

104TH CONGRESS
2D SESSION

H. R. 3669

To establish sources of funding for certain transportation infrastructure projects in the vicinity of the border between the United States and Mexico that are necessary to accommodate increased traffic resulting from the implementation of the North American Free Trade Agreement, including construction of new Federal border crossing facilities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 18, 1996

Mr. FILNER introduced the following bill; which was referred to the
Committee on Transportation and Infrastructure

A BILL

To establish sources of funding for certain transportation infrastructure projects in the vicinity of the border between the United States and Mexico that are necessary to accommodate increased traffic resulting from the implementation of the North American Free Trade Agreement, including construction of new Federal border crossing facilities, and for other purposes.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Border Infrastructure
3 Safety and Congestion Relief Act of 1996”.

4 **SEC. 2. FINDINGS.**

5 Congress finds that—

6 (1) although the United States Customs Service
7 has collected increased duties, merchandise fees, and
8 revenues from other commerce-related activities be-
9 cause of the approval and implementation of the
10 North American Free Trade Agreement, these in-
11 creased revenues have not been accompanied by Fed-
12 eral funding for improving transportation facilities
13 along the international borders of the United States
14 to ensure the free and safe flow of trade destined for
15 all States and regions of the United States;

16 (2) because of NAFTA, all 4 States along the
17 United States-Mexico border will require significant
18 investments in highway infrastructure capacity and
19 motor carrier safety enforcement at a time when
20 border States face extreme difficulty in meeting cur-
21 rent highway funding needs;

22 (3) the full benefits of increased international
23 trade can be realized only if delays at the borders
24 are significantly reduced; and

25 (4) the increased revenues to the general fund
26 of the Treasury described in paragraph (1) should

1 be sufficient to provide Federal funding for trans-
2 portation improvements required to accommodate
3 NAFTA-generated traffic, in an amount above and
4 beyond regular Federal transportation funding ap-
5 portionments.

6 **SEC. 3. DEFINITIONS.**

7 In this Act, the following definitions apply:

8 (1) **BORDER REGION.**—The term “border re-
9 gion” means the region located within 60 miles of
10 the United States border with Mexico.

11 (2) **BORDER STATE.**—The term “border State”
12 means California, Arizona, New Mexico, and Texas.

13 (3) **FUND.**—The term “Fund” means the Bor-
14 der Transportation Infrastructure Fund established
15 under section 4(g).

16 (4) **NAFTA.**—The term “NAFTA” means the
17 North American Free Trade Agreement.

18 (5) **SECRETARY.**—The term “Secretary” means
19 the Secretary of Transportation.

20 **SEC. 4. DIRECT FEDERAL ASSISTANCE FOR BORDER CON-**
21 **STRUCTION AND CONGESTION RELIEF.**

22 (a) **IN GENERAL.**—Using amounts in the Fund, the
23 Secretary shall make grants under this section to border
24 States that submit an application that demonstrates need,
25 due to increased traffic resulting from the implementation

1 of NAFTA, for assistance in carrying out transportation
2 projects that are necessary to relieve traffic congestion or
3 improve enforcement of motor carrier safety laws.

4 (b) GRANTS FOR CONNECTORS TO FEDERAL BOR-
5 DER CROSSING FACILITIES.—The Secretary shall make
6 grants to border States for the purposes of connecting,
7 through construction or reconstruction, the National
8 Highway System designated under section 103(b) of title
9 23, United States Code, with Federal border crossing fa-
10 cilities located in the United States in the border region.

11 (c) GRANTS FOR WEIGH-IN-MOTION DEVICES IN
12 MEXICO.—The Secretary shall make grants to assist bor-
13 der States in the purchase, installation, and maintenance
14 of weigh-in-motion devices and associated electronic equip-
15 ment that are to be located in Mexico if real time data
16 from the devices is provided to the nearest United States
17 port of entry and to State commercial vehicle enforcement
18 facilities that serve the port of entry.

19 (d) GRANTS FOR COMMERCIAL VEHICLE ENFORCE-
20 MENT FACILITIES.—The Secretary shall make grants to
21 border States to construct, operate, and maintain commer-
22 cial vehicle enforcement facilities located in the border re-
23 gion.

24 (e) LIMITATIONS ON EXPENDITURES OF FUNDS.—

1 (1) COST SHARING.—A grant under this section
2 shall be used to pay the Federal share of the cost
3 of a project. The Federal share shall be 80 percent.

