

110TH CONGRESS
2D SESSION

S. 3380

To promote increased public transportation use, to promote increased use of alternative fuels in providing public transportation, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 31, 2008

Mr. REID (for Mrs. CLINTON) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To promote increased public transportation use, to promote increased use of alternative fuels in providing public transportation, 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 “Saving Energy
5 Through Public Transportation Act of 2008”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) In 2007, people in the United States took
9 more than 10.3 billion trips using public transpor-
10 tation, the highest level in 50 years.

1 (2) Public transportation use in the United
2 States is up 32 percent since 1995, a figure that is
3 more than double the growth rate of the Nation's
4 population and is substantially greater than the
5 growth rate for vehicle miles traveled on the Na-
6 tion's highways for that same period.

7 (3) Public transportation use saves fuel, re-
8 duces emissions, and saves money for the people of
9 the United States.

10 (4) The direct petroleum savings attributable to
11 public transportation use is 1.4 billion gallons per
12 year, and when the secondary effects of transit avail-
13 ability on travel are also taken into account, public
14 transportation use saves the United States the
15 equivalent of 4.2 billion gallons of gasoline per year
16 (more than 11 million gallons of gasoline per day).

17 (5) Public transportation use in the United
18 States is estimated to reduce carbon dioxide emis-
19 sions by 37 million metric tons annually.

20 (6) An individual who commutes to work using
21 a single occupancy vehicle can reduce carbon dioxide
22 emissions by 20 pounds per day (more than 4,800
23 pounds per year) by switching to public transpor-
24 tation.

1 (7) Public transportation use provides an af-
2 fordable alternative to driving, as households that
3 use public transportation save an average of \$6,251
4 every year.

5 (8) Although under existing laws Federal em-
6 ployees in the National Capital Region receive tran-
7 sit benefits, transit benefits should be available to all
8 Federal employees in the United States so that the
9 Federal Government sets a leading example of great-
10 er public transportation use.

11 (9) Public transportation stakeholders should
12 engage and involve local communities in the edu-
13 cation and promotion of the importance of utilizing
14 public transportation.

15 (10) Increasing public transportation use is a
16 national priority.

17 **SEC. 3. GRANTS TO IMPROVE PUBLIC TRANSPORTATION**
18 **SERVICES.**

19 (a) AUTHORIZATIONS OF APPROPRIATIONS.—

20 (1) URBANIZED AREA FORMULA GRANTS.—In
21 addition to amounts allocated under section
22 5338(b)(2)(B) of title 49, United States Code, to
23 carry out section 5307 of such title, there is author-
24 ized to be appropriated \$750,000,000 for each of fis-
25 cal years 2008 and 2009 to carry out such section

1 5307. Such funds shall be apportioned, not later
2 than 7 days after the date on which the funds are
3 appropriated, in accordance with section 5336 (other
4 than subsections (i)(1) and (j)) of such title but may
5 not be combined or commingled with any other
6 funds apportioned under such section 5336.

7 (2) FORMULA GRANTS FOR OTHER THAN UR-
8 BANIZED AREAS.—In addition to amounts allocated
9 under section 5338(b)(2)(G) of title 49, United
10 States Code, to carry out section 5311 of such title,
11 there is authorized to be appropriated \$100,000,000
12 for each of fiscal years 2008 and 2009 to carry out
13 such section 5311. Such funds shall be apportioned,
14 not later than 7 days after the date on which the
15 funds are appropriated, in accordance with such sec-
16 tion 5311 but may not be combined or commingled
17 with any other funds apportioned under such section
18 5311.

19 (b) USE OF FUNDS.—Notwithstanding sections 5307
20 and 5311 of title 49, United States Code, the Secretary
21 of Transportation may make grants under such sections
22 from amounts appropriated under subsection (a) only for
23 one or more of the following:

24 (1) If the recipient of the grant is reducing, or
25 certifies to the Secretary within the time the Sec-

1 retary prescribes that, during the term of the grant,
2 the recipient will reduce one or more fares the re-
3 cipient charges for public transportation, or in the
4 case of subsection (f) of such section 5311, intercity
5 bus service, those operating costs of equipment and
6 facilities being used to provide the public transpor-
7 tation, or in the case of subsection (f) of such sec-
8 tion 5311, intercity bus service, that the recipient is
9 no longer able to pay from the revenues derived
10 from such fare or fares as a result of such reduction.

11 (2) If the recipient of the grant is expanding,
12 or certifies to the Secretary within the time the Sec-
13 retary prescribes that, during the term of the grant,
14 the recipient will expand public transportation serv-
15 ice, or in the case of subsection (f) of such section
16 5311, intercity bus service, those operating and cap-
17 ital costs of equipment and facilities being used to
18 provide the public transportation service, or in the
19 case of subsection (f) of such section 5311, intercity
20 bus service, that the recipient incurs as a result of
21 the expansion of such service.

