

105TH CONGRESS
1ST SESSION

H. R. 2341

To amend title 23, United States Code, to authorize Federal participation in financing of projects to demonstrate the feasibility of deployment of magnetic levitation transportation technology, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 31, 1997

Mr. KIM (for himself, Mr. GILCHREST, Mr. GILMAN, and Mr. CARDIN) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committees on Science and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 23, United States Code, to authorize Federal participation in financing of projects to demonstrate the feasibility of deployment of magnetic levitation transportation technology, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Magnetic Levitation
5 (MAGLEV) Transportation Technology Deployment Act
6 of 1997”.

1 **SEC. 2. FINDINGS AND POLICY.**

2 (a) FINDINGS.—Congress finds that—

3 (1)(A) new transportation technologies are
4 needed to develop new modes of transportation that
5 are environmentally sound and energy efficient;

6 (B) very high- and super-speed magnetic levita-
7 tion (referred to in this section as “MAGLEV”) is
8 the technology that appears to best meet the needs
9 of the traveling public and high-value freight ship-
10 pers in the 40- to 600-mile distance corridors;

11 (C) MAGLEV is energy efficient, consuming
12 less energy per passenger mile at any given speed
13 than other forms of transportation and reducing de-
14 pendence on imported oil;

15 (D) since properly designed MAGLEV is vir-
16 tually impossible to derail, MAGLEV is safe and will
17 prevent accidents and loss of life, and will signifi-
18 cantly reduce costs attributable to accidents occur-
19 ring on highways, freight rail lines, intercity rail
20 passenger service lines, commuter rail lines, and
21 short haul airline routes of the United States;

22 (E) MAGLEV is virtually unaffected by weath-
23 er conditions, which annually result in delays in
24 other transportation modes employed by freight and
25 passenger carriers; and

1 (F) MAGLEV makes extensive use of existing
2 highway rights-of-way and consumes less land for its
3 guideway infrastructure than a comparable roadway;

4 (2) the commercial feasibility study of high-
5 speed ground transportation conducted under section
6 1036 of the Intermodal Surface Transportation Effi-
7 ciency Act of 1991 (Public Law 102–240; 105 Stat.
8 1978)—

9 (A) demonstrates that MAGLEV systems
10 have the potential for a public and private part-
11 nership under which the private sector could op-
12 erate a system without operating subsidies and
13 the total benefits of the system would exceed
14 the total costs; and

15 (B) demonstrates that adding links or cor-
16 ridors to the basic MAGLEV system would en-
17 hance the basic system, leading to establish-
18 ment of high-volume high-speed ground trans-
19 portation networks; and

20 (3) the study required by section 359(d) of the
21 National Highway System Designation Act of 1995
22 (Public Law 104–59; 109 Stat. 627) further dem-
23 onstrates the potential for MAGLEV systems.

24 (b) POLICY.—It is the policy of the United States to
25 establish a MAGLEV transportation technology system

1 operating along Federal-aid highway and other rights-of-
 2 way as part of a national transportation system of the
 3 United States.

4 **SEC. 3. MAGNETIC LEVITATION TRANSPORTATION TECH-**
 5 **NOLOGY DEPLOYMENT PROGRAM.**

6 (a) IN GENERAL.—Chapter 3 of title 23, United
 7 States Code, is amended by inserting after section 321 the
 8 following:

9 **“§ 322. Magnetic levitation transportation technology**
 10 **deployment program**

11 “(a) DEFINITIONS.—In this section:

12 “(1) ELIGIBLE PROJECT COSTS.—The term ‘eli-
 13 gible project costs’ means the capital cost of the
 14 fixed guideway infrastructure of a MAGLEV project,
 15 including land, piers, guideways, propulsion equip-
 16 ment and other components attached to guideways,
 17 power distribution facilities (including substations),
 18 control and communications facilities, access roads,
 19 and storage, repair, and maintenance facilities, but
 20 not including costs incurred for a new station.

21 “(2) FULL PROJECT COSTS.—The term ‘full
 22 project costs’ means the total capital costs of a
 23 MAGLEV project, including eligible project costs
 24 and the costs of stations, vehicles, and equipment.

1 “(3) MAGLEV.—The term ‘MAGLEV’ means
2 transportation systems employing magnetic levita-
3 tion that would be capable of safe use by the public
4 at a speed in excess of 240 miles per hour.

5 “(4) PARTNERSHIP POTENTIAL.—The term
6 ‘partnership potential’ has the meaning given the
7 term in the commercial feasibility study of high-
8 speed ground transportation conducted under section
9 1036 of the Intermodal Surface Transportation Effi-
10 ciency Act of 1991 (Public Law 102–240; 105 Stat.
11 1978).