4 (2) ALLOCATION AMONG STATES.—

5 (A) IN GENERAL.—For each fiscal year,
6 the Secretary shall allocate amounts remaining
7 in the Fund, after any transfers under section
8 5, among border States in accordance with an
9 equitable formula established by the Secretary
10 in accordance with subparagraphs (B) and (C).

11 (B) CONSIDERATIONS.—Subject to sub-
12 paragraph (C), in establishing the formula, the
13 Secretary shall consider—

14 (i) the annual volume of international
15 commercial vehicle traffic at the ports of
16 entry of each border State as compared to
17 the annual volume of international com-
18 mercial vehicle traffic at the ports of entry
19 of all border States, based on the data pro-
20 vided in the most recent report submitted
21 under section 8;

22 (ii) the percentage by which inter-
23 national commercial vehicle traffic in each
24 border State has grown during the period
25 beginning on the date of the enactment of

1 the North American Free Trade Agree-
2 ment Implementation Act (Public Law
3 103–182) as compared to that percentage
4 for each other border State; and

5 (iii) the extent of border transpor-
6 tation improvements carried out by each
7 border State during the period beginning
8 on the date of the enactment of the North
9 American Free Trade Agreement Imple-
10 mentation Act (Public Law 103–182).

11 (C) MINIMUM ALLOCATION.—Each border
12 State shall receive not less than 5 percent of
13 the amounts made available to carry out this
14 section during the period of authorization under
15 subsection (i).

16 (f) ELIGIBILITY FOR REIMBURSEMENT FOR PRE-
17 VIOLUSLY COMMENCED PROJECTS.—The Secretary shall
18 make a grant under this section to a border State that
19 reimburses the border State for a project for which con-
20 struction commenced after January 1, 1994, if the project
21 is otherwise eligible for assistance under this section.

22 (g) BORDER TRANSPORTATION INFRASTRUCTURE
23 FUND.—

24 (1) ESTABLISHMENT.—There is established in
25 the Treasury of the United States the Border Trans-

1 portation Infrastructure Fund to be used in carrying
2 out this section, consisting of such amounts as are
3 appropriated to the Fund under subsection (i).

4 (2) EXPENDITURES FROM FUND.—

5 (A) IN GENERAL.—Subject to subpara-
6 graph (B), upon request by the Secretary, the
7 Secretary of the Treasury shall transfer from
8 the Fund to the Secretary of Transportation
9 such amounts as the Secretary of Transpor-
10 tation determines are necessary to make grants
11 under this section and transfers under section
12 5.

13 (B) ADMINISTRATIVE EXPENSES.—An
14 amount not exceeding 1 percent of the amounts
15 in the Fund shall be available for each fiscal
16 year to pay the administrative expenses nec-
17 essary to carry out this section.

18 (h) APPLICABILITY OF TITLE 23.—Title 23, United
19 States Code, shall apply to grants made under this section.

20 (i) AUTHORIZATION OF APPROPRIATIONS.—There
21 are authorized to be appropriated to the Fund to carry
22 out this section and section 5 \$125,000,000 for each of
23 fiscal years 1998 through 2001. The appropriated
24 amounts shall remain available for obligation until the end

1 of the third fiscal year following the fiscal year for which
2 the amounts are appropriated.

3 **SEC. 5. CONSTRUCTION OF TRANSPORTATION INFRA-**
4 **STRUCTURE FOR LAW ENFORCEMENT PUR-**
5 **POSES.**

6 At the request of the Attorney General, the Secretary
7 may transfer up to \$10,000,000 of the amounts from the
8 Fund for fiscal years 1998 through 2001 to the Attorney
9 General for the construction of transportation infrastruc-
10 ture necessary for law enforcement in border States.

11 **SEC. 6. BORDER INFRASTRUCTURE INNOVATIVE FINANC-**
12 **ING.**

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

14 (1) to encourage the establishment and oper-
15 ation of State infrastructure banks in accordance
16 with section 350 of the National Highway System
17 Designation Act of 1995 (109 Stat. 618; 23 U.S.C.
18 101 note); and

19 (2) to advance transportation infrastructure
20 projects supporting international trade and com-
21 merce.

22 (b) FEDERAL LINE OF CREDIT.—Section 350 of the
23 National Highway System Designation Act of 1995 (109
24 Stat. 618; 23 U.S.C. 101 note) is amended—

1 (1) by redesignating subsection (l) as subsection
2 (m); and

3 (2) by inserting after subsection (k) the follow-
4 ing:

5 “(1) FEDERAL LINE OF CREDIT.—

6 “(1) IN GENERAL.—There is authorized to be
7 appropriated from the general fund of the Treasury
8 \$100,000,000 to be used by the Secretary to enter
9 into agreements to make lines of credit available
10 to—

11 “(A) border States that have established
12 infrastructure banks under this section; and

13 “(B) the State of New Mexico which has
14 established a border authority that has bonding
15 capacity.

