

105TH CONGRESS  
1ST SESSION

# H. R. 204

To provide financial assistance to Mexican border States for transportation projects that are necessary to accommodate increased traffic resulting from the implementation of the North American Free Trade Agreement.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 7, 1997

Mr. KIM (for himself and Mr. BILBRAY) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

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## A BILL

To provide financial assistance to Mexican border States for transportation projects that are necessary to accommodate increased traffic resulting from the implementation of the North American Free Trade Agreement.

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 “NAFTA Infrastructure  
5 Responsibility Act of 1997”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

1           (1) the United States Customs Service collects  
2           over \$600,000,000 per year in duties, fees, excise  
3           taxes, and fines from crossings of the border of the  
4           United States and Mexico;

5           (2) although the United States Customs Service  
6           has collected increased duties, merchandise fees, and  
7           revenues from other commerce-related activities be-  
8           cause of the ratification and implementation of the  
9           North American Free Trade Agreement, these in-  
10          creased revenues have not been accompanied by Fed-  
11          eral funding for improving transportation facilities  
12          along the border of the United States and Mexico to  
13          ensure the free and safe flow of trade destined for  
14          all States and regions of the United States;

15          (3) because of NAFTA, all 4 States along the  
16          border of the United States and Mexico will require  
17          significant investments in highway infrastructure ca-  
18          pacity and motor carrier safety enforcement at a  
19          time when such States face extreme difficulty in ob-  
20          taining funds to maintain current highway condi-  
21          tions;

22          (4) the full benefits of increased international  
23          trade can be realized only if delays at the border of  
24          the United States and Mexico are significantly re-  
25          duced; and

1           (5) the increased revenues described in para-  
2           graph (2) should be used to provide Federal funding  
3           for transportation improvements required to accom-  
4           modate NAFTA-generated traffic, in an amount  
5           above and beyond regular Federal transportation  
6           funding apportionments, obligational authority, and  
7           minimum allocation funds under title 23, United  
8           States Code, the Intermodal Surface Transportation  
9           Efficiency Act of 1991 (Public Law 102–240), and  
10          other laws.

11 **SEC. 3. DEFINITIONS.**

12          In this Act, the following definitions apply:

13           (1) **COMMERCIAL MOTOR VEHICLE.**—The term  
14           “commercial motor vehicle” means a motor vehicle  
15           that is used in commerce to transport passengers or  
16           property and has a gross vehicle weight rating of  
17           26,001 or more pounds.

18           (2) **MAJOR MEXICAN BORDER CROSSING FACIL-**  
19           **ITY.**—The term “major Mexican border crossing fa-  
20           cility” means a Mexican border crossing facility used  
21           by 150,000 or more northbound commercial motor  
22           vehicles in a calendar year.

23           (3) **MEXICAN BORDER CROSSING FACILITY.**—  
24           The term “Mexican border crossing facility” means

1 a Federal facility located in the United States that  
2 is used to enter the United States from Mexico.

3 (4) MEXICAN BORDER STATE.—The term  
4 “Mexican border State” means California, Arizona,  
5 New Mexico, and Texas.

6 (5) MINOR MEXICAN BORDER CROSSING FACIL-  
7 ITY.—The term “minor Mexican border crossing fa-  
8 cility” means a Mexican border crossing facility used  
9 by less than 150,000 northbound commercial motor  
10 vehicles in a calendar year.

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

13 (7) SECRETARY.—The term “Secretary” means  
14 the Secretary of Transportation.

15 **SEC. 4. DIRECT FEDERAL ASSISTANCE FOR BORDER CON-**  
16 **STRUCTION AND CONGESTION RELIEF.**

17 (a) IN GENERAL.—The Secretary shall make grants  
18 under subsections (b) and (c) to eligible recipients that  
19 submit to the Secretary an application that demonstrates  
20 need, due to increased traffic resulting from the implemen-  
21 tation of NAFTA, for assistance in carrying out transpor-  
22 tation projects that are necessary to relieve traffic conges-  
23 tion and improve enforcement of motor carrier safety laws.

24 (b) GRANTS FOR CONNECTORS TO MEXICAN BORDER  
25 CROSSING FACILITIES.—The Secretary shall make grants

1 to Mexican border States and units of general purpose  
2 local government in Mexican border States for the pur-  
3 poses of—

4           (1) connecting the National Highway System  
5           designated under section 103(b) of title 23, United  
6           States Code, with Mexican border crossing facilities;  
7           and

8           (2) upgrading connectors described in para-  
9           graph (1) that are in existence as of the date of the  
10          grant.

11          (c) GRANTS FOR COMMERCIAL MOTOR VEHICLE EN-  
12          FORCEMENT FACILITIES.—The Secretary shall make  
13          grants to Mexican border States to construct, operate, and  
14          maintain commercial motor vehicle enforcement facilities.