22 (3) To avoid increases in fares for public trans-
23 portation, or in the case of subsection (f) of such
24 section 5311, intercity bus service, or decreases in
25 current public transportation service, or in the case

1 of subsection (f) of such section 5311, intercity bus
2 service, that would otherwise result from an increase
3 in costs to the public transportation or intercity bus
4 agency for transportation-related fuel or meeting ad-
5 ditional transportation-related equipment or facility
6 maintenance needs, if the recipient of the grant cer-
7 tifies to the Secretary within the time the Secretary
8 prescribes that, during the term of the grant, the re-
9 cipient will not increase the fares that the recipient
10 charges for public transportation, or in the case of
11 subsection (f) of such section 5311, intercity bus
12 service, or, will not decrease the public transpor-
13 tation service, or in the case of subsection (f) of
14 such section 5311, intercity bus service, that the re-
15 cipient provides.

16 (4) If the recipient of the grant is acquiring, or
17 certifies to the Secretary within the time the Sec-
18 retary prescribes that, during the term of the grant,
19 the recipient will acquire, clean fuel or alternative
20 fuel vehicle-related equipment or facilities for the
21 purpose of improving fuel efficiency, the costs of ac-
22 quiring the equipment or facilities.

23 (5) If the recipient of the grant is establishing
24 or expanding, or certifies to the Secretary within the
25 time the Secretary prescribes that, during the term

1 of the grant, the recipient will establish or expand
2 commuter matching services to provide commuters
3 with information and assistance about alternatives
4 to single occupancy vehicle use, those administrative
5 costs in establishing or expanding such services.

6 (c) FEDERAL SHARE.—Notwithstanding any other
7 provision of law, the Federal share of the costs for which
8 a grant is made under this section shall be 100 percent.

9 (d) PERIOD OF AVAILABILITY.—Funds appropriated
10 under this section shall remain available for a period of
11 2 fiscal years.

12 **SEC. 4. INCREASED FEDERAL SHARE FOR CLEAN AIR ACT**
13 **COMPLIANCE.**

14 Notwithstanding section 5323(i)(1) of title 49,
15 United States Code, a grant for a project to be assisted
16 under chapter 53 of such title during fiscal years 2008
17 and 2009 that involves acquiring clean fuel or alternative
18 fuel vehicle-related equipment or facilities for the purposes
19 of complying with or maintaining compliance with the
20 Clean Air Act (42 U.S.C. 7401 et seq.) shall be for 100
21 percent of the net project cost of the equipment or facility
22 attributable to compliance with that Act unless the grant
23 recipient requests a lower grant percentage.

1 **SEC. 5. TRANSPORTATION FRINGE BENEFITS.**

2 (a) REQUIREMENT THAT AGENCIES OFFER TRANSIT
3 PASS TRANSPORTATION FRINGE BENEFITS TO THEIR
4 EMPLOYEES NATIONWIDE.—

5 (1) IN GENERAL.—Section 3049(a)(1) of the
6 Safe, Accountable, Flexible, Efficient Transportation
7 Equity Act: A Legacy for Users (5 U.S.C. 7905
8 note; 119 Stat. 1711) is amended—

9 (A) by striking “Effective” and all that
10 follows through “each covered agency” and in-
11 sserting “Each agency”; and

12 (B) by inserting “at a location in an ur-
13 banized area of the United States that is served
14 by fixed route public transportation” before
15 “shall be offered”.

16 (2) CONFORMING AMENDMENTS.—Section
17 3049(a) of such Act (5 U.S.C. 7905 note; 119 Stat.
18 1711) is amended—

19 (A) in paragraph (3)—

20 (i) by striking subparagraph (A); and

21 (ii) by redesignating subparagraphs
22 (B) through (F) as subparagraphs (A)
23 through (E), respectively; and

24 (B) in paragraph (4) by striking “a cov-
25 ered agency” and inserting “an agency”.

1 (b) BENEFITS DESCRIBED.—Section 3049(a)(2) of
2 such Act (5 U.S.C. 7905 note; 119 Stat. 1711) is amended
3 by striking the period at the end and inserting the fol-
4 lowing: “, except that the maximum level of such benefits
5 shall be the maximum amount which may be excluded
6 from gross income for qualified parking as in effect for
7 a month under section 132(f)(2)(B) of the Internal Rev-
8 enue Code of 1986.”.

