



## Amendments to H.R. 3550, TEA-LU **DRAFT**

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### AMENDMENTS MADE IN ORDER UNDER THE RULE:

#### PROVISIONS OF NOTE IN THE MANAGERS AMENDMENT:

**Re-Opener Provision (Section 1124):** Modifies the re-opener provision so that most of the funds in the bill for fiscal year 2006 may be apportioned before August 1, 2006 UNLESS, legislation is enacted increasing the minimum guarantee amount to 92% in 2006 and increasing to 95% by 2009. Such legislation must not reduce the amount of funds any state received the prior year. This provision will still require an increase in overall spending beyond the current levels in the bill. It is unclear whether or not this increase in spending would have to be funded via new taxes.

**Indian Gaming:** Strikes the provisions of the bill ratifying agreements for and placing land in trust for two Indian gaming facilities in Michigan.

**Tolling of Existing Interstate Facilities:** Amends one of the three provisions of the bill that would permit tolling of existing highways or interstate facilities to only permit tolling of new roads for new construction. The other toll provisions remain in place.

**Pilot Program on State Assumption of Secretary of Transportation's Responsibilities for Environmental Reviews (Section 1207):** Creates a 5 state pilot project to permit limited assumption by states of meeting the requirements for environmental reviews.

**Earmarks:** Makes numerous changes to earmarks already contained in the bill and adds an additional 45 earmarks, including a parking lot expansion in Clifton Virginia and biking and pedestrian trails between a middle school and a highway in Minnesota. The amendment also makes technical changes to 9 earmarks contained in TEA-21.

**Funds for Truck Stop Equipment (Section 1828):** Permits the use of funds for the capital and operating costs of “advanced truck stop electrification systems” (meaning a stationary system providing heat, a/c, electricity, and communications to a parked truck)

**Wildlife Observation:** Permits the use of Federal Lands Highway funds for the construction of “wildlife observation infrastructure” and permits funds to be used for construction of refuge roads (as opposed to just maintenance and improvements).

**State Statutes for Drug-Impaired Driving:** Mandates the creation of a model statute for states regarding drug-impaired driving (Section 2011)

**Transportation Security:** Mandates a Public Transportation National Security Study

**New Programs:**

- Transportation Education: Establishes a “Transportation Education Development Pilot Program” to make grants to institutions of higher education to revise curricula and education programs to train individuals in the transportation workforce.
- Establishes a new “Road Weather Research and Development Program”
- Establishes 3 new “Centers for Surface Transportation Excellence”

**Funding:**

- Continues the highway funding guarantee
- Extends and Amends the Current Law Provisions Related to Revenue Aligned Budget Authority (RABA): RABA provides for increases or decreases in the amount of money for transit programs based on the actual amount of revenue coming in. In the past this has caused large swings in both directions. The amendment provides that only ½ of the adjustment called for under the RABA calculations shall be implemented in any given year.

**High-Speed Railroads:** Expands current law which permits federal funding of the planning of high-speed rail corridors to include the development of such corridors, including the purchase of locomotives, rolling stock, track, and signal equipment. A total of \$310 million is authorized for this program for fiscal years 2005 through 2012.

**Alaska Railroad:** Authorizes such sums to make grants to the Alaska railroad for capital rehabilitation and improvements

**Specific State Provisions or Earmarks:**

Alaska:

- Sets aside \$10 million for the construction of a bridge in Alaska
- Creates a new Alaska Native Village Transportation Program to pay the costs of planning, design, construction, and maintenance of road and other transportation facilities identified by Alaska Native Villages.
- Expands the eligibility of communities in Western Alaska to participate in the community development quota program

Maryland:

- Mandates the opening of the ramp connecting Arena Drive (Fed-Ex Field) and I-95 in Prince George's County, Maryland.

**Johnson, Eddie Bernice (TX) (10 minutes).** Directs the Department of Transportation to make its Annual Report to Congress on the use of federal transportation funds (listed by program, by type of investment, and by location within the states) also available to the public in a user-friendly format on the Internet.

