To authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. Graves of Missouri (for himself and Mr. Rodney Davis of Illinois) introduced the following bill; which was referred to the Committee on

A BILL

To authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Surface Transportation Advanced through Reform, Technology, and Efficient Review Act 2.0” or the “STARTER Act 2.0”.

117TH CONGRESS 1ST SESSION

H. R. ____

(Original Signature of Member)
(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

DIVISION A—EXTENSION OF SURFACE TRANSPORTATION PROGRAMS

Sec. 1001. Extension of Federal surface transportation programs.
Sec. 1002. Extension of highway trust fund expenditure authority.
Sec. 1003. Extension of highway-related taxes.
Sec. 1004. Additional contract authority.
Sec. 1005. Tax-exempt financing for qualified highway or surface freight transfer facilities.
Sec. 1006. Effective date.

DIVISION B—SURFACE TRANSPORTATION

TITLE I—FEDERAL-AID HIGHWAYS

Subtitle A—Authorizations and Programs

Sec. 1101. Nationally significant freight and highway projects.
Sec. 1102. Better utilizing investments to leverage development (BUILD) transportation discretionary grants.
Sec. 1103. National highway freight program.
Sec. 1104. Truck parking safety improvement.
Sec. 1105. Temporary Federal share for Federal-aid highway projects.
Sec. 1106. Consolidated funding program.
Sec. 1107. Bridge rebuilding programs.
Sec. 1108. Increased flexibility for bridge bundling projects.
Sec. 1109. Off-system bridge set-aside.
Sec. 1110. Establishment of ROUTES and NETT entities.

Subtitle B—Acceleration of Project Delivery

Sec. 1201. Environmental reviews for major projects.
Sec. 1202. Efficient environmental reviews for project decisionmaking.
Sec. 1203. Application of categorical exclusions for transportation projects.
Sec. 1204. Air quality and conformity.
Sec. 1205. Agreements relating to use of and access to rights-of-way Interstate System.
Sec. 1206. Permits for dredged or fill material.
Sec. 1207. Pilot program on use of innovative practices for environmental reviews.
Sec. 1208. Major projects threshold.
Sec. 1209. Adding previously approved projects to the transportation improvement program.

TITLE II—INNOVATIVE PROJECT FINANCE


TITLE III—PUBLIC TRANSPORTATION
Sec. 3001. Short title.
Sec. 3002. Urbanized area formula grants.
Sec. 3003. Fixed guideway capital investment grants.
Sec. 3004. Enhanced mobility of seniors and individuals with disabilities.
Sec. 3005. Formula grants for rural areas.
Sec. 3006. Non-emergency medical transportation.
Sec. 3007. Technical assistance and workforce development.
Sec. 3008. General provisions.
Sec. 3009. Apportionments.
Sec. 3010. Grants for bus and bus facilities.
Sec. 3011. Elimination of apportionments based on high density State factors.
Sec. 3012. Innovative mobility and technology deployment grants.
Sec. 3013. Expedited project delivery for capital investment grants.

TITLE IV—HIGHWAY TRAFFIC SAFETY

Sec. 4001. Funding and grant requirements.
Sec. 4002. Highway safety research and development.
Sec. 4003. National priority safety programs.
Sec. 4004. National priority safety program grant eligibility.

TITLE V—MOTOR CARRIER SAFETY

Sec. 5001. Funding and grant requirements.
Sec. 5002. Compliance, safety, and accountability reform.
Sec. 5003. Entry-level driver training regulations.
Sec. 5004. Trucking industry workforce development.
Sec. 5005. Hours of service requirements for agricultural operations.

TITLE VI—INNOVATION

Sec. 6001. Advanced transportation technologies program.
Sec. 6002. Connected vehicle deployment pilot program.
Sec. 6003. Automated driving system demonstration program.
Sec. 6004. Accelerated implementation and deployment of advanced digital construction management systems.
Sec. 6005. Innovative project delivery methods.
Sec. 6006. Surface transportation system funding alternatives.
Sec. 6007. Surface transportation system road usage charge national pilot program.
Sec. 6008. Implementation of per-mile road usage charge for Federal vehicles.

TITLE VII—RESILIENCY

Sec. 7001. Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) grant program.
Sec. 7002. National highway performance program.
Sec. 7003. Resiliency in federal-aid highway programs.
Sec. 7004. Resiliency in transit.
Sec. 7005. Highway emergency relief and resiliency.
Sec. 7006. Highway resiliency incentives.
Sec. 7007. Guidance on inundated and submerged roads.
Sec. 7008. Guidance on evacuation routes.
Sec. 7009. Definitions.
Sec. 7010. University transportation centers.
Sec. 7011. Pre-disaster hazard mitigation pilot program.
DIVISION A—EXTENSION OF SURFACE TRANSPORTATION PROGRAMS

SEC. 1001. EXTENSION OF FEDERAL SURFACE TRANSPORTATION PROGRAMS.

(a) In General.—Except as otherwise provided in this Act, the requirements, authorities, conditions, eligibilities, limitations, and other provisions authorized under the covered laws, which would otherwise expire on or cease to apply after September 30, 2021, are incorporated by reference and shall continue in effect through September 30, 2026.