12 “(5) RECOGNIZED PILOT PROJECT.—The term
13 ‘recognized pilot project’ means a project identified
14 in the report transmitted by the Secretary to Con-
15 gress on the near-term applications of magnetic levi-
16 tation ground transportation technology in the Unit-
17 ed States as required by section 359(d) of the Na-
18 tional Highway System Designation Act of 1995
19 (Public Law 104–59; 109 Stat. 627).

20 “(b) HIGH-SPEED GROUND TRANSPORTATION
21 OFFICE.—

22 “(1) IN GENERAL.—Not later than 90 days
23 after the date of enactment of the Magnetic Levita-
24 tion (MAGLEV) Transportation Technology Deploy-
25 ment Act of 1997, the Secretary shall establish a

1 High-Speed Ground Transportation Office in the
2 Federal Railroad Administration to—

3 “(A) coordinate and administer all high-
4 speed rail and MAGLEV programs authorized
5 by this section and any other provision of this
6 title or title 49; and

7 “(B) make available financial assistance to
8 provide the Federal share of full project costs
9 of eligible projects selected under this section
10 and otherwise carry out this section.

11 “(2) FEDERAL SHARE.—The Federal share of
12 full project costs under paragraph (1)(B) shall be
13 not more than $\frac{2}{3}$.

14 “(3) USE OF ASSISTANCE.—Financial assist-
15 ance provided under paragraph (1)(B) shall be used
16 only to pay eligible project costs of projects selected
17 under this section.

18 “(c) SOLICITATION OF APPLICATIONS FOR ASSIST-
19 ANCE.—Not later than 90 days after the establishment of
20 the High-Speed Ground Transportation Office, the Sec-
21 retary shall solicit applications from States, or authorities
22 designated by 1 or more States, for financial assistance
23 authorized by subsection (b)(1)(B) for planning, design,
24 and construction of eligible MAGLEV projects.

1 “(d) PROJECT ELIGIBILITY.—To be eligible to re-
2 ceive financial assistance under subsection (b)(1)(B), a
3 project shall—

4 “(1) involve a segment or segments of a high-
5 speed ground transportation corridor that—

6 “(A) exhibits partnership potential; or

7 “(B) is a portion of a recognized pilot
8 project;

9 “(2) require an amount of Federal funds for
10 project financing that will not exceed—

11 “(A) the amounts made available under
12 subsection (k)(1)(A); and

13 “(B) the amounts made available by States
14 under subsection (k)(4);

15 “(3) result in an operating transportation facil-
16 ity that provides a revenue producing service;

17 “(4) be undertaken through a public and pri-
18 vate partnership, with at least $\frac{1}{3}$ of full project
19 costs paid using non-Federal funds;

20 “(5) to the maximum extent practicable (as de-
21 termined by the Secretary), satisfy applicable State-
22 wide and metropolitan planning requirements;

23 “(6) be approved by the Secretary based on an
24 application submitted to the Secretary by a State or
25 authority designated by 1 or more States;

1 “(7) to the extent non-United States MAGLEV
2 technology is used within the United States, be car-
3 ried out as a technology transfer project; and

4 “(8) be carried out using materials at least 70
5 percent of which are manufactured in the United
6 States.

7 “(e) PROJECT SELECTION CRITERIA.—Prior to solie-
8 iting applications, the Secretary shall establish criteria for
9 selecting which eligible projects under subsection (d) will
10 receive financial assistance under subsection (b)(1)(B).
11 The criteria shall include the extent to which—

12 “(1) a project is nationally significant, includ-
13 ing the extent to which the project will demonstrate
14 the feasibility of deployment of MAGLEV technology
15 throughout the United States;

16 “(2) timely implementation of the project will
17 reduce congestion in other modes of transportation
18 and reduce the need for additional highway or air-
19 port construction;

20 “(3) States, regions, and localities financially
21 contribute to the project;

22 “(4) implementation of the project will create
23 new jobs in traditional and emerging industries;

24 “(5) the project will augment MAGLEV net-
25 works identified as having partnership potential;

1 “(6) financial assistance would foster public
2 and private partnerships for infrastructure develop-
3 ment and attract private debt or equity investment;

4 “(7) financial assistance would foster the timely
5 implementation of a project; and

6 “(8) life-cycle costs in design and engineering
7 are considered and enhanced.

8 “(f) PROJECT SELECTION.—Not later than 90 days
9 after a deadline established by the Secretary for the re-
10 ceipt of applications, the Secretary shall evaluate the eligi-
11 ble projects in accordance with the selection criteria and
12 select 1 or more eligible projects for financial assistance.