**Flake (10 minutes).** Subtracts the amount that states receive in High Priority Program earmarks from their formula totals for the Surface Transportation Program; prevents the Minimum Guaranty Program from backfilling for what comes out of states' Surface Transportation Program funding; and apportions to states, via formula, any funding subtracted from a state because of this provision. The amendment seeks to ensure that States do not end up receiving more or less money than they would otherwise receive via formula because of program earmarks. A similar provision that counted earmarked projects towards a state's formula allocation (which has been described by some as a drafting error) was included in the Omnibus.

**Jackson-Lee (10 minutes).** Current law, which allows a state to use toll revenues as a credit towards non-federal match requirements, provided that the road or facility generating the tolls was built and maintained without federal funds. The amendment would permit a state to receive credit for tolls from roads or facilities built, improved or maintained with federal funds provided that the credit shall be reduced by the percentage of the total costs paid from federal funds.

**Shadegg (10 minutes).** Ensures that Congestion Mitigation and Air Quality Improvement Program funds will be made available for areas which are not in attainment of air quality standards for either coarse particulate matter (PM-10) or fine particulate matter (PM-2.5) in addition to the standards for ozone or carbon monoxide.

**Schiff (10 minutes).** The bill permits states to allow qualifying low-emission vehicles to use HOV lanes if they meet certain requirements, including paying a toll. The amendment strikes the toll provision.

**Vitter (10 minutes).** Ensures the Interstate Route 49 Corridor is given priority consideration under the new National Corridor Infrastructure Improvement Program.

**Graves (10 minutes).** Eliminates liability nationwide under state law for an owner of a motor vehicle who is engaged in the business of renting and leasing motor vehicles, provided there is no negligence or criminal wrongdoing on the part of the motor vehicle owner and

that the owner maintains the proper level of state-mandated insurance. Eleven states plus the District of Columbia currently have some type of “vicarious liability” law, under which vehicle owners are liable for the accidents of their renters and leasers (even if the involved vehicles are registered in states *without* such liability laws).

**Chocola (10 minutes).** Provides for a 400-pound weight limit exclusion for any heavy-duty vehicle equipped with an idling reduction technology verified by the Environmental Protection Agency. The exemption is designed to encourage truckers to equip their trucks with independent power systems that they can utilize rather than simply sitting with the engine idling. Truckers may be discouraged from using such technology because of vehicle weight limitations. According to the sponsor, the amendment is supported by: American Lung Association, the American Trucking Association, the National Association of Truck Stop Operators, and by the nation's largest trucking fleet, Schneider National, based in Green Bay, Wisconsin.

**Baird (10 minutes).** Expresses the Sense of Congress to clarify that the Buy America Act applies to entire bridge projects-not just their component parts. Also notes that, “[Public Law 97-424] clearly states that domestic materials must be used in federal highway projects unless there is a finding that the inclusion of domestic materials will increase the cost of the overall project by more than 25 percent.”

**Holt (10 minutes).** Allows the State of New Jersey to prohibit large trucks from using interstate highways, the New Jersey Turnpike, and the Atlantic City Expressway in New Jersey, unless they are traveling to a terminal or making pickups or deliveries on other roads in New Jersey.

**Waters (10 minutes).** Prohibits the use of funds for surface transportation projects that are planned or required to implement any proposal to build a remote passenger check-in facility at Los Angeles International Airport (LAX).

**LoBiondo (10 minutes).** Allows states to receive Alcohol-Impaired Countermeasures grant funds for programs to impound a vehicle operated by a person who is arrested for operating the vehicle while under the influence of alcohol.

**Wu (10 minutes).** Exempts projects for which the Secretary of Transportation has received an application for final design from the capital investment grant requirements of the bill.

**LaTourette (10 minutes).** Sets the following requirements for construction projects:

- Must use steel or iron of U.S. origin
- More than 60% of the cost components and subcomponents of all manufactured products must be of U.S. origin (does not include labor costs in calculation)
- In the case of manufactured components, final assembly must occur in the U.S.

