

105TH CONGRESS  
1ST SESSION

# S. 408

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 SENATE OF THE UNITED STATES

MARCH 5, 1997

Mrs. BOXER (for herself and Mr. BINGAMAN) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

---

## 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 1997”.

4 **SEC. 2. FINDINGS.**

5 Congress finds that—

6 (1) because of the North American Free Trade  
7 Agreement, all 4 States along the United States-  
8 Mexico border will require significant investments in  
9 highway infrastructure capacity and motor carrier  
10 safety enforcement at a time when border States  
11 face extreme difficulty in meeting current highway  
12 funding needs;

13 (2) the full benefits of increased international  
14 trade can be realized only if delays at the borders  
15 are significantly reduced; and

16 (3) Federal receipts from United States cus-  
17 toms duties and fees are estimated to increase by an  
18 average of \$800,000,000 annually in fiscal years  
19 1998 through 2001, and these monies are an appro-  
20 priate source of funding for programs designed to  
21 address the infrastructure needs of border States.

22 **SEC. 3. DEFINITIONS.**

23 In this Act:

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

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

3           (3) FUND.—The term “Fund” means the Bor-  
4       der Transportation Infrastructure Fund established  
5       by section 4(g).

6           (4) NAFTA.—The term “NAFTA” means the  
7       North American Free Trade Agreement.

8           (5) SECRETARY.—The term “Secretary” means  
9       the Secretary of Transportation.

10 **SEC. 4. DIRECT FEDERAL ASSISTANCE FOR BORDER CON-**  
11 **STRUCTION AND CONGESTION RELIEF.**

12       (a) IN GENERAL.—Using amounts in the Fund, the  
13 Secretary shall make grants under this section to border  
14 States that submit an application that demonstrates need,  
15 due to increased traffic resulting from the implementation  
16 of NAFTA, for assistance in carrying out transportation  
17 projects that are necessary to relieve traffic congestion or  
18 improve enforcement of motor carrier safety laws.

19       (b) GRANTS FOR CONNECTORS TO FEDERAL BOR-  
20 DER CROSSING FACILITIES.—The Secretary shall make  
21 grants to border States for the purposes of connecting,  
22 through construction or reconstruction, the National  
23 Highway System designated under section 103(b) of title  
24 23, United States Code, with Federal border crossing fa-  
25 cilities located in the United States in the border region.

1       (c) GRANTS FOR WEIGH-IN-MOTION DEVICES IN  
2 MEXICO.—The Secretary shall make grants to assist bor-  
3 der States in the purchase, installation, and maintenance  
4 of weigh-in-motion devices and associated electronic equip-  
5 ment that are to be located in Mexico if real time data  
6 from the devices is provided to the nearest United States  
7 port of entry and to State commercial vehicle enforcement  
8 facilities that serve the port of entry.

9       (d) GRANTS FOR COMMERCIAL VEHICLE ENFORCE-  
10 MENT FACILITIES.—The Secretary shall make grants to  
11 border States to construct, operate, and maintain commer-  
12 cial vehicle enforcement facilities located in the border re-  
13 gion.

14       (e) LIMITATIONS ON EXPENDITURES OF FUNDS.—

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

18           (2) ALLOCATION AMONG STATES.—

19               (A) IN GENERAL.—For each of fiscal years  
20 1998 through 2001, the Secretary shall allocate  
21 amounts remaining in the Fund, after any  
22 transfers under section 5, among border States  
23 in accordance with an equitable formula estab-  
24 lished by the Secretary in accordance with sub-  
25 paragraphs (B) and (C).

1 (B) CONSIDERATIONS.—Subject to sub-  
2 paragraph (C), in establishing the formula, the  
3 Secretary shall consider—

4 (i) the annual volume of international  
5 commercial vehicle traffic at the ports of  
6 entry of each border State as compared to  
7 the annual volume of international com-  
8 mercial vehicle traffic at the ports of entry  
9 of all border States, based on the data pro-  
10 vided in the most recent report submitted  
11 under section 8;

12 (ii) the percentage by which inter-  
13 national commercial vehicle traffic in each  
14 border State has grown during the period  
15 beginning on the date of enactment of the  
16 North American Free Trade Agreement  
17 Implementation Act (Public Law 103–182)  
18 as compared to that percentage for each  
19 other border State; and

20 (iii) the extent of border transpor-  
21 tation improvements carried out by each  
22 border State during the period beginning  
23 on the date of enactment of the North  
24 American Free Trade Agreement Imple-  
25 mentation Act (Public Law 103–182).