13 “(g) SPECIAL RULE.—

14 “(1) IN GENERAL.—In the case of a State that
15 has in effect, on the date of the enactment of this
16 section, a State law that meets the requirements of
17 paragraph (2), the Secretary may provide funding
18 for a project under subsection (b)(1)(B) even if
19 high-speed rail technologies in addition to MAGLEV
20 are still being evaluated for the project.

21 “(2) REQUIREMENTS.—A State law meets the
22 requirements of this paragraph if the State law—

23 “(A) directs an entity of the State to pre-
24 pare a plan to construct and operate a high-
25 speed rail system; and—

1 “(B) authorizes the entity to evaluate al-
2 ternative high-speed rail technologies in prepar-
3 ing of such plan.

4 “(3) LIMITATION.—The Secretary may not pro-
5 vide funding under this subsection for any activity
6 that is inconsistent with the implementation of
7 MAGLEV.

8 “(h) JOINT VENTURES.—A project undertaken by a
9 joint venture of United States and non-United States per-
10 sons (including a project involving the deployment of non-
11 United States MAGLEV technology in the United States)
12 shall be eligible for financial assistance under this section
13 if the project is eligible under subsection (d) and selected
14 under subsection (f).

15 “(i) RESEARCH GRANTS AND CONTRACTS.—The Sec-
16 retary shall conduct research that shall include providing
17 grants to, and entering into contracts with, colleges, uni-
18 versities, research institutes, Federal laboratories, and pri-
19 vate entities for research related to—

20 “(1) the quantification of benefits derived from
21 the implementation of MAGLEV technology;

22 “(2) MAGLEV safety;

23 “(3) the development of domestic MAGLEV
24 technologies, including electromagnetic and super-
25 conducting technology; and

1 “(4) the development of technologies associated
2 with MAGLEV infrastructure.

3 “(j) REPORT.—Not later than 180 days after the
4 date of enactment of the Magnetic Levitation (MAGLEV)
5 Transportation Technology Deployment Act of 1997, the
6 Secretary shall submit a report to the Committee on Envi-
7 ronment and Public Works of the Senate and the Commit-
8 tee on Transportation and Infrastructure of the House of
9 Representatives on progress in implementing this section
10 that includes a report on—

11 “(1) the establishment of the High-Speed
12 Ground Transportation Office under subsection (b);

13 “(2) applications for assistance under this sec-
14 tion; and

15 “(3) the establishment of public and private
16 partnerships to carry out this section.

17 “(k) AUTHORIZATION OF APPROPRIATIONS.—

18 “(1) IN GENERAL.—There are authorized to be
19 appropriated from the Highway Trust Fund (other
20 than the Mass Transit Account) to—

21 “(A) carry out this section (other than
22 subsection (i)), \$10,000,000 for fiscal year
23 1998, \$20,000,000 for fiscal year 1999,
24 \$200,000,000 for each of fiscal years 2000 and

1 2001, and \$250,000,000 for each of fiscal years
2 2002 and 2003; and

3 “(B) provide research grants and contracts
4 under subsection (i), \$10,000,000 for each of
5 fiscal years 1998 through 2003.

6 “(2) AVAILABILITY OF FUNDS.—Funds made
7 available under paragraph (1) shall remain available
8 until expended.

9 “(3) CONTRACT AUTHORITY.—Approval by the
10 Secretary of an eligible project selected under this
11 section shall be considered to be a contractual obli-
12 gation of the United States for payment of the Fed-
13 eral share of the full project costs of the project.

14 “(4) OTHER FEDERAL FUNDS.—Notwithstand-
15 ing any other provision of law, funds made available
16 to a State to carry out the surface transportation
17 program under section 133 and the congestion miti-
18 gation and air quality improvement program under
19 section 149 may be used by the State to pay a por-
20 tion of the full project costs of an eligible project se-
21 lected under this section, without requirement for
22 non-Federal funds.

23 “(5) OTHER ASSISTANCE.—Notwithstanding
24 any other provision of law, an eligible project se-
25 lected under this section shall be eligible for the

1 loans, loan guarantees, lines of credit, development
2 cost and political risk insurance, credit enhance-
3 ment, and risk insurance that are authorized for a
4 highway project under this title.

5 “(6) TAX-EXEMPT BOND FINANCING.—For the
6 purpose of obtaining tax-exempt bond financing
7 under the Internal Revenue Code of 1986, a
8 MAGLEV facility shall be considered to be a high-
9 speed intercity rail facility with an average speed
10 greater than 150 miles per hour under section
11 142(a)(11) of that Code.”.

12 (b) CONFORMING AMENDMENT.—The analysis for
13 chapter 3 of title 23, United States Code, is amended by
14 inserting after the item relating to section 321 the
15 following:

“322. Magnetic levitation transportation technology deployment program.”.

