

110TH CONGRESS
2D SESSION

H. R. 5102

To direct the Secretary of Transportation to establish and collect a fee based on the fair market value of articles imported into the United States and articles exported from the United States in commerce and to use amounts collected from the fee to make grants to carry out certain transportation projects in the transportation trade corridors for which the fee is collected, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 23, 2008

Mr. CALVERT (for himself and Mr. JACKSON of Illinois) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committees on Ways and Means and Foreign Affairs, 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 direct the Secretary of Transportation to establish and collect a fee based on the fair market value of articles imported into the United States and articles exported from the United States in commerce and to use amounts collected from the fee to make grants to carry out certain transportation projects in the transportation trade corridors for which the fee is collected, 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 “Our Nation’s Trade,
3 Infrastructure, Mobility, and Efficiency Act of 2007” or
4 the “ON TIME Act of 2007”.

5 **SEC. 2. FINDINGS AND PURPOSES.**

6 (a) FINDINGS.—Congress finds the following:

7 (1) The growth in international trade, particu-
8 larly containerized trade, is placing pressure on the
9 nation’s transportation network and influences traf-
10 fic congestion in the areas surrounding the major
11 United States-international gateways.

12 (2) From 2000 to 2005, the value of inter-
13 national trade rose from approximately
14 \$2,000,000,000,000 to \$2,600,000,000,000, while
15 the number of containerized trade shipments rose
16 over the same period from approximately 59,000,000
17 20-foot equivalent units to 81,000,000 20-foot equiv-
18 alent units.

19 (3) Existing trade agreements, in addition to
20 potential future agreements, foreshadow an even
21 greater increase in international trade and further
22 increases of freight shipments congestion.

23 (4) In addition to being a member of the World
24 Trade Organization, the United States has agreed to
25 11 free trade agreements and is in various stages of
26 negotiation with 4 different countries and multi-lat-

1 eral organizations with regards to other potential
2 free trade agreements.

3 (5) Traffic congestion continues to worsen in
4 United States cities of all sizes, causing Americans
5 to waste 4,200,000,000 hours in traffic and to pur-
6 chase an extra 2,900,000,000 gallons of fuel for a
7 congestion cost of \$78,000,000,000 per year.

8 (6) More than 200 freight bottlenecks are cost-
9 ing the goods movement industry \$8,000,000,000 in
10 economic losses annually and 243,000,000 hours of
11 delay and lost productivity each year.

12 (7) To simply maintain the current conditions
13 and traffic levels of service of our transportation sys-
14 tem, all levels of government must have invested
15 \$235,000,000,000 in 2006 and must invest
16 \$304,000,000,000 in 2015 and \$472,000,000,000 in
17 2030.

18 (8) To improve the current conditions and traf-
19 fic levels of service of our transportation system to
20 a level that benefits the Nation's economic produc-
21 tivity, all levels of government must have invested
22 \$288,000,000,000 in 2006 and must invest
23 \$368,000,000,000 in 2015 and \$561,000,000,000 in
24 2030.

25 (b) PURPOSES.—The purposes of this Act are to—

1 (1) address major transportation investment
2 needs in national trade gateway corridors;

3 (2) reduce freight congestion along current and
4 future trade corridors and provide congestion miti-
5 gation along surface transportation routes that are
6 or will be congested as a result of current or future
7 growth in international trade; and

8 (3) develop corridors that will increase freight
9 transportation system reliability and enhance the
10 quality of life for United States citizens.

11 **SEC. 3. ESTABLISHMENT AND COLLECTION OF NATIONAL**
12 **TRADE GATEWAY CORRIDOR FEE.**

13 (a) IMPORT FEE.—

14 (1) ESTABLISHMENT.—Not later than 180 days
15 after the date of enactment of this Act, the Sec-
16 retary of Transportation shall issue regulations that
17 establish a national trade gateway corridor fee on
18 each article that is imported into the United States
19 in commerce.

20 (2) AMOUNT.—

21 (A) IN GENERAL.—The amount of the fee
22 on each article that is imported into the United
23 States in commerce shall be equal to .075 per-
24 cent of the value of the article that is subject
25 to the fee or \$500, whichever is less.

1 (B) VALUE DEFINED.—For purposes of
2 subparagraph (A), the term “value” has the
3 meaning given the term in section 402 of the
4 Tariff Act of 1930 (19 U.S.C. 1401a).