(b) Authorization of Appropriations.—

(1) Highway trust fund.—

(A) Highway account.—There is authorized to be appropriated from the Highway Account for each of fiscal years 2022 through 2026, for each program with respect to which amounts are authorized to be appropriated from such account for fiscal year 2021, an amount equal to 132 percent of the amount authorized for appropriation with respect to the program
from such account under the covered laws for fiscal year 2021.

(B) Mass Transit Account.—There is authorized to be appropriated from the Mass Transit Account for each of fiscal years 2022 through 2026, for each program with respect to which amounts are authorized to be appropriated from such account for fiscal year 2021, an amount equal to the amount authorized for appropriation with respect to the program from such account under the covered laws for fiscal year 2021.

(2) General Fund.—There is authorized to be appropriated for each of fiscal years 2022 through 2026, for each program with respect to which amounts are authorized to be appropriated for fiscal year 2021 from an account other than the Highway Account or the Mass Transit Account under the titles specified in subsection (e)(1)(A), an amount equal to the amount authorized for appropriation with respect to the program under such titles for fiscal year 2021.

(e) Use of Funds.—Subject to section 1004(b), amounts authorized to be appropriated for each of fiscal years 2022 through 2026 with respect to a program under
subsection (b) shall be distributed, administered, limited, and made available for obligation in the same manner as amounts authorized to be appropriated with respect to the program for fiscal year 2021 under the covered laws.

(d) Obligation Limitation.—Subject to section 1004(d), a program for which amounts are authorized to be appropriated under subsection (b)(1) shall be subject to a limitation on obligations for each of fiscal years 2022 through 2026 in the same amount and in the same manner as the limitation applicable with respect to the program for fiscal year 2021.

(e) Definitions.—In this section, the following definitions apply:

1. Covered Laws.—The term “covered laws” means the following:
   
   (A) Titles I, III, IV, V, and VI of division A of the FAST Act (Public Law 114–94).
   
   (B) Division A, division B, subtitle A of title I and title II of division C, and division E of MAP–21 (Public Law 112–141).
   
   

(F) Titles II, III, and IV of the National Highway System Designation Act of 1995 (Public Law 104–59).


(H) Title 23, United States Code.

(I) Subtitle IV of Title 40, United States Code.


(2) HIGHWAY ACCOUNT.—The term “Highway Account” means the portion of the Highway Trust Fund that is not the Mass Transit Account.

(3) MASS TRANSIT ACCOUNT.—The term “Mass Transit Account” means the portion of the Highway Trust Fund established under section 9503(e)(1) of the Internal Revenue Code of 1986.

(f) DISADVANTAGED BUSINESS ENTERPRISES.—
(1) DEFINITIONS.—In this subsection, the following definitions apply:

(A) SMALL BUSINESS CONCERN.—

(i) IN GENERAL.—The term “small business concern” means a small business concern (as the term is used in section 3 of the Small Business Act (15 U.S.C. 632)).

(ii) EXCLUSIONS.—The term “small business concern” does not include any concern or group of concerns controlled by the same socially and economically disadvantaged individual or individuals that have average annual gross receipts during the preceding 5 fiscal years in excess of $26,290,000, as adjusted annually by the Secretary for inflation.

(B) SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS.—The term “socially and economically disadvantaged individuals” has the meaning given the term in section 8(d) of the Small Business Act (15 U.S.C. 637(d)) and relevant subcontracting regulations issued pursuant to such Act, except that women shall be presumed to be socially and economi-
cally disadvantaged individuals for purposes of this subsection.

(2) Amounts for Small Business Concerns.—Except to the extent that the Secretary determines otherwise, not less than 10 percent of the amounts made available for any program under titles I, II, and III of this Act and section 403 of title 23, United States Code, shall be expended through small business concerns owned and controlled by socially and economically disadvantaged individuals.

(3) Annual Listing of Disadvantaged Business Enterprises.—Each State shall annually—

(A) survey and compile a list of the small business concerns referred to in paragraph (2) in the State, including the location of the small business concerns in the State, and publish such list on a public website; and

(B) notify the Secretary, in writing, of the percentage of the small business concerns that are controlled by—

(i) women;

(ii) socially and economically disadvantaged individuals (other than women); and
(iii) individuals who are women and are otherwise socially and economically disadvantaged individuals.

(4) UNIFORM CERTIFICATION.—

(A) IN GENERAL.—The Secretary shall establish minimum uniform criteria for use by State governments in certifying whether a concern qualifies as a small business concern for the purpose of this subsection.

(B) INCLUSIONS.—The minimum uniform criteria established under subparagraph (A) shall include, with respect to a potential small business concern—

(i) on-site visits;

(ii) personal interviews with personnel;

(iii) issuance or inspection of licenses;

(iv) analyses of stock ownership;

(v) listings of equipment;

(vi) analyses of bonding capacity;

(vii) listings of work completed;

(viii) examination of the resumes of principal owners;

(ix) analyses of financial capacity; and

(x) analyses of the type of work preferred.
(5) REPORTING.—The Secretary shall establish minimum requirements for use by State governments in reporting to the Secretary—

(A) information concerning disadvantaged business enterprise awards, commitments, and achievements; and

(B) such other information as the Secretary determines to be appropriate for the proper monitoring of the disadvantaged business enterprise program.