1 (C) MINIMUM ALLOCATION.—Each border  
 2 State shall receive not less than 5 percent of  
 3 the amounts made available to carry out this  
 4 section during the period of authorization under  
 5 subsection (i).

6 (f) ELIGIBILITY FOR REIMBURSEMENT FOR PRE-  
 7 VIOUSLY COMMENCED PROJECTS.—The Secretary shall  
 8 make a grant under this section to a border State that  
 9 reimburses the border State for a project for which con-  
 10 struction commenced after January 1, 1994, if the project  
 11 is otherwise eligible for assistance under this section.

12 (g) BORDER TRANSPORTATION INFRASTRUCTURE  
 13 FUND.—

14 (1) ESTABLISHMENT.—There is established in  
 15 the Treasury of the United States the Border Trans-  
 16 portation Infrastructure Fund to be used in carrying  
 17 out this section, consisting of such amounts as are  
 18 appropriated to the Fund under subsection (i).

19 (2) EXPENDITURES FROM FUND.—

20 (A) IN GENERAL.—Subject to subpara-  
 21 graph (B), upon request by the Secretary, the  
 22 Secretary of the Treasury shall transfer from  
 23 the Fund to the Secretary such amounts as the  
 24 Secretary determines are necessary to make

1 grants under this section and transfers under  
2 section 5.

3 (B) ADMINISTRATIVE EXPENSES.—An  
4 amount not exceeding 1 percent of the amounts  
5 in the Fund shall be available for each fiscal  
6 year to pay the administrative expenses nec-  
7 essary to carry out this section.

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

10 (i) AUTHORIZATION OF APPROPRIATIONS.—There is  
11 authorized to be appropriated to the Fund to carry out  
12 this section and section 5 \$125,000,000 for each of fiscal  
13 years 1998 through 2001. The appropriated amounts shall  
14 remain available for obligation until the end of the third  
15 fiscal year following the fiscal year for which the amounts  
16 are appropriated.

17 **SEC. 5. CONSTRUCTION OF TRANSPORTATION INFRA-**  
18 **STRUCTURE FOR LAW ENFORCEMENT PUR-**  
19 **POSES.**

20 At the request of the Attorney General, the Secretary  
21 may transfer, during the period consisting of fiscal years  
22 1998 through 2001, up to \$10,000,000 of the amounts  
23 from the Fund to the Attorney General for the construc-  
24 tion of transportation infrastructure necessary for law en-  
25 forcement in border States.

1 **SEC. 6. BORDER INFRASTRUCTURE INNOVATIVE FINANC-**  
2 **ING.**

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

4 (1) to encourage the establishment and oper-  
5 ation of State infrastructure banks in accordance  
6 with section 350 of the National Highway System  
7 Designation Act of 1995 (109 Stat. 618; 23 U.S.C.  
8 101 note); and

9 (2) to advance transportation infrastructure  
10 projects supporting international trade and com-  
11 merce.

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

15 (1) by redesignating subsection (l) as subsection  
16 (m); and

17 (2) by inserting after subsection (k) the follow-  
18 ing:

19 “(l) FEDERAL LINE OF CREDIT.—

20 “(1) DEFINITIONS.—In this subsection, the  
21 terms ‘border region’ and ‘border State’ have the  
22 meanings given the terms in section 3 of the Border  
23 Infrastructure Safety and Congestion Relief Act of  
24 1997.



1           “(2) AUTHORIZATION OF APPROPRIATIONS.—

2           There is authorized to be appropriated from the gen-  
3           eral fund of the Treasury \$100,000,000 to be used  
4           by the Secretary to make lines of credit available  
5           to—

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

8                   “(B) the State of New Mexico which has  
9                   established a border authority that has bonding  
10                  capacity.