5 (3) COLLECTION.—The Secretary of Transpor-
6 tation, in consultation with the Secretary of Home-
7 land Security, shall assess and collect the fee for
8 carrying out eligible projects in the transportation
9 trade corridors for the Customs port of unloading of
10 the article that is imported into the United States
11 in commerce.

12 (4) DEPOSIT.—Amounts received by the United
13 States in the form of the fee shall be deposited in
14 the account established by subsection (c).

15 (5) TERMINATION OF FEE.—The fee estab-
16 lished under this subsection shall not apply after the
17 expiration of fiscal year 2017.

18 (b) EXPORT FEE.—

19 (1) ESTABLISHMENT.—The Secretary of Trans-
20 portation, in consultation with the Secretary of
21 Homeland Security and the Secretary of Commerce,
22 shall issue regulations that establish a national trade
23 gateway corridor fee on each article that exported
24 from the United States in commerce.

25 (2) AMOUNT.—

1 (A) IN GENERAL.—The amount of the fee
2 on each article that is exported from the United
3 States in commerce shall be equal to .075 per-
4 cent of the value of the article that is subject
5 to the fee or \$500, whichever is less.

6 (B) VALUE DEFINED.—For purposes of
7 subparagraph (A), the term “value” has the
8 meaning given the term in section 30.7(q) of
9 title 15, Code of Federal Regulations.

10 (3) COLLECTION.—The Secretary of Transpor-
11 tation, in consultation with the Secretary of Home-
12 land Security and the Secretary of Commerce, shall
13 assess and collect the fee for carrying out eligible
14 projects in the transportation trade corridors for the
15 Customs port of loading of the article that is ex-
16 ported from the United States in commerce.

17 (4) DEPOSIT.—Amounts received by the United
18 States in the form of the fee shall be deposited in
19 the account established by subsection (c).

20 (5) TERMINATION OF FEE.—The fee estab-
21 lished under this subsection shall not apply after the
22 expiration of fiscal year 2017.

23 (c) ACCOUNT.—

24 (1) ESTABLISHMENT.—There is established in
25 the Treasury a separate account for the deposit of

1 fees under this section, which shall be known as the
2 “National Trade Gateway Corridor Fund”.

3 (2) CONTENTS.—The account shall consist of
4 amounts deposited into the account under sub-
5 sections (a) and (b).

6 (3) USE.—Amounts in the account shall be
7 available to the Secretary of Transportation, as pro-
8 vided in appropriations Acts enacted after the date
9 of the enactment of this Act, for making expendi-
10 tures before October 1, 2018, to meet the obligations
11 of the United States to carry out this Act.

12 **SEC. 4. APPORTIONMENT OF FUNDS.**

13 (a) ADMINISTRATIVE EXPENSES.—The Secretary of
14 Transportation shall set aside 2 percent of the amount au-
15 thorized to be appropriated, from the National Trade
16 Gateway Corridor Fund established by section 3(c), to
17 carry out this Act for each fiscal year to pay the cost of
18 collecting fees on imports and exports under section 3.

19 (b) APPORTIONMENT.—

20 (1) IN GENERAL.—After the set-aside under
21 subsection (a), the Secretary shall apportion
22 amounts remaining available of the amount author-
23 ized to be appropriated, from the National Trade
24 Gateway Corridor Fund established by section 3, for
25 a fiscal year to carry out this Act to State depart-

ments of transportation in the form of grants for carrying out eligible projects in the transportation trade corridors for the Customs ports of entry with respect to which fees were collected under section 3 in the preceding fiscal year in the ratio that—

(A) the amount the fees collected for each Customs port of entry under section 3 during the preceding fiscal year; bears to

(B) the aggregate amount of fees collected for all Customs ports of entry under section 3 during the preceding fiscal year.

(2) CORRIDOR TO MORE THAN ONE STATE.—If a transportation trade corridor is within the boundaries of more than one State, the Secretary shall apportion the funds apportioned under paragraph (1) for carrying out eligible projects in such corridor among such States as follows:

(A) 50 percent of the apportionment in the ratio that—

(i) the total lane miles of Federal-aid highways in the transportation trade corridor in each of such States; bears to

(ii) the total lane miles of Federal-aid highways in the transportation trade corridor in all of such States.