(6) COMPLIANCE WITH COURT ORDERS.—Nothing in this subsection limits the eligibility of an individual or entity to receive funds made available under titles I, II, and III of this Act and section 403 of title 23, United States Code, if the entity or person is prevented, in whole or in part, from complying with paragraph (2) because a Federal court issues a final order in which the court finds that a requirement or the implementation of paragraph (2) is unconstitutional.

SEC. 1002. EXTENSION OF HIGHWAY TRUST FUND EXPENDITURE AUTHORITY.

Section 9503 of the Internal Revenue Code of 1986 is amended—
(a) by striking “October 1, 2021” in subsections (b)(6)(B), (c)(1), and (e)(3) and inserting “October 1, 2026”; and

(b) by striking “Continuing Appropriations Act, 2021 and Other Extensions Act” in subsections (c)(1) and (e)(3) and inserting “STARTER Act 2.0”.

SEC. 1003. EXTENSION OF HIGHWAY-RELATED TAXES.

(a) IN GENERAL.—

(1) Each of the following provisions of the Internal Revenue Code of 1986 is amended by striking “September 30, 2022” and inserting “September 30, 2026”:

(A) Section 4041(a)(1)(C)(iii)(I).

(B) Section 4041(m)(1)(B).

(C) Section 4081(d)(1).

(2) Each of the following provisions of such Code is amended by striking “October 1, 2022” and inserting “October 1, 2026”:

(A) Section 4041(m)(1)(A).

(B) Section 4051(c).

(C) Section 4071(d).

(D) Section 4081(d)(3).

(b) EXTENSION OF TAX, ETC., ON USE OF CERTAIN HEAVY VEHICLES.—Each of the following provisions of
the Internal Revenue Code of 1986 is amended by striking “2023” each place it appears and inserting “2026”:

(1) Section 4481(f).

(2) Subsections (c)(4) and (d) of section 4482.

(c) Floor Stocks Refunds.—Section 6412(a)(1) of the Internal Revenue Code of 1986 is amended—

(1) by striking “October 1, 2022” each place it appears and inserting “October 1, 2026”; 

(2) by striking “March 31, 2023” each place it appears and inserting “March 31, 2026”; and

(3) by striking “January 1, 2023” and inserting “January 1, 2026”.

(d) Extension of Certain Exemptions.—

(1) Section 4221(a) of the Internal Revenue Code of 1986 is amended by striking “October 1, 2022” and inserting “October 1, 2026”.

(2) Section 4483(i) of such Code is amended by striking “October 1, 2023” and inserting “October 1, 2026”.

(e) Extension of Transfers of Certain Taxes.—

(1) In General.—Section 9503 of the Internal Revenue Code of 1986 is amended—

(A) in subsection (b)—
(i) by striking “October 1, 2022” each place it appears in paragraphs (1) and (2) and inserting “October 1, 2026”; (ii) by striking “OCTOBER 1, 2022” in the heading of paragraph (2) and inserting “OCTOBER 1, 2026”; (iii) by striking “September 30, 2022” in paragraph (2) and inserting “September 30, 2026”; and (iv) by striking “July 1, 2023” in paragraph (2) and inserting “July 1, 2026”; and (B) in subsection (c)(2), by striking “July 1, 2023” and inserting “July 1, 2026”.

(2) MOTORBOAT AND SMALL-ENGINE FUEL TAX TRANSFERS.— (A) IN GENERAL.—Paragraphs (3)(A)(i) and (4)(A) of section 9503(c) of such Code are each amended by striking “October 1, 2022” and inserting “October 1, 2026”.

(B) CONFORMING AMENDMENTS TO LAND AND WATER CONSERVATION FUND.—Section 200310 of title 54, United States Code, is amended—
(i) by striking “October 1, 2023” each place it appears and inserting “October 1, 2026”; and

(ii) by striking “October 1, 2022” and inserting “October 1, 2026”.

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2021.

SEC. 1004. ADDITIONAL CONTRACT AUTHORITY.

(a) IN GENERAL.—Notwithstanding any other provision of law, for each of fiscal years 2022 through 2026, any excess amount authorized to be appropriated from the Highway Account or the Mass Transit Account shall be distributed as described in subsection (b).

(b) ADJUSTMENT TO CORE ACCOUNT PROGRAMS.—For each fiscal year in which an excess amount as described in subsection (a) is authorized to be appropriated from the Highway Account or the Mass Transit Account, the Secretary shall—

(1) under section 1001 of this Act make available for core account programs authorized from such account an amount equal to the amount authorized for such programs for fiscal year 2021;

(2) under this section, make available an additional amount for such programs equal to the excess
amount authorized to be appropriated as described in subsection (a); and

(3) distribute the additional amount under paragraph (2) to each of such core account programs in accordance with subsection (c).