15          (d) LOCATION OF PROJECTS.—All projects carried  
16          out using amounts from grants made available under this  
17          section shall be located in the United States and within  
18          60 miles of the border of the United States and Mexico,  
19          except as specifically approved by the Secretary.

20          (e) APPORTIONMENT OF AMOUNTS.—

21                 (1) IN GENERAL.—The Secretary shall appor-  
22                 tion the amounts appropriated for a fiscal year for  
23                 making grants under this section among the Mexi-  
24                 can border States as follows:

1           (A) 90 percent in the ratio which the num-  
2           ber of major Mexican border crossing facilities  
3           in each Mexican border State bears to the total  
4           number of major Mexican border crossing facili-  
5           ties in all Mexican border States, as determined  
6           by the Secretary under paragraph (2).

7           (B) 10 percent in the ratio which the num-  
8           ber of minor Mexican border crossing facilities  
9           in each Mexican border State bears to the total  
10          number of minor Mexican border crossing facili-  
11          ties in all Mexican border States, as determined  
12          by the Secretary under paragraph (2).

13          (2) DETERMINATIONS.—The Secretary shall  
14          make each determination required by paragraph (1)  
15          concerning the number of commercial motor vehicles  
16          using a Mexican border crossing facility on an an-  
17          nual basis using the most recent calendar year infor-  
18          mation that can be obtained from the United States  
19          Customs Service.

20          (f) COST SHARING.—A grant under this section shall  
21          be used to pay the Federal share of the cost of a project.  
22          The Federal share shall be 80 percent.

23          (g) AUTHORIZATION OF APPROPRIATIONS.—There is  
24          authorized to be appropriated to carry out this section  
25          \$100,000,000 for each of fiscal years 1998 through 2003.

1 **SEC. 5. 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) **IN GENERAL.**—There is authorized to be  
21 appropriated from the general fund of the Treasury  
22 \$98,000,000 to be used by the Secretary to enter  
23 into agreements with Mexican border States that  
24 have established infrastructure banks under this sec-  
25 tion to make lines of credit available to the States.

1           “(2) AMOUNT.—The line of credit available to  
2 each participating Mexican border State shall be  
3 equal to the product of—

4                   “(A) the amount appropriated under para-  
5 graph (1); and

6                   “(B) the quotient obtained by dividing—

7                           “(i) the contributions of the Mexican  
8 border State to the Highway Trust Fund  
9 during the preceding fiscal year; and

10                           “(ii) the total contributions of all par-  
11 ticipating Mexican border States with in-  
12 frastructure banks to the Highway Trust  
13 Fund during the preceding fiscal year.

14           “(3) USE OF LINE OF CREDIT.—The line of  
15 credit under this subsection shall be available to pro-  
16 vide Federal support in accordance with this sub-  
17 section to a State infrastructure bank engaged in  
18 providing credit enhancement for projects to con-  
19 struct Federal-aid highways which will support a sig-  
20 nificant amount of traffic resulting from NAFTA.

21           “(4) LIMITATIONS.—

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

24                           “(i) with respect to a completed  
25 project described in paragraph (3) that is

1 receiving credit enhancement through an  
2 infrastructure bank;

3 “(ii) when the cash balance available  
4 in the infrastructure bank is insufficient to  
5 pay a claim for payment relating to the  
6 project; and

7 “(iii) when all subsequent revenues of  
8 the project have been pledged to the infra-  
9 structure bank.

10 “(B) THIRD PARTY CREDITOR RIGHTS.—

11 No third party creditor of a public or private  
12 entity carrying out a project eligible for assist-  
13 ance from an infrastructure bank shall have  
14 any right against the Federal Government with  
15 respect to a line of credit under this subsection,  
16 including any guarantee that the proceeds of a  
17 line of credit will be available for the payment  
18 of any particular cost of the public or private  
19 entity that may be financed under this sub-  
20 section.

21 “(5) INTEREST RATE AND REPAYMENT PE-  
22 RIOD.—Any draw on a line of credit under this sub-  
23 section shall—

24 “(A) accrue, beginning on the date the  
25 draw is made, interest at a rate equal to the

1 current (as of the date the draw is made) mar-  
2 ket yield on outstanding, marketable obligations  
3 of the United States with maturities of 30  
4 years; and

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

7 “(6) RELATIONSHIP TO STATE APPORTION-  
8 MENT.—Funds made available to States to carry out  
9 this subsection shall be in addition to funds appor-  
10 tioned to States under section 104 of title 23, Unit-  
11 ed States Code.

12 “(7) MEXICAN BORDER STATE DEFINED.—The  
13 term ‘Mexican border State’ means California, Ari-  
14 zona, New Mexico, and Texas.”.

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