11           “(3) AMOUNT.—The line of credit available to  
12           each participating border State shall be equal to the  
13           product of—

14                   “(A) the amount appropriated under para-  
15                   graph (2); and

16                   “(B) the quotient obtained by dividing—

17                           “(i) the contributions of the State to  
18                           the Highway Trust Fund during the latest  
19                           fiscal year for which data are available; by

20                           “(ii) the total contributions of all par-  
21                           ticipating border States to the Highway  
22                           Trust Fund during that fiscal year.

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

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

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

13           “(5) LIMITATIONS.—

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

16                           “(i) with respect to a completed  
17           project described in paragraph (4) that is  
18           receiving credit enhancement through a  
19           border infrastructure bank;

20                           “(ii) when the cash balance available  
21           in the border infrastructure bank is insuf-  
22           ficient to pay a claim for payment relating  
23           to the project; and

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

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

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

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

24 “(B) shall be repaid within a period of not  
25 more than 30 years.

1           “(7) RELATIONSHIP TO STATE APPORTION-  
 2           MENT.—Funds made available to States to carry out  
 3           this subsection shall be in addition to funds appor-  
 4           tioned to States under section 104 of title 23, Unit-  
 5           ed States Code.”.

6   **SEC. 7. RAILROAD REHABILITATION AND IMPROVEMENT**  
 7                           **PROGRAM.**

8           (a) PURPOSE.—The purpose of this section is to pro-  
 9           vide assistance for freight rail projects in border States  
 10          that benefit international trade and relieve highways of in-  
 11          creased traffic resulting from NAFTA.

12          (b) ISSUANCE OF OBLIGATIONS.—The Secretary  
 13          shall issue to the Secretary of the Treasury notes or other  
 14          obligations pursuant to section 512 of the Railroad Revi-  
 15          talization and Regulatory Reform Act of 1976 (45 U.S.C.  
 16          832), in such amounts, and at such times, as may be nec-  
 17          essary to—

18               (1) pay any amounts required pursuant to the  
 19               guarantee of the principal amount of an obligation  
 20               under section 511 of that Act (45 U.S.C. 831) for  
 21               any eligible freight rail project described in sub-  
 22               section (c) during the period that the guaranteed ob-  
 23               ligation is outstanding; and

24               (2) during the period referred to in paragraph  
 25               (1), meet the applicable requirements of this section

1       and sections 511 and 513 of that Act (45 U.S.C.  
2       832 and 833).

3       (c) ELIGIBILITY.—Assistance provided under this  
4 section shall be limited to those freight rail projects lo-  
5 cated in the United States that provide intermodal connec-  
6 tions that enhance cross-border traffic in the border re-  
7 gion.

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

13       (e) AUTHORIZATION OF APPROPRIATIONS.—There is  
14 authorized to be appropriated to make loan guarantees  
15 under this section \$10,000,000 for each of fiscal years  
16 1998 through 2001.

17 **SEC. 8. REPORT.**

18       (a) IN GENERAL.—The Secretary shall annually sub-  
19 mit to Congress and the Governor of each border State  
20 a report concerning—

21               (1) the volume and nature of international com-  
22 mercial vehicle traffic crossing the border between  
23 the United States and Mexico; and

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

4           (B) the rate of out-of-service violations of inter-  
5       national commercial vehicles found through the in-  
6       spections.

7       (b) INFORMATION PROVIDED BY UNITED STATES  
8       CUSTOMS SERVICE.—For the purpose of preparing each  
9       report under subsection (a)(1), the Commissioner of Cus-  
10      toms shall provide to the Secretary such information de-  
11      scribed in subsection (a)(1) as the Commissioner has  
12      available.

13   **SEC. 9. SENSE OF THE COMMITTEE ON ENVIRONMENT AND**  
14                           **PUBLIC WORKS.**

15       It is the sense of the Committee on Environment and  
16      Public Works of the Senate that the programs authorized  
17      under this Act should be fully financed in a budget neutral  
18      manner by offsetting receipts derived from customs duties  
19      and fees.

○