9 (c) GUIDANCE.—Section 3049(a) of such Act (5
10 U.S.C. 7905 note; 119 Stat. 1711) is amended by adding
11 at the end the following:

12 “(5) GUIDANCE.—

13 “(A) ISSUANCE.—Not later than 60 days
14 after the date of enactment of this paragraph,
15 the Secretary of Transportation shall issue
16 guidance on nationwide implementation of the
17 transit pass transportation fringe benefits pro-
18 gram under this subsection.

19 “(B) UNIFORM APPLICATION.—

20 “(i) IN GENERAL.—The guidance to
21 be issued under subparagraph (A) shall
22 contain a uniform application for use by all
23 Federal employees applying for benefits
24 from an agency under the program.

1 “(ii) REQUIRED INFORMATION.—As
2 part of such an application, an employee
3 shall provide, at a minimum, the employ-
4 ee’s home and work addresses, a break-
5 down of the employee’s commuting costs,
6 and a certification of the employee’s eligi-
7 bility for benefits under the program.

8 “(iii) WARNING AGAINST FALSE
9 STATEMENTS.—Such an application shall
10 contain a warning against making false
11 statements in the application.

12 “(C) INDEPENDENT VERIFICATION RE-
13 QUIREMENTS.—The guidance to be issued
14 under subparagraph (A) shall contain inde-
15 pendent verification requirements to ensure
16 that, with respect to an employee of an agen-
17 cy—

18 “(i) the eligibility of the employee for
19 benefits under the program is verified by
20 an official of the agency;

21 “(ii) employee commuting costs are
22 verified by an official of the agency; and

23 “(iii) records of the agency are
24 checked to ensure that the employee is not
25 receiving parking benefits from the agency.

1 “(D) PROGRAM IMPLEMENTATION RE-
2 QUIREMENTS.—The guidance to be issued
3 under subparagraph (A) shall contain program
4 implementation requirements applicable to each
5 agency to ensure that—

6 “(i) benefits provided by the agency
7 under the program are adjusted in cases of
8 employee travel, leave, or change of ad-
9 dress;

10 “(ii) removal from the program is in-
11 cluded in the procedures of the agency re-
12 lating to an employee separating from em-
13 ployment with the agency; and

14 “(iii) benefits provided by the agency
15 under the program are made available
16 using an electronic format (rather than
17 using paper fare media) where such a for-
18 mat is available for use.

19 “(E) ENFORCEMENT AND PENALTIES.—
20 The guidance to be issued under subparagraph
21 (A) shall contain a uniform administrative pol-
22 icy on enforcement and penalties. Such policy
23 shall be implemented by each agency to ensure
24 compliance with program requirements, to pre-
25 vent fraud and abuse, and, as appropriate, to

1 penalize employees who have abused or misused
2 the benefits provided under the program.

3 “(F) PERIODIC REVIEWS.—The guidance
4 to be issued under subparagraph (A) shall re-
5 quire each agency, not later than September 1
6 of the first fiscal year beginning after the date
7 of enactment of this paragraph, and every 3
8 years thereafter, to develop and submit to the
9 Secretary a review of the agency’s implementa-
10 tion of the program. Each such review shall
11 contain, at a minimum, the following:

12 “(i) An assessment of the agency’s
13 implementation of the guidance, including
14 a summary of the audits and investiga-
15 tions, if any, of the program conducted by
16 the Inspector General of the agency.

17 “(ii) Information on the total number
18 of employees of the agency that are partici-
19 pating in the program.

20 “(iii) Information on the total number
21 of single occupancy vehicles removed from
22 the roadway network as a result of partici-
23 pation by employees of the agency in the
24 program.

1 “(iv) Information on energy savings
2 and emissions reductions, including reduc-
3 tions in greenhouse gas emissions, result-
4 ing from reductions in single occupancy ve-
5 hicle use by employees of the agency that
6 are participating in the program.

7 “(v) Information on reduced conges-
8 tion and improved air quality resulting
9 from reductions in single occupancy vehicle
10 use by employees of the agency that are
11 participating in the program.

12 “(vi) Recommendations to increase
13 program participation and thereby reduce
14 single occupancy vehicle use by Federal
15 employees nationwide.

16 “(6) REPORTING REQUIREMENTS.—Not later
17 than September 30 of the first fiscal year beginning
18 after the date of enactment of this paragraph, and
19 every 3 years thereafter, the Secretary shall submit
20 to the Committee on Transportation and Infrastruc-
21 ture and the Committee on Oversight and Govern-
22 ment Reform of the House of Representatives and
23 the Committee on Banking, Housing, and Urban Af-
24 fairs of the Senate a report on nationwide implemen-
25 tation of the transit pass transportation fringe bene-

1 fits program under this subsection, including a sum-
 2 mary of the information submitted by agencies pur-
 3 suant to paragraph (5)(F).”.