**Crowley (10 minutes).** Creates a new pilot program to facilitate the use of natural gas buses at public airports. Grants would be used to replace existing buses with those using natural gas, with a maximum of 10 buses acquired per airport. The grant recipient must pay for 10 percent of the cost of each new bus, not to exceed \$10,000, if it replaces a bus manufactured before 1977 and 25 percent of the cost, not to exceed \$25,000, if it replaces a bus manufactured before 1991. Authorizes \$40 million for FY04, \$50 million for FY05, \$60 million for FY06, \$70 million for FY07, and \$80 million for FY08-09.

**Bachus/Tauscher (10 minutes).** Exempts motion picture and television production truck drivers from the lower maximum hours of service regulations that went into effect at the beginning of this year. This amendment would allow exempt truck drivers to stay on the job longer without having to be replaced by drivers on the next shift as quickly.

**Bereuter (10 minutes).** Continues the farm supply and agricultural commodity exemption to the hours of service for drivers rules (as long as such driving service is limited to the area within a 100-mile air-radius from the source or distribution point) and clarifies the definition of "agricultural commodities" and "farm supplies for agricultural purposes."

**Ehlers (10 minutes).** Specifies that the Surface Transportation Environment Cooperative Research Program (authorized in the underlying bill) will solely carry out the research and development called for in the Transportation Research Board's Special Report 268 (human health, ecology and natural systems, environmental and social justice, emerging technologies, land use, and planning and performance measures).

**Bradley (10 minutes).** Increases the allowable weight of vehicles permitted to travel on interstate highways 93 and 89, in New Hampshire, from 80,000 to 99,000 pounds. Instructs the New Hampshire Department of Transportation to conduct a study to discern the economic, safety and infrastructure impact of the exemption. Authorizes \$250,000 from the Highway Trust Fund to carry out the study.

**Kirk (10 minutes).** Allows a state (upon application by the Governor) to assume responsibility for determining when a locomotive must sound its horn when approaching and entering public highway rail grade crossings and the responsibility for enforcement. Requires the Secretary to review state programs every five years and if a program is not adequately protecting rail, vehicular, and pedestrian safety, 24 months after notifying the state, the Secretary would reassume this authority.

**Kennedy (MN) (20 minutes).** Strikes the three sections (1603, 1604, and 1209) in the bill that permit the collection of tolls and inserts a new provision permitting states to collect fees to finance the expansion of a highway by constructing one or more additional lanes. To be eligible a State must meet certain requirements, including that the tolls be collected electronically, that the tolls only be used to finance and maintain the highway expansion (fees may not be collected on or for the use of existing lanes), and that fees must be terminated if they are no longer needed for

the authorized uses. The amendment also authorizes a toll feasibility study. According to the sponsors, the amendment has been endorsed by: Citizens for a Sound Economy; NFIB; Owner, Operator Independent Drivers Association; American Trucking Association; Americans for Tax Reform; and the National Taxpayers Union.

**Isakson/Mica/DeMint/Ehlers/Hoekstra/Burns/Chocola/Mario Diaz-Balart/Coble/Scott (GA) (40 minutes).** Addresses the “SCOPE” issue, concerning how many of the transportation programs are included when calculating whether a state is receiving its minimum guarantee. The fewer programs that are included, the less funds a state that is only receiving the minimum receives. The amendment seeks to include high priority projects and projects of national regional significance under the Minimum Guarantee, consistent with current law. The amendment would increase the amount of programs (determined by amount of funding) that count toward the minimum guarantee from 84% to 93%. This would increase funding for donor states.