(c) DISTRIBUTION OF ADJUSTMENT AMONG CORE ACCOUNT PROGRAMS.—

(1) IN GENERAL.—In making an adjustment for core account programs authorized from the Highway Account or the Mass Transit Account for a fiscal year under subsection (b), the Secretary shall—

(A) determine the ratio that—

(i) the amount authorized to be appropriated for a core account program from the account for fiscal year 2021; bears to

(ii) the total amount authorized to be appropriated for such fiscal year for all core account programs under such account;

(B) multiply the ratio determined under subparagraph (A) by the amount of the adjustment under subsection (b)(2); and

(C) adjust the amount that the Secretary would otherwise have allocated for the core ac-
count program for the fiscal year by the amount calculated under subparagraph (B).

(2) FORMULA PROGRAMS.—

(A) IN GENERAL.—Subject to subparagraph (B), for a program for which funds are distributed by formula, the Secretary shall add the adjustment to the amount authorized for the program but for this section and make available the adjusted program amount for such program in accordance with such formula.

(B) EXCEPTION.—In making the adjustment under subparagraph (A), the Secretary shall exclude subsections (b)(4), (b)(5)(D), and (b)(6) of section 104 of title 23, United States Code, from the formula calculations.

(3) AVAILABILITY FOR OBLIGATION.—Adjusted amounts under this subsection shall be available for obligation and administered in the same manner as other amounts made available for the program for which the amount is adjusted.

(4) SPECIAL RULE.—

(A) ADJUSTMENT.—In making an adjustment under subsection (c)(1) for an allocation, reservation, or set-aside from an amount authorized from the Highway Account or Mass
Transit Account referred to in subparagraph (B), the Secretary shall—

(i) determine the ratio that—

(I) the amount authorized to be appropriated for the allocation, reservation, or set-aside from the account for fiscal year 2021; bears to

(II) the total amount authorized to be appropriated for such fiscal year for all core account programs under such account;

(ii) multiply the ratio determined under clause (i) by the amount of the adjustment determined under subsection (b)(2); and

(iii) adjust the amount that the Secretary would have allocated for the allocation, reservation, or set-aside for the fiscal year but for this section by the amount calculated under clause (ii).

(B) ALLOCATIONS, RESERVATIONS, AND SET-ASIDES.—The allocations, reservations, and set-asides referred to in subparagraph (A) are—
(i) the amount reserved for a fiscal year under section 133(h)(1)(A);

(ii) the amount set aside for a fiscal year for the National Highway Freight Program under section 104(b)(5);

(iii) supplemental funds reserved for a fiscal year for the National Highway Performance Program under section 104(h)(1); and

(iv) supplemental funds reserved for a fiscal year for the surface transportation block grant program under section 104(h)(2).

(d) REVISION TO OBLIGATION LIMITATIONS.—If the Secretary makes an adjustment under subsection (b) for a fiscal year to an amount subject to a limitation on obligations imposed by any other provision of law—

(1) such limitation on obligations for such fiscal year shall be revised by an amount equal to such adjustment; and

(2) the Secretary shall distribute such limitation on obligations, as revised under paragraph (1), in accordance with such provisions.

(e) DEFINITIONS.—In this section, the following definitions apply—
(1) **HIGHWAY ACCOUNT**.—The term “Highway Account” means the portion of the Highway Trust Fund that is not the Mass Transit Account.


(3) **CORE ACCOUNT PROGRAMS**.—The term “core account programs” means—

(A) the National Highway Performance Program under section 119 of title 23, United States Code;

(B) the Surface Transportation Block Grant Program under section 133 of title 23, United States Code;

(C) the Highway Safety Improvement Program under section 148 of title 23, United States Code;

(D) the National Highway Freight Program under section 167 of title 23, United States Code; and

(E) the Formula Grants for Rural Areas Program under section 5311 of title 49, United States Code.
(4) EXCESS AMOUNT.—The term “excess amount” means—

(A) the amount authorized to be appropriated for a fiscal year from the Highway Account or the Mass Transit Account; minus

(B) the amount authorized to be appropriated for fiscal year 2021 from such account.

SEC. 1005. TAX-EXEMPT FINANCING FOR QUALIFIED HIGHWAY OR SURFACE FREIGHT TRANSFER FACILITIES.

Section 142(m)(2)(A) of the Internal Revenue Code of 1986 is amended by striking “$15,000,000,000” and inserting “$45,000,000,000”.

SEC. 1006. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on October 1, 2021.
DIVISION B—SURFACE TRANSPORTATION
TITLE I—FEDERAL-AID HIGHWAYS
Subtitle A—Authorizations and Programs

SEC. 1101. NATIONALLY SIGNIFICANT FREIGHT AND HIGHWAY PROJECTS.

There are authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for the nationally significant freight and highway projects program under section 117 of title 23, United States Code, such sums as may be necessary for each of fiscal years 2022 through 2026.

SEC. 1102. BETTER UTILIZING INVESTMENTS TO LEVERAGE DEVELOPMENT (BUILD) TRANSPORTATION DISCRETIONARY GRANTS.

(a) In General.—Chapter 55 of title 49, United States Code, is amended by inserting after section 5502 the following:

“§ 5503. BUILD grant program

“(a) Establishment.—The Secretary of Transportation shall establish a discretionary grant program, to be known as the ‘Better Utilizing Investment to Leverage Development Transportation Grant Program’ or the
BUILD grant program, to be administered by the Secretary.