4 (d) EFFECTIVE DATE.—Except as otherwise specifi-
 5 cally provided, the amendments made by this section shall
 6 become effective on the first day of the first fiscal year
 7 beginning after the date of enactment of this Act.

8 **SEC. 6. CAPITAL COST OF CONTRACTING VANPOOL PILOT**
 9 **PROGRAM.**

10 (a) ESTABLISHMENT.—The Secretary of Transpor-
 11 tation shall establish and implement a pilot program to
 12 carry out vanpool demonstration projects in not more than
 13 3 urbanized areas and not more than 2 other than urban-
 14 ized areas.

15 (b) PILOT PROGRAM.—

16 (1) IN GENERAL.—Notwithstanding section
 17 5323(i) of title 49, United States Code, for each
 18 project selected for participation in the pilot pro-
 19 gram, the Secretary shall allow the non-Federal
 20 share provided by a recipient of assistance for a cap-
 21 ital project under chapter 53 of such title to include
 22 the amounts described in paragraph (2).

23 (2) CONDITIONS ON ACQUISITION OF VANS.—
 24 The amounts referred to in paragraph (1) are any
 25 amounts expended by a private provider of public

1 transportation by vanpool for the acquisition of vans
2 to be used by such private provider in the recipient's
3 service area, excluding any amounts the provider
4 may have received in Federal, State, or local govern-
5 ment assistance for such acquisition, if the private
6 provider enters into a legally binding agreement with
7 the recipient that requires the private provider to
8 use all revenues it receives in providing public trans-
9 portation in such service area, in excess of its oper-
10 ating costs, for the purpose of acquiring vans to be
11 used by the private provider in such service area.

12 (c) PROGRAM TERM.—The Secretary may approve an
13 application for a vanpool demonstration project for fiscal
14 years 2008 through 2009.

15 (d) REPORT TO CONGRESS.—Not later than one year
16 after the date of enactment of this Act, the Secretary shall
17 submit to the Committee on Transportation and Infra-
18 structure of the House of Representatives and the Com-
19 mittee on Banking, Housing, and Urban Affairs of the
20 Senate a report containing an assessment of the costs,
21 benefits, and efficiencies of the vanpool demonstration
22 projects.

1 **SEC. 7. INCREASED FEDERAL SHARE FOR END-OF-LINE**
2 **FIXED GUIDEWAY STATIONS.**

3 Notwithstanding section 5309(h) of title 49, United
4 States Code, a grant for a capital project to be assisted
5 under section 5309 of such title during fiscal years 2008
6 and 2009 that involves the acquisition of real property for,
7 or the design, engineering, or construction of, additional
8 parking facilities at an end-of-line fixed guideway station
9 or at a park-and-ride lot that serves a fixed route com-
10 muter bus route that is more than 20 miles in length shall
11 be for 100 percent of the net capital cost of the project
12 unless the grant recipient requests a lower grant percent-
13 age.

14 **SEC. 8. NATIONAL CONSUMER AWARENESS PROGRAM.**

15 (a) IN GENERAL.—The Secretary of Transportation
16 shall carry out a national consumer awareness program
17 to educate the public on the environmental, energy, and
18 economic benefits of public transportation alternatives to
19 the use of single occupancy vehicles.

20 (b) AUTHORIZATION OF APPROPRIATIONS.—There is
21 authorized to be appropriated to carry out this section
22 \$1,000,000 for fiscal year 2009. Such sums shall remain
23 available until expended.

1 **SEC. 9. EXCEPTION TO ALTERNATIVE FUEL PROCUREMENT**
2 **REQUIREMENT.**

3 Section 526 of the Energy Independence and Security
4 Act of 2007 (Public Law 110–140; 42 U.S.C. 17142) is
5 amended—

6 (1) by striking “No Federal agency” and insert-
7 ing “(a) REQUIREMENT.—Except as provided in
8 subsection (b), no Federal agency”; and

9 (2) by adding at the end the following:

10 “(b) EXCEPTION.—Subsection (a) does not prohibit
11 a Federal agency from entering into a contract to pur-
12 chase a generally available fuel that is not an alternative
13 or synthetic fuel or predominantly produced from a non-
14 conventional petroleum source, if—

15 “(1) the contract does not specifically require
16 the contractor to provide an alternative or synthetic
17 fuel or fuel from a nonconventional petroleum
18 source;

19 “(2) the purpose of the contract is not to obtain
20 an alternative or synthetic fuel or fuel from a non-
21 conventional petroleum source; and

22 “(3) the contract does not provide incentives for
23 a refinery upgrade or expansion to allow a refinery
24 to use or increase its use of fuel from a nonconven-
25 tional petroleum source.”.

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