions and approvals under subsection (b)(2) or (j) of section 505 for a drug will be subject to the provisions of this section.

''(g) LIMITATION.—The holder of an approved application for a new drug that has already received six months of market exclusivity under subsection (a) or (c) may, if otherwise eligible, obtain six months of market exclusivity under subsection (c)(1)(B) for a supplemental application, except that the holder is not eligible for exclusivity under subsection (c)(2).

''(h) STUDY AND REPORT.—The Secretary shall conduct a study and report to Congress not later than January 1, 2003 based on the experience under the program. The study and report shall examine all relevant issues, including—

''(1) the effectiveness of the program in improving information about important pediatric uses for approved drugs;

''(2) the adequacy of the incentive provided under this section;

''(3) the economic impact of the program; and

''(4) any suggestions for modification that the Secretary deems appropriate.

''(i) TERMINATION OF MARKET EXCLUSIVITY EXTENSION AUTHORITY FOR NEW DRUGS.—Except as provided in section 618(b) of the Food and Drug Administration Modernization and Accountability Act of 1997, no period of market exclusivity shall be extended under subsection (a) for a drug if—

''(1) the extension would be based on studies commenced after January 1, 2002; or

''(2) the application for the drug under subsection (b)(1) or (j) of section 505 was not submitted by January 1, 2002.

''(j) DEFINITIONS.—In this section, the term 'pediatric studies' or 'studies' means at least 1 clinical investigation (that, at the Secretary's discretion, may include pharmacokinetic studies) in pediatric age-groups in which a drug is anticipated to be used.''.

(b) MARKET EXCLUSIVITY UNDER OTHER AUTHORITY.—

(1) THROUGH CALENDAR YEAR 2003.—

(A) DETERMINATION.—If the Secretary requests or requires pediatric studies, prior to January 1, 2002, under Federal law other than section 505A of the Federal Food, Drug, and Cosmetic Act (as added by subsection (a)), from the sponsor of an application, or the holder of an approved application, for a drug under subsection (b) or (j) of section 505 of such Act (21 U.S.C. 355), the Secretary shall determine whether the studies meet the completeness, timeliness, and other submission requirements of the Federal law involved.

(B) MARKET EXCLUSIVITY.—If the Secretary determines that the studies meet the requirements involved, the Secretary shall ensure that the period of market exclusivity for the drug involved is extended for 6 months in accordance with the requirements of subsection (a), (c), (e), and (g) (as appropriate) of section 505A of such Act (as in effect on the date of enactment of this Act.).

(2) CALENDAR YEAR 2002 AND SUBSEQUENT YEARS.—

(A) NEW DRUGS.—Effective January 1, 2002, if the Secretary requests or requires pediatric studies, under Federal law other than section 505A of the Federal Food, Drug, and Cosmetic Act, from the sponsor of an application for a drug under subsection (b) or (j) of section 505 of such Act, nothing in such law shall be construed to permit or require the Secretary to ensure that the period of market exclusivity for the drug is extended.

(B) ALREADY MARKETED DRUGS.—

(i) DETERMINATION.—Effective January 1, 2002, if the Secretary requests or requires pediatric studies, under Federal law other than section 505A of the Federal Food, Drug, and Cosmetic Act (as added by subsection (a)), from the holder of an approved application for a drug under subsection (b) or (j) of section 505 of such Act (21 U.S.C. 355), the Secretary shall determine whether the studies meet the completeness, timeliness, and other submission requirements of the Federal law involved.

(ii) MARKET EXCLUSIVITY.—If the Secretary determines that the studies meet the requirements involved, the Secretary shall ensure that the period of market exclusivity for the drug involved is extended for 6 months in accordance with the requirements of subsection (a), (c), (e), and (g) (as appropriate) of section 505A of such Act (as in effect on the date of enactment of this Act.).

(3) DEFINITIONS.—In this subsection:

(A) DRUG.—The term ''drug'' has the meaning given the term in section 201 of such Act.

(B) PEDIATRIC STUDIES.—The term ''pediatric studies'' has the meaning given the term in section 505A of such Act.

(C) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

NOTICE OF HEARING

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will meet with the Senate Committee on the Judiciary on Wednesday, September 17, 1997, at 9 a.m. in room 226 of the Dirksen Senate Office Building to conduct a

joint oversight hearing on the problem of youth gang activity in Indian country.