“(b) PURPOSE.—Under the BUILD grant program, the Secretary may award grants, on a competitive basis, for eligible projects that will have a projects that encourage economic viability of the Nation, a metropolitan area, or a region.

“(c) ELIGIBLE APPLICANTS.—Applicants eligible for funding under this section are—

“(1) States;

“(2) local governments;

“(3) Tribal governments;

“(4) transit agencies;

“(5) port authorities;

“(6) metropolitan planning organizations;

“(7) political subdivisions of State or local governments;

“(8) Federal land management agencies; and

“(9) multi-State or multi-jurisdictional groups applying through a single lead applicant.

“(d) ELIGIBLE PROJECTS.—Projects eligible for a grant under this section are the following:

“(1) Highway or bridge projects eligible under title 23 (including bicycle and pedestrian related projects).
“(2) Public transportation projects eligible under chapter 53.

“(3) Passenger and freight rail transportation projects.

“(4) Port infrastructure investments.

“(5) Intermodal projects.

“(6) Projects investing in surface transportation facilities that are located on tribal land and for which title or maintenance responsibility is vested in the Federal Government.

“(7) Activities related to—

“(A) the planning, preparation, or design of a single surface transportation project; or

“(B) regional transportation investment planning, including transportation planning that is coordinated with interdisciplinary factors including housing development, economic competitiveness, network connectivity, stormwater and other infrastructure investments, or that addresses future risks and vulnerabilities, including extreme weather and climate change.

“(e) GEOGRAPHIC DISTRIBUTION.—

“(1) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall take measures to ensure an equitable geographic distribu-
tion of funds and a balance in addressing the needs of urban and rural communities and the investment in a variety of transportation modes.

“(2) Rural and urban projects.—Of the funds awarded under this heading, not less than 40 percent shall be awarded as urban awards and rural awards, respectively.

“(3) Limitation by state.—Not more than 25 percent of the funds made available to carry out this section may be awarded to projects in a single State.

“(f) Grant program solicitation and award.—In administering the BUILD grant program, the Secretary shall—

“(1) solicit from eligible entities grant applications for eligible projects in accordance with this section not later than 60 days after funds are made available to carry out this section; and

“(2) announce grants for eligible projects in accordance with this section not later than 1 year from the date on which such applications are due.

“(g) Planning grants.—The Secretary may use up to 10 percent of the funds made available to carry out this section to fund the activities specified in subsection (d)(7). Selection criteria for such activities may include
a preference for projects located in a qualified opportunity zone, as such term is defined in section 1400Z–1 of the Internal Revenue Code of 1986.

“(h) Application Evaluation and Scoring Process.—The Secretary shall describe in each Notice of Funding Opportunity for awards under this section a quantitative, merit-based process for evaluating eligible applications. The process shall include detailed information on how selection criteria will be evaluated.

“(i) Federal Share.—

“(1) In general.—The Federal share of the costs for a project for which funds are awarded under this section shall not exceed 80 percent.

“(2) Exception for rural areas.—The Secretary may provide a Federal share of up to 100 percent for a project in a rural area.

“(3) Priority.—In establishing grant program criteria pursuant to subsection (h), the Secretary shall include priority for projects that require a smaller Federal share.

“(j) Davis-Bacon Requirement.—Projects conducted using funds provided under this section shall comply with the requirements of subchapter IV of chapter 31 of title 40 (commonly known as the Davis-Bacon Act).

“(k) Administrative Expenses.—
“(1) IN GENERAL.—The Secretary may use up to 2.5 percent of the funds made available each year to carry out this section to administer grants under this program.

“(2) AVAILABILITY.—The funds made available under paragraph (1) shall remain available until expended.

“(l) TIFIA AND RRIF SUBSIDY AND ADMINISTRATIVE COSTS.—The Secretary may use up to 10 percent of the funds made available to carry out this section to pay the subsidy and administrative costs of projects eligible for Federal credit assistance under chapter 6 of title 23, United States Code, or title V of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 821 et seq.) if the Secretary finds that the use of the funds would advance the purposes of this section.

“(m) TRANSFER AUTHORITY.—Funds authorized under this section may be transferred within the Department of Transportation and, except as otherwise provided in this section, administered in accordance with the requirements of title 23 or 49 of the United States Code applicable to the agency to which the funds are transferred and any other requirements applicable to the project.

“(n) AUTHORIZATIONS.—
“(1) In general.—There is authorized to be appropriated to the Secretary to carry out this section $1,000,000,000 for each of fiscal years 2022 through 2026.

“(2) Availability.—Funds authorized under this subsection—

“(A) shall be available for obligation on October 1 of the fiscal year for which they are authorized; and

“(B) except as specified in subsection (I), shall remain available for obligation for a period of 2 years after the year for which such funds are authorized.

“(o) Performance management.—The Secretary may collect performance data on projects assisted with awards under this section, under terms and conditions prescribed by the Secretary.

“(p) Definitions.—In this section:

“(1) Rural.—The term ‘rural’ means any area that is not an urbanized area.