1 (B) 50 percent of the apportionments in
2 the ratio that—

3 (i) the total vehicle miles traveled on
4 lanes on Federal-aid highways in the
5 transportation trade corridor in each of
6 such States; bears to

7 (ii) the total vehicle miles traveled on
8 lanes on Federal-aid highways in the
9 transportation trade corridor in all of such
10 States.

11 (3) PERIOD OF AVAILABILITY.—Amounts
12 granted to a State department of transportation for
13 carrying out an eligible project in a transportation
14 trade corridor from amounts apportioned under this
15 subsection shall remain available for obligation for a
16 period of 6 years after the last day of the fiscal year
17 for which the funds are authorized to be appro-
18 priated. Any amounts so apportioned that remain
19 unobligated at the end of that period shall be allo-
20 cated to other States for the purpose of funding eli-
21 gible projects located in transportation trade cor-
22 ridors at the discretion of the Secretary.

23 **SEC. 5. PROJECT SELECTION AND ELIGIBILITY.**

24 (a) SELECTION PROCESS GUIDELINES.—Not later
25 than 180 days after the date of enactment of this Act,

1 the Secretary of Transportation shall issue project selec-
2 tion guidelines for a State department of transportation
3 to follow in selecting eligible projects for which grants may
4 be made under this Act.

5 (b) MINIMUM REQUIREMENTS.—The selection guide-
6 lines issued by the Secretary under this section shall in-
7 clude a requirement that a State department of transpor-
8 tation—

9 (1) consult with local governments, port au-
10 thorities, regional planning organizations, public and
11 private freight shippers, and providers of freight
12 transportation services during the project selection
13 process;

14 (2) adhere to applicable metropolitan and state-
15 wide planning processes, including sections 134 and
16 135 of title 23, United States Code, in selecting
17 projects for which grants may be made under this
18 Act;

19 (3) develop and implement a selection process
20 that is in writing and available to the public;

21 (4) develop and implement a process for rating
22 proposed projects for which grants may be made
23 under this Act in accordance with the purposes of
24 this Act; and

1 (5) clearly identify the basis for rating projects
2 under the ratings process the State department of
3 transportation developed under paragraph (4).

4 **SEC. 6. GRANT PROGRAM.**

5 (a) IN GENERAL.—The Secretary of Transportation
6 may make a grant under this Act to a State department
7 of transportation having jurisdiction over an area located
8 in a transportation trade corridor.

9 (b) SECRETARIAL APPROVAL.—A grant may only be
10 made under this Act for an eligible project.

11 (c) CONSTRUCTION STANDARDS.—A project to be
12 carried out with assistance under this Act that is for a
13 highway that is on a Federal-aid system (as defined in
14 section 101 of title 23, United States Code) shall be con-
15 structed to the same standards that would apply if such
16 project was being carried out with assistance under chap-
17 ter 1 of title 23, United States Code.

18 (d) FEDERAL SHARE.—

19 (1) IN GENERAL.—The Federal share of the
20 cost of an eligible project for which a grant is made
21 under this Act shall be 80 percent.

22 (2) NON-FEDERAL SHARE.—The non-Federal
23 share of the cost of an eligible project for which a
24 grant is made under this Act may not be provided
25 from Federal funds made available under any other

1 law (including funds from the Highway Trust
2 Fund).

3 (e) PREVAILING RATE OF WAGE.—Section 113 of
4 title 23, United States Code, shall apply to an eligible
5 project being carried out with assistance provided under
6 this section in the same manner and to the same extent
7 as such would apply if such project was being carried out
8 with assistance provided under chapter 1 of such title.

9 **SEC. 7. TRANSPORTATION TRADE CORRIDORS.**

10 (a) ESTABLISHMENT.—The Secretary of Transpor-
11 tation, in consultation with the Secretary of Commerce,
12 shall establish—

13 (1) a transportation trade corridor for each
14 Customs port of entry, for which fees were collected
15 under section 3 in the preceding fiscal year, in ac-
16 cordance with subsection (b); and

17 (2) the boundaries of the transportation trade
18 corridor for such port of entry.

19 (b) CRITERIA FOR ESTABLISHMENT OF COR-
20 RIDORS.—A transportation trade corridor—

21 (1) may include areas in more than one State
22 if the States are contiguous;

23 (2) may not extend more than 300 miles from
24 the Customs port of entry for which it is established;
25 and

1 (3) may only include areas that are used for
2 motor vehicle and cargo movements related to inter-
3 national trade.