16 “(2) AMOUNT.—The line of credit available to
17 each participating border State shall be equal to the
18 product of—

19 “(A) the amount appropriated under para-
20 graph (1); and

21 “(B) the quotient obtained by dividing—

22 “(i) the contributions of the State to
23 the Highway Trust Fund during the latest
24 fiscal year for which data are available; by

1 “(ii) the total contributions of all par-
2 ticipating border States to the Highway
3 Trust Fund during that fiscal year.

4 “(3) USE OF LINE OF CREDIT.—The line of
5 credit under this subsection shall be available to pro-
6 vide Federal support in accordance with this sub-
7 section for funding agreements with—

8 “(A) a State infrastructure bank engaged
9 in providing credit enhancement to creditworthy
10 eligible public and private multimodal projects
11 that support international trade and commerce
12 in the border region; and

13 “(B) the New Mexico Border Authority;
14 (each referred to in this subsection as a ‘border in-
15 frastructure bank’).

16 “(4) LIMITATIONS.—

17 “(A) IN GENERAL.—A line of credit under
18 this subsection may be drawn on only—

19 “(i) with respect to a completed
20 project described in paragraph (3) that is
21 receiving credit enhancement through a
22 border infrastructure bank;

23 “(ii) when the cash balance available
24 in the border infrastructure bank is insuf-

1 ficient to pay a claim for payment relating
2 to the project; and

3 “(iii) when all subsequent revenues of
4 the project have been pledged to the border
5 infrastructure bank.

6 “(B) THIRD PARTY CREDITOR RIGHTS.—
7 No third party creditor of a public or private
8 entity carrying out a project eligible for assist-
9 ance from a border infrastructure bank shall
10 have any right against the Federal Government
11 with respect to a line of credit under this sub-
12 section, including any guarantee that the pro-
13 ceeds of a line of credit will be available for the
14 payment of any particular cost of the public or
15 private entity that may be financed under this
16 subsection.

17 “(5) INTEREST RATE AND REPAYMENT PE-
18 RIOD.—Any draw on a line of credit under this sub-
19 section shall—

20 “(A) accrue, beginning on the date the
21 draw is made, interest at a rate equal to the
22 current (as of the date the draw is made) mar-
23 ket yield on outstanding, marketable obligations
24 of the United States with maturities of 30
25 years; and

1 (1) pay any amounts required pursuant to the
2 guarantee of the principal amount of an obligation
3 under section 511 of such Act (45 U.S.C. 831) for
4 any eligible freight rail project described in sub-
5 section (c) during the period that the guaranteed ob-
6 ligation is outstanding; and

7 (2) during the period referred to in paragraph
8 (1), meet the applicable requirements of this section
9 and sections 511 and 513 of such Act (45 U.S.C.
10 832 and 833).

11 (c) ELIGIBILITY.—Assistance provided under this
12 section shall be limited to those freight rail projects lo-
13 cated in the United States that provide intermodal connec-
14 tions that enhance cross-border traffic in the border re-
15 gion.

16 (d) LIMITATION.—Notwithstanding any other provi-
17 sion of law, the aggregate unpaid principal amounts of ob-
18 ligations that may be guaranteed by the Secretary under
19 this section may not exceed \$100,000,000 during any of
20 fiscal years 1998 through 2001.

21 (e) AUTHORIZATION OF APPROPRIATIONS.—There
22 are authorized to be appropriated to make loan guarantees
23 under this section \$10,000,000 for each of fiscal years
24 1998 through 2001.

1 **SEC. 8. REPORT.**

2 (a) **IN GENERAL.**—The Secretary shall annually sub-
3 mit to Congress and the Governor of each border State
4 a report concerning—

5 (1) the volume and nature of international com-
6 mercial vehicle traffic crossing the border between
7 the United States and Mexico; and

8 (2)(A) the number of international commercial
9 vehicle inspections conducted by each border State
10 at each United States port of entry; and

11 (B) the rate of out-of-service violations of inter-
12 national commercial vehicles found through the in-
13 spections.

14 (b) **INFORMATION PROVIDED BY UNITED STATES**
15 **CUSTOMS SERVICE.**—For the purpose of preparing each
16 report under subsection (a)(1), the Commissioner of Cus-
17 toms shall provide to the Secretary such information de-
18 scribed in subsection (a)(1) as the Commissioner has
19 available.

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