## **AMENDMENTS CONSIDERED AS ADOPTED UNDER THE RULE:**

**Thomas Amendment to H.R 3550 (TEA-LU).** The Thomas Amendment includes provisions that would:

- Extend to 2011 the authority to collect highway-related taxes into the Highway Trust Fund (currently set to expire in 2005);
- Extend to 2011 certain exemptions and other authorities related to the Highway Trust Fund;
- Extend from May 1, 2004, to October 1, 2009, the authority to make expenditures from the Highway Trust Fund (including the Mass Transit Account) and the Aquatic Resources Trust Fund;
- Provide an excise tax credit (in lieu of a reduced tax rate on gasoline) to certain blenders of alcohol fuel mixtures (sunsets 12/31/10; no net revenue effects)
- Provide that all alcohol fuels excise tax credits and payments are paid from the General Fund (increases revenues by \$4.3 billion from 2001-2013);
- Repeal the reduced-rate sales of gasoline for blending with alcohol and the reduced-rate sales of alcohol fuel blends (increases revenues by \$91 million over five years and \$199 million over ten years);
- Provide outlay payments (in lieu of excise tax credits and refunds) to producers of alcohol fuel mixtures (increases mandatory spending by \$451 million over five years and \$730 million over ten years and increases revenues by the same amounts);
- Transfer the full amount of alcohol fuel excise taxes to the Highway Trust Fund (no net revenue effects);
- Transfer the full amount of motorboat fuel taxes and certain small engine fuel taxes to the Aquatic Resources Trust Fund (no net revenue effects);
- Exempt mobile machinery vehicles from certain excise taxes (increases revenues by \$360 million over five years and \$833 million over ten years);

- Impose a new tax on aviation-grade kerosene (increases revenues by \$1.7 billion over five years and \$3.8 billion over ten years);
- Remove a tax exemption related to dye injection equipment, require the issuance of regulations for making such equipment tamper resistant, and impose new penalties for tampering with or failing to maintain security requirements for mechanical dye injection systems (increases revenues by \$155 million over five years and \$380 million over ten years);
- Grant the IRS authority to inspect on-site records regarding aviation fuel (“negligible” revenue effects);
- Require the registration of pipeline or vessel operators In order to qualify for the exemption of bulk transfers to registered terminals or refineries (and require the display of such registration—subject to penalty for failure) (increases revenues by \$486 million over five years and \$1.1 billion over ten years);
- Increase penalties for failing to comply with certain existing fuel-carrier registration requirements (increases revenues by \$8 million over five years and \$18 million over ten years);
- Require the collection of tax from a Customs bond when an importer is not registered (increases revenues by \$33 million over five years and \$73 million over ten years);
- Modify the heavy vehicle use tax (increases revenues by \$606 million over five years and \$1.3 billion over ten years);
- Modify “ultimate vendor refund claims” with respect to farming (“negligible revenue effects”);
- Dedicate the revenue from certain penalties related to fuel tax evasion to the Highway Trust Fund (no net revenue effects);
- Provide gas tax refunds for certain ultimate vendors (“negligible revenue effects”);
- Remove the delivering person in certain fuel exchanges from liability for the tax due (“negligible revenue effects”); and
- Simplify the heavy truck tire tax (“negligible revenue effects;” outlay effects not available).

**TOTAL REVENUE EFFECTS OF THESE PROVISIONS ABOVE:**

- Increase revenue by \$3.4 billion over five years and \$11.9 billion over ten years.

**TOTAL TRUST FUND EFFECTS OF THESE PROVISIONS ABOVE:**

- Highway Trust Fund: Increased by \$14.2 billion over five years and \$32.0 billion over ten years.
- Other Trust Funds: Increased by \$2.3 billion over five years and \$5.0 billion over ten years.
- General Fund: Decreased by \$12.8 billion over five years and \$24.4 billion over ten years.

The Amendment would also:

- Extend for two years (from 2006 to 2008) the expiration date for the increased expensing provisions for small business in the Jobs and Growth Tax Relief Reconciliation Act of 2003 (no revenue estimate available);

- Phase-in relief from the Alternative Minimum Tax as applied to net operating losses and the foreign tax credit (no revenue estimate available);
- Expand from \$7.5 million to \$20.0 million the exemption from the Alternative Minimum Tax for small corporations, beginning in 2006 (no revenue estimate available); and
- Provide that income averaging for farmers would not increase tax liability under the Alternative Minimum Tax, beginning in 2004 (no revenue estimate available).

**Appropriations Committee:** Provides guidance in interpreting existing rules of the House to ensure that current flexibilities and authorities of Congress to set appropriate annual spending levels for basic salaries and administrative expenses of the Federal Transit Administration are maintained.