4 (c) MULTIPLE PORTS OF ENTRY.—The Secretary of
5 Transportation may establish under this section a single
6 transportation trade corridor for multiple ports of entry
7 located in close proximity to one another.

8 (d) DEADLINE FOR ESTABLISHMENT OF PROPOSED
9 CORRIDORS.—Not later than 180 days after the date of
10 enactment of this Act, the Secretary of Transportation
11 shall publish in the Federal Register the boundaries of the
12 transportation trade corridors the Secretary proposes to
13 establish under this section.

14 (e) COMMENT PERIOD.—The Secretary of Transpor-
15 tation shall provide a period of 45 days for comments to
16 be made to the Secretary by the public, and for holding
17 such hearings as the Secretary determines are appropriate
18 to receive comments, concerning the boundaries of the
19 transportation trade corridors proposed by the Secretary
20 under subsection (c).

21 (f) DEADLINE FOR ESTABLISHMENT OF FINAL COR-
22 RIDORS.—Not later than one year after date of enactment
23 of this Act, the Secretary of Transportation shall publish
24 in the Federal Register the boundaries of the transpor-

1 tation trade corridors the Secretary is establishing under
2 this section.

3 (g) PERIODIC REVIEWS AND MODIFICATIONS.—Dur-
4 ing 60-day period ending on September 30 before each fis-
5 cal year after the first fiscal year for which funds are au-
6 thorized to be appropriated to carry out this Act, the Sec-
7 retary of Transportation may conduct such reviews, hold
8 such hearings, and take such other actions as may be nec-
9 essary to ensure that—

10 (1) there is a transportation trade corridor for
11 each Customs port of entry for which fees were col-
12 lected under section 3 in the preceding fiscal year;
13 and

14 (2) the boundaries of such corridor are appro-
15 priate to carry out the objectives of this Act.

16 **SEC. 8. REGULATIONS.**

17 Not later than one year after date of enactment of
18 this Act, the Secretary of Transportation shall issue regu-
19 lations to carry out the objectives of this Act.

20 **SEC. 9. AUTHORIZATION OF APPROPRIATIONS.**

21 (a) IN GENERAL.—There is authorized to be appro-
22 priated from the National Trade Gateway Corridor Fund
23 established by section 3 to carry out this Act for each of
24 fiscal years 2009 through 2018 such sums as were depos-

1 ited in the Fund during the preceding fiscal year under
2 section 3.

3 (b) DATE AVAILABLE FOR OBLIGATION.—Authoriza-
4 tions from the separate account to carry out this Act shall
5 be available for obligation on October 1 of the fiscal year
6 for which they are authorized.

7 (c) GRANTS AS CONTRACTUAL OBLIGATIONS.—A
8 grant for a highway project under this Act that is ap-
9 proved by the Secretary is a contractual obligation of the
10 Government to pay the Federal share of the cost of the
11 project.

12 **SEC. 10. DEFINITIONS.**

13 In this Act, the following definitions apply:

14 (1) ELIGIBLE PROJECT.—The term “eligible
15 project” means—

16 (A) a project or activity eligible for assist-
17 ance under chapter 1 of title 23, United States
18 Code; and

19 (B) a project for construction of or im-
20 provements to a publicly owned intermodal
21 freight transfer facility, for providing access to
22 such a facility, or for making operational im-
23 provements to such a facility (including capital
24 investment for an intelligent transportation sys-
25 tem); except that a project located within the

1 boundaries of a port terminal shall only include
2 the surface transportation infrastructure modi-
3 fications necessary to facilitate direct inter-
4 modal interchange, transfer, and access into
5 and out of the port.

6 (2) FEDERAL-AID HIGHWAY.—The term “Fed-
7 eral-aid highway” has the meaning such term has
8 under section 101 of title 23, United States Code.

9 (3) STATE.—The term “State” means any of
10 the 50 States, the District of Columbia, and Puerto
11 Rico.

12 (4) STATE DEPARTMENT OF TRANSPOR-
13 TATION.—The term “State department of transpor-
14 tation” has the meaning such term has under sec-
15 tion 101 of title 23, United States Code.

16 (5) UNITED STATES.—The term “United
17 States” means the 50 States, the District of Colum-
18 bia, and Puerto Rico.

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