“(2) State.—The term ‘State’ means any of the 50 States, the District of Columbia, and Puerto Rico.

“(3) Urban.—The term ‘urban’ means an urbanized area, as designated by the Bureau of the
Census, that has a population greater than 200,000 according to the most recent decennial Census.”.

(b) CLERICAL AMENDMENT.—The analysis for chapter 55 of title 49, United States Code, is amended by inserting after section 5502 the following:

“5503. BUILD grant program”.

SEC. 1103. NATIONAL HIGHWAY FREIGHT PROGRAM.

There are authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for the national highway freight program under section 167 of title 23, United States Code, such sums as may be necessary for each of fiscal years 2022 through 2026.

SEC. 1104. TRUCK PARKING SAFETY IMPROVEMENT.

(a) PARKING FOR COMMERCIAL VEHICLES.—Chapter 1 of title 23, United States Code, is amended by adding at the end the following:

“§171. Truck parking safety improvement

“(a) GRANT AUTHORITY.—The Secretary shall provide grants under this section, on a competitive basis, for projects to provide parking for commercial motor vehicles on Federal-aid highways or on a facility with reasonable access to—

“(1) a Federal-aid highway; or

“(2) a freight facility.
“(b) APPLICATIONS.—To be eligible for a grant under this subsection, an entity shall submit to the Secretary an application at such time and in such manner as the Secretary may require.

“(c) APPLICATION CONTENTS.—An application under subsection (b) shall contain—

“(1) a description of the proposed project; and

“(2) any other information that the Secretary may require.

“(d) ELIGIBLE ENTITIES.—The following entities shall be eligible to receive amounts under this section:

“(1) A State.

“(2) A public agency carrying out responsibilities relating to commercial motor vehicle parking.

“(3) A metropolitan planning organization.

“(4) A unit of local government.

“(e) ELIGIBLE PROJECTS.—

“(1) IN GENERAL.—An entity may use funds provided under this section only for projects described in paragraph (2) that are located—

“(A) on a Federal-aid highway; or

“(B) on a facility with reasonable access to—

“(i) a Federal-aid highway; or

“(ii) a freight facility.
“(2) PROJECTS DESCRIBED.—A project referred to in paragraph (1) is a project to—

“(A) construct safety rest areas (as such term is defined in section 120(c)) that include parking for commercial motor vehicles;

“(B) construct commercial motor vehicle parking facilities—

“(i) adjacent to private commercial truck stops and travel plazas;

“(ii) within the boundaries of, or adjacent to, a publicly-owned freight facility, including a port terminal operated by a public authority; and

“(iii) at existing facilities, including inspection and weigh stations and park-and-ride locations; and

“(C) convert existing weigh stations and rest areas to facilities for the exclusive use of commercial motor vehicle parking.

“(f) ELIGIBLE ACTIVITIES.—

“(1) IN GENERAL.—Entities may use allocations under this subsection for the following activities of an eligible project:

“(A) Development phase activities, including planning, feasibility analysis, benefit-cost
analysis, environmental review, preliminary engineering and design work, and other preconstruction activities.

“(B) Construction, reconstruction, rehabilitation, acquisition of real property, environmental mitigation, construction contingencies, acquisition of equipment, and operational improvements directly related to expanding commercial motor vehicle parking.

“(2) LIMITATION.—An entity may not use more than 10 percent of a grant under this subsection for activities described in paragraph (1)(A).

“(g) PRIORITY.—In making grants under this subsection, the Secretary shall give priority to entities that—

“(1) demonstrate a safety need for commercial motor vehicle parking capacity in the corridor in which the project described under subsection (e)(1) is proposed to be carried out;

“(2) have consulted with affected State and local governments, trucking organizations, and private providers of commercial motor vehicle parking;

“(3) demonstrate that the project described under subsection (e)(1) will likely—

“(A) increase commercial motor vehicle parking capacity;
“(B) facilitate the efficient movement of
freight; and
“(C) improve highway safety, traffic con-
genstion, and air quality; and
“(4) demonstrate the ability to provide for the
maintenance and operation cost necessary to keep
the facility available for use after completion of con-
struction.
“(h) FEDERAL SHARE.—Notwithstanding any other
provision of law, the Federal share for a project carried
out under this subsection shall be 90 percent.
“(i) TREATMENT OF FUNDS.—Notwithstanding sec-
tion 126, funds made available under this subsection shall
remain available until expended and shall not be transfer-
able.
“(j) PROHIBITION ON CHARGING FEES.—To be eligi-
ble for a grant under this section, an entity shall agree
that no fees will be charged for a commercial motor vehicle
to access and park at any part of the facility constructed
with funds made available under this subsection.
“(k) NOTIFICATION OF CONGRESS.—Not less than 3
days before making a grant for a project under this sec-
tion, the Secretary shall notify, in writing, the Committee
on Transportation and Infrastructure of the House of
Representatives, the Committee on Environment and Pub-
Works of the Senate, and the Committee on Commerce, Science, and Transportation of the Senate of the—

“(1) the amount of each proposed grant to be made under this subsection;

“(2) evaluation and justification for the project selection.

“(l) **SURVEY AND COMPARATIVE ASSESSMENT.**—

“(1) **IN GENERAL.**—Not later than 18 months after the date of enactment of this subsection, and every 2 years thereafter, the Secretary, in consultation with appropriate State motor carrier safety personnel and State departments of transportation, shall submit to the Committee on Transportation and Infrastructure of the House of Representatives, the Committee on Environment and Public Works of the Senate, and the Committee on Commerce, Science, and Transportation of the Senate a report that—

“(A) evaluates the capability of the States to provide adequate parking and rest facilities for commercial motor vehicles engaged in interstate transportation;

“(B) evaluates the effectiveness of the projects funded under this subsection in improving access to truck parking;
“(C) evaluates the ability of entities receiving a grant under this subsection to sustain the operation of parking facilities constructed with funds provided under this subsection; and

“(D) reports on the progress being made to provide adequate commercial motor vehicle parking facilities in the State.

“(2) RESULTS.—The Secretary shall make the report under paragraph (1) available to the public on the website of the Department of Transportation.

“(m) TREATMENT OF PROJECTS.—Notwithstanding any other provision of law, a project carried out under this section shall be treated as if the project is located on a Federal-aid highway under this chapter.

“(n) COMMERCIAL MOTOR VEHICLE DEFINED.—In this section, the term ‘commercial motor vehicle’ has the meaning given such term in section 31132 of title 49.

“(o) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as are necessary to carry out this section.”.

(b) CLERICAL AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by adding after the item relating to section 171 the following:

“171. Truck parking safety improvement.”.
SEC. 1105. TEMPORARY FEDERAL SHARE FOR FEDERAL-AID HIGHWAY PROJECTS.

Notwithstanding any other provision of law, the Federal share of the cost of a project under title 23, United States Code, for which amounts are made available during fiscal year 2022 and 2023 may be up to 100 percent, at the discretion of the Secretary of Transportation.

SEC. 1106. CONSOLIDATED FUNDING PROGRAM.

(a) In General.—Chapter 1 of title 23, United States Code, is further amended by adding at the end the following:

“§ 172. Consolidated funding program

“(a) In General.—Not later than 6 months after the date of enactment of this section, the Secretary shall establish a pilot program to allow up to 5 States to receive the base apportionment for the State in a lump sum, to be obligated and expended in accordance with this section.

“(b) Criteria.—The Secretary shall develop criteria for selection of a State to receive a block grant under this Act, including requiring that recipient States—

“(1) meet minimum levels for the condition of pavement established by the Secretary under section 150(c)(3); and

“(2) meet minimum levels for the condition for bridges on the National Highway System as described in section 119(f)(2);
“(3) uses a performance-based approach to transportation planning and programming for state-wide and metropolitan planning areas to meet the requirements of sections 134, 135, and 150; and

“(4) meet recertification requirements for State asset management plans for the National Highway System as described in section 119(e).

“(c) APPLICATIONS.—

“(1) REQUEST.—Not later than 6 months after the date of enactment of this section, the Secretary shall request applications in accordance with paragraph (2).

“(2) CONTENTS.—An application submitted under this paragraph shall include a plan on how the State and each affected metropolitan planning organization shall continue to meet, or make significant progress toward meeting, performance measures and standards under section 150(e) of title 23, United States Code.

“(d) USE OF BLOCK GRANT FUNDS.—

“(1) ELIGIBILITIES.—Funds made available to a State under this program shall be eligible for use for any project eligible under—

“(A) the national highway performance program under section 119;
“(B) the surface transportation block grant program under section 133;

“(C) the highway safety improvement program under section 148;

“(D) the congestion mitigation and air quality improvement program under section 149; and

“(E) for metropolitan planning under section 134; or

“(F) the national highway freight program under section 167.

“(2) ALLOCATION OF FUNDS.—Of the total amount of funds provided under this section in a fiscal year for projects described in paragraph (1)—

“(A) 25 percent of funds shall be obligated, in proportion to the relative shares of the population of the State—

“(i) to urbanized areas of the State with an urbanized area population of over 200,000;

“(ii) to areas of the State other than urban areas with a population greater than 5,000; and

“(iii) to other areas of the State; and
“(B) for any funds that are not obligated under subparagraph (A), such funds may be obligated in any area of the State.

“(e) Block Grant Selection.—

“(1) Issuance.—The Secretary shall provide grants under this section beginning with fiscal year 2022.

“(2) Obligation Authority.—Nothing in this section shall be construed to increase an obligation limitation applied to funds made available under this section.

“(3) Subsequent Fiscal Years.—Subject to subsection (g)(2), the Secretary shall continue to apportion block grants to the awarded States.

“(4) Sunset.—The authority to provide grants under this section shall cease on the last day of fiscal year 2026.

“(f) Supplemental Funds.—Funds reserved under section 104(h) shall be treated as if apportioned in lump sum under this section, and shall be in addition to amounts apportioned under this section.

“(g) Progress Report.—

“(1) In General.—Not later than 2 years after the first fiscal year in which funds are provided under this section, any State receiving funds shall
submit to the Secretary a progress report on meeting, or making significant progress toward meeting, performance measures and standards under section 150(e).