Those wishing additional information should contact the Committee on Indian Affairs at 224–2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. WARNER. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Friday, September 12, at 9 a.m. for a hearing on regulatory reform.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON IMMIGRATION

Mr. WARNER. Mr. President, I ask unanimous consent that the Subcommittee on Immigration, of the Senate Committee on the Judiciary, be authorized to meet during the session of the Senate on Friday, September 12, 1997, at 10 a.m. to hold a hearing in room 226, Senate Dirksen Building, on: ''Religious Workers.''

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

REPEAL OF THE TOBACCO TAX CREDIT

• Mr. MCCAIN. Mr. President, I supported the amendment offered this week by my colleagues, Senators DURBIN and COLLINS, to eliminate the tax credit for tobacco companies contained in the Balanced Budget Act of 1997.

I am amazed at the inventiveness of the process that resulted in this little known provision becoming law. The tax credit was not included in either the balanced budget or taxpayer relief bills that were first considered in the House and Senate. It was not included in the final, conference version of the 1,056-page Balanced Budget Act that the Senate approved on July 31. Instead, it was added to the Balanced Budget Act by means of an amendment quietly slipped into the final, conference version of the 809-page Taxpayer Relief Act, that the Senate passed just hours later on the same day.

This $50 billion giveaway was never discussed or reviewed in an open, public forum, but was added at the eleventh hour, in a conference meeting behind closed doors. This is not the way the Congress should conduct the people's business.

Not only did this unnecessary and undeserved multi-billion-dollar tax credit bypass the normal and appropriate procedures of both Houses of Congress, it also ignored the good intentions of both the Senate and House to provide health care to our Nation's children. This tax break would give the tobacco industry a share of the $50 billion raised from increased tobacco excise taxes, instead of protecting those funds to fund new children's health care initiatives. This tax break would benefit the tobacco industry by shortchanging an important and widely supported public health initiative.

The overwhelming vote to repeal this unwarranted tax credit demonstrates clearly that the majority in the Senate did not intend to give a $50 billion tax break to tobacco companies, instead of providing funds to meet the health care needs of approximately 10 million uninsured children in our country. Congress intended to, and did, gradually raise the tax on tobacco products by 15 cents, to provide much-needed funds for health insurance for uninsured children.

I am very concerned that the tobacco tax credit provision that was inserted into the Balanced Budget Act was an attempt by some to begin drafting tobacco liability settlement legislation before Congress has had an opportunity to carefully review the proposed settlement. The provision the Senate voted to repeal would have credited a portion of the increased tobacco excise taxes toward liability payments the tobacco companies could be required to make under legislation implementing the settlement. Clearly, this is inappropriate since Congress is still conducting a thorough examination of the settlement and has not reached a consensus on this matter.

While Congress continues to examine the multibillion-dollar litigation settlement between the tobacco industry and several States, we need to remain mindful that the most important aspect of these discussion is public health, particularly the welfare of our children. By approving the Dubin-Collins amendment and repealing the tax break to tobacco companies, Congress sent a clear message to the American public that their health and well-being is the priority in the complex tobacco settlement discussions. Supporting the Durbin amendment returns $50 billion to the general Treasury while protecting the $24 billion necessary for funding the children's health care initiative.

We need to carefully examine utilizing the funds returned to the treasury as financial support for various public health initiatives. Particularly, we need to discuss using these funds for developing initiatives which would provide our children with the appropriate guidance and information regarding the potential health dangers associated with tobacco products. It is imperative that we create educational campaigns which utilize a variety of tools including advertisement, special events, and public service campaigns. By disseminating the appropriate information to the public, specifically children, we could significantly raise awareness on the perils associated with smoking.

History demonstrates that antismoking campaigns, particularly on television and the radio can serve as strong disincentives for smoking. During the late 1960's, the Federal Communications Commission mandated televised antismoking messages to counter the tobacco advertising which was filling the television airwaves. Anti-smoking advertisements and public service announcements caused a decline in the number of smokers in the country. However, in 1971, the FCC implemented a ban on radio and television advertisement. Since implementation of that ban, antismoking campaigns have also declined.

As chairman of the Commerce Committee, which has jurisdiction over many aspects of the tobacco settlement, I have already held one hearing on the settlement and fully intend on holding more hearings in the near future. Specifically, I intend to hold a hearing regarding the impact of television and radio messages in the antismoking campaign. I believe it is important to hold a hearing which examines the role of various media in the campaign to raise public awareness regarding the dangers associated with tobacco products, especially for the Nation's children.

Mr. President, it is important that we continue to give all aspects of the proposed tobacco settlement careful and coordinated consideration. At the same time, we need to remain mindful that a very important goal of any settlement ought to be the protection of the health and welfare of our children and the general public.•

RECOGNITION OF SEAN P. ALLERTON, BOY SCOUTS OF AMERICA, TROOP 189

• Mr. BREAUX. Mr. President, I would like to take this opportunity to recognize Sean P. Allerton, a member of the Boy Scouts of America's Troop 189 in New Orleans, LA. In 1992, the 102d Congress amended the Constitution of the United States of America by ratifying the 27th amendment. In doing so, thousands of Government textbooks and educational tools throughout the country became outdated. American government students around the world were retrieving information in libraries, in classrooms and in textbooks that reported the Constitution as only having 26 amendments.

Sean Allerton recognized this lack of current information, and as his Eagle Scout project, decided to rectify the problem. He called upon numerous organizations and individuals in the New Orleans area to sponsor his goal of getting 6,600 copies of the new Constitution distributed to every American government and civics student in New Orleans. On August 21 of this year, he received a letter and a check from State District Court Judge Lloyd J. Medley, Jr., who believed in the importance of Sean's project and donated the financial backing to carry it forth.

On September 17, mayor of New Orleans Marc Morial will hold a press conference to congratulate and thank

Sean on his endeavor, and to distribute the new copies of the Constitution to the students of New Orleans. I, too, would like to send words of support and thanks from the 105th Congress to Sean P. Allerton, for reminding us of the value of service and the patriotism that strengthens this country's heart. Thank you, Sean.●

CONTINUING THE FOOD ANIMAL RESIDUE AVOIDANCE DATABANK PROGRAM

● Mr. BURNS. Mr. President, I wish to speak in support of S. 1153, introduced by my colleague Senator BAUCUS, which will continue the Food Animal Residue Avoidance Databank [FARAD] Program.

Although the recent E. coli scares are unfortunate, they present a good opportunity for the Senate to act on the issue of food safety. Public interest in the safety of our food supply is high, and the call for consumer awareness has never been greater. The FARAD Program stores and disseminates information on drug, pesticide, and environmental contaminant residue. This information allows veterinarians and producers to avoid problems with contaminated meat and helps ensure the integrity of our Nation's food supply. Producers and veterinarians can access FARAD information over the telephone, through e-mail, or even through two sites on the Internet, putting valuable data at everyone's fingertips. Information is also available in print material, such as FARAD's compendium on available drugs and the FARAD Digest column in the Journal of the American Veterinary Medical Association. Unfortunately, a lack of funding has prevented FARAD's directors and employees from updating the databank. FARAD must contain complete and current data in order to continue protecting American consumers. And that's the bottom line. The public must be confident that the food on their plate is safe. I hope that my colleagues will support consumer awareness and support the FARAD Program.●

BRAILLE LITERACY

● Mr. BINGAMAN. Mr. President, Helen Keller, the moving spirit for the American Foundation for the Blind and many in the visually handicapped community, once said, ''. . . when I hold a beloved [braille] book in my hand my limitations fall from me, my spirit is free.''

During the recent reauthorization of the Individuals With Disabilities Education Act it was my pleasure to work with the American Foundation for the Blind, the National Federation of the Blind, the American Council of the Blind, and other groups to include a provision for the teaching of braille for all blind or visually impaired students for whom it is appropriate as part of the IEP process. Because of this change which is now in law, every blind or visually impaired child will soon have the chance to experience the same freedom enjoyed by Helen Keller.

Most children who are blind or visually impaired benefit from specialized instruction in braille to enable them to participate equally with their sighted peers in school and ultimately to compete in the workplace. Additionally, for those who cannot use print, braille provides an excellent means for reading confidential information, making notes at meetings and giving presentations, recordkeeping, labeling information files, performing household management functions, and ease of studying and reviewing critical information.

Over 57,000 students, as of 1996, were registered with the American Printing House for the Blind and over 500 students from New Mexico are registered. Mr. President, I am pleased to report that in my State, 2,500 braille books were circulated by the New Mexico State Library for the Blind and Physically Handicapped, the Regional Library for the Blind in Santa Fe, in fiscal year 1996.

The mission of the American Foundation for the Blind is to enable persons who are blind or visually impaired to achieve equality of access and opportunity that will ensure freedom of choice in their lives. I am delighted that the braille provisions of the recently reauthorized Individuals With Disabilities Education Act will help all children who are blind or visually impaired to achieve this goal.●

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR MONDAY, SEPTEMBER 15, 1997

Mr. SESSIONS. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 noon on Monday, September 15; in addition, on Monday, following the prayer, the Senate immediately resume consideration of H.R. 2107, the Interior appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECORD TO REMAIN OPEN

Mr. SESSIONS. Mr. President, I also ask unanimous consent that the RECORD remain open until 3 p.m. for the introduction of legislation and statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SESSIONS. As under the previous order, on Monday, the Senate will resume consideration of H.R. 2107, the Interior appropriations bill, as announced. No rollcall votes will occur during Monday's session. Any votes ordered on amendments to H.R. 2107 will be set aside, to occur at a time to be determined by the majority leader. It is our hope that the Senate will conclude debate on the Interior bill by Tuesday. Therefore, Members are encouraged to contact the managers of the bill to schedule floor action on any possible amendments. As Members are aware, this is the next-to-last appropriations bill remaining for Senate consideration; the last being the District of Columbia appropriations. Therefore, Members' cooperation is appreciated in the scheduling of floor action as we attempt to conclude action on both the Interior appropriations bill and the District of Columbia appropriations bill next week.

As a reminder to all Members, there will be no rollcall votes on Monday, and the next rollcall vote will be a cloture vote on the substitute amendment to S. 830, the FDA reform bill, which will occur on Tuesday at 10 a.m., under rule XXII. All first-degree amendments to S. 830 must be filed by 1 p.m. on Monday.

I thank my colleagues for their attention.

ADJOURNMENT UNTIL MONDAY, SEPTEMBER 15, 1997

Mr. SESSIONS. If there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 1:24 p.m, adjourned until Monday, September 15, 1997, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate September 12, 1997:

DEPARTMENT OF COMMERCE

DAVID L. AARON, OF NEW YORK, TO BE UNDER SECRETARY OF COMMERCE FOR INTERNATIONAL TRADE, VICE STUART E. EIZENSTAT, RESIGNED.

DEPARTMENT OF STATE

BETTY EILEEN KING, OF MARYLAND, TO BE REPRESENTATIVE OF THE UNITED STATES OF AMERICA ON THE ECONOMIC AND SOCIAL COUNCIL OF THE UNITED NATIONS, WITH THE RANK OF AMBASSADOR.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DAVID SATCHER, OF TENNESSEE, TO BE AN ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES, VICE PHILIP R. LEE, RESIGNED.

DAVID SATCHER, OF TENNESSEE, TO BE MEDICAL DIRECTOR IN THE REGULAR CORPS OF THE PUBLIC HEALTH SERVICE, SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW AND REGULATIONS, AND TO BE SURGEON GENERAL OF THE PUBLIC HEALTH SERVICE FOR A TERM OF 4 YEARS, VICE M. JOCELYN ELDERS.

DEPARTMENT OF JUSTICE

MARK REID TUCKER, OF NORTH CAROLINA, TO BE THE U.S. MARSHAL FOR THE EASTERN DISTRICT OF NORTH CAROLINA, FOR THE TERM OF 4 YEARS, VICE WILLIAM I. BERRYHILL.

PUBLIC HEALTH SERVICE

THE FOLLOWING CANDIDATES FOR PERSONNEL ACTION IN THE REGULAR COMPONENT OF THE PUBLIC HEALTH SERVICE COMMISSIONED CORPS SUBJECT TO

QUALIFICATIONS THEREFOR AS PROVIDED BY LAW AND REGULATIONS:

1. FOR APPOINTMENT:

To be medical director

WILLIAM E. HALPERIN

To be senior surgeon

DIANE L. ROWLEY

To be surgeon

JAY C. BUTLER
ROBERT H. JOHNSON

To be senior assistant surgeon

JOSEPH M. CHEN
SUSAN A. LIPPOLD
CARLOS M. RIVERA
THOMAS J. VANGILDER
STEVEN S. WOLF
PRISCILLA L. YOUNG
STEPHANIE ZAZA

To be dental surgeon

RICHARD M. DAVIDSON

To be senior assistant dental surgeon

GLEN A. EISENHUTH
MARK S. ELLIOTT
CLAY D. HENNING
STEVEN A. JOHNSON
MICHAEL J. MINDIOLA
DONALD L. ROSS
JAMES H. TENNYSON

To be nurse director

SUSAN P. HUBBARD

To be senior nurse officer

ELIZABETH J. MCCARTHY

To be nurse officer

VERONICA G. STEPHENS

To be senior assistant nurse officer

BRIAN P. ASAY
AMY V. BUCKANAGA
DEBORAH K. BURKYBILE
THOMAS L. DOSS
Deann M. Eastman-Jansen
Edwin M. Galan
Louis J. Glass
Nelson Hernandez
Richard G. Hills
Leonard L. Howell
Lenora B. Jones
JOAN F. KELLEY
ERIC A. LASURE
PATRICIA A. LAWRENCE
LUCIENNE D. NELSON
SUSAN M. NORD
MARTHA T. OLONE
JUDY L. PEARCE
JULIANA M. SADOVICH
CARMELITA SORRELMAN
MARY T. VANLEUVEN
DANIEL J. WESKAMP
VERNON L. WILKIE

To be assistant nurse officer

KAREN E. BIKOWICZ
GUADALUPE R. DEMSKE
ROBERT T. EDWARDS
WILLIAM C. GUINN
MICHAEL J. LACKEY
RICHARD N. LELAND
MARK J. MARTINEAU
EDWARD A. SEXTON

To be engineer director

RICHARD R. TRUITT

To be senior assistant engineer officer

DAVID M. APANIAN
CHARLES S. HAYDEN, II
LEE C. JACKSON
JOHN W. LONGSTAFF
KATHY M. PONELEIT
STEPHEN P. RHODES
CAROL L. ROGERS
HUNG TRINH
RICHARD S. WERMERS
ANDREW J. ZAJAC

To be assistant engineer officer

MICHAEL S. COENE
PAUL J. RITZ

To be scientist

SUSANNE M. CAVINESS

To be senior assistant scientist

DRUE H. BARRETT
ROY A. BLAY
ANN M. MALARCHER
ROBERT L. WILLIAMS

To be sanitarian

EDWIN J. FLUETTE

To be senior assistant sanitarian

CLINT R. CHAMBERLIN
JEFFREY A. CHURCH
NANCY J. COLLINS
ERIC J. ESSWEIN
WENDY L. FANASELLE
MICHAEL G. HALKO
DIANA M. KUKLINSKI
JOSEPH D. LITTLE
GINA L. LOCKLEAR
JOE L. MALONEY
MICHAEL A. NOSKA
DAVID E. ROBBINS
SARATH B. SENEVIRATNE
DANIEL C. STRAUSBAUGH
JESSILYNN B. TAYLOR
TIMOTHY WALKER

William S. Stokes

To be senior assistant pharmacist

LISA A. COHN
ALISON R. DION
CINDY P. DOUGHERTY
THOMAS P. GAMMARANO
ROBERT W. GRIFFITH
JILL D. MAYES
PAUL J. NA
CHERYL A. NAMTVEDT
WILLIAM A. RUSSELL, JR.
DONNA A. SHRINER
PAMELA J. WEST
ROCHELLE B. YOUNG

To be assistant pharmacist

CHRISTOPHER A. BINA

To be senior assistant dietitian

JO ANN A. HOLLAND
MARILYN A. WELSCHENBACH

To be senior assistant therapist

CINDY R. MELANSON

To be assistant therapist

MICHELLE Y. JORDAN
JEAN E. MARZEN

To be health services officer

EUGENE A. MIGLIACCIO

To be senior assistant health services officer

DEBORA S. DESCOMBES
MICHAEL J. FLOOD
DONALD H. GABBERT
DENISE L. GOUDELOCK
JANE MARTIN
DOREEN M. MELLING
DAVID J. MILLER
PEGGY J. ROYS
WILLIAM TOOL

To be assistant health services officer

JAMES A. GREGORY
TRINH K. NGUYEN

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10 UNITED STATES CODE, SECTION 601:

To be general

LT. GEN. JOHN A. GORDON, 0000.