“(2) GUIDANCE.—Not later than 1 year after the initial funds are provided under this section, the Secretary shall promulgate guidance to lump sum recipients on requirements for submitting a progress report under paragraph (1).

“(3) REVIEW.—If the Secretary finds that a State that received funds under this section did not meet, or achieve significant progress (as defined by the Secretary) toward target achievement of, all performance targets set in the report required under paragraph (1), the Secretary may not provide funds to such State under the program in the following fiscal year or 6 months after determination that the State failed to meet, or make significant progress toward target achievement, whichever is later.

“(4) TRANSMISSION TO CONGRESS.—Not later than 30 days after which the Secretary receives a report from a State under paragraph (1), the Secretary shall transmit the progress report to the Committee on Transportation and Infrastructure of
the House of Representatives and the Committee on Environment and Public Works of the Senate.

“(h) TREATMENT OF LAW.—Notwithstanding any other provision of law, projects funded under this section shall be treated as projects on a Federal-aid highway under this chapter.

“(i) DEFINITION OF BASE APPORTIONMENT.—In this section, the term ‘base apportionment’ has the meaning given the term in section 104(i).”.

(b) CLERICAL AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is further amended by adding at the end the following:

“172. Consolidated funding program.”.

SEC. 1107. BRIDGE REBUILDING PROGRAMS.

(a) LARGE BRIDGES INVESTMENT PROGRAM.—

(1) ESTABLISHMENT.—The Secretary of Transportation shall establish a competitive grant program (referred to in this subsection as the “Program”) to award grants to eligible entities for highway bridge replacement and rehabilitation projects.

(2) ELIGIBLE ENTITIES.—

(A) IN GENERAL.—The Secretary may make a grant under the Program to—

(i) a State or a group of States; or

(ii) a Federal land management agency.
(B) APPLICATIONS.—To be eligible for a grant under the Program, an entity specified in subparagraph (A) shall submit to the Secretary an application in such form, at such time, and containing such information as the Secretary determines is appropriate.

(3) ELIGIBLE PROJECTS.—The Secretary may award a grant under the Program only for a highway bridge replacement or rehabilitation project that is—

(A) for a large bridge that does not cross an international border; and

(B) carried out on—

(i) the National Highway System; or

(ii) the National Highway Freight Network established under section 167 of title 23, United States Code.

(4) ELIGIBLE PROJECT COSTS.—A grant received for a project under this subsection may be used for—

(A) development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other preconstruction activities; and
(B) replacement, rehabilitation, acquisition of real property (including land related to the project and improvements to the land), environmental mitigation, construction contingencies, and operational improvements directly related to implementing electronic tolling.

(5) SELECTION CRITERIA.—In selecting eligible projects to receive grants under the Program, the Secretary shall consider the extent to which a project, relative to other projects submitted in response to a Notice of Funding Opportunity—

(A) serves a significant number of users;

(B) utilizes non-Federal contributions;

(C) utilizes nontraditional financing, innovative design and construction techniques, or innovative technologies;

(D) spans at least 1 border between 2 States;

(E) rehabilitates or replaces a large bridge that—

(i) is classified as in poor condition;

(ii) is load posted; or

(iii) does not meet current geometric design standards;

(F) will improve resiliency; and
(G) facilitates transfer of bridge ownership from the Federal government to a non-Federal entity.

(6) ELECTRONIC TOLLING.—Any toll facility located on a bridge receiving a grant under this subsection shall, upon completion of the project funded with such grant—

(A) utilize only electronic toll collection; and

(B) implement technologies or business practices that provide for the regional interoperability of electronic toll collection programs, to the extent practicable.

(7) FEDERAL SHARE.—

(A) IN GENERAL.—A grant under the Program shall not exceed 50 percent of the cost of a project. Subject to the limitation in subparagraph (B), Federal assistance other than a grant under the Program may be used for the remainder of the cost of the project.

(B) MAXIMUM FEDERAL INVOLVEMENT.—The total Federal assistance provided for a project receiving a grant under the Program shall not exceed 80 percent of the cost of a project.
(C) **Federal Land Management Agencies.**—Notwithstanding any other provision of law, any Federal funds other than those made available under title 23 or title 49, United States Code, may be used to pay the non-Federal share of the cost of a project carried out by a Federal land management agency with a grant under the Program.

(8) **Appropriations.**—

(A) **In general.**—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this subsection $4,600,000,000 for each of fiscal years 2022 through 2026. Such funds shall remain available for a period of 3 fiscal years following the fiscal year for which the amounts are transferred by the Secretary of the Treasury.

(B) **Receipt and acceptance.**—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

(9) **Administrative expenses.**—The Secretary may use not more than 2 percent of the
amounts made available for the Program for each fiscal year to pay the administrative expenses of the Program.

(10) **Applicability of Title 23, United States Code.**—Funds made available under paragraph (8) shall be administered as if apportioned under chapter I of title 23, United States Code.

(11) **Definitions.**—In this subsection, the following definitions apply:

(A) **Large Bridge.**—The term “large bridge” means a bridge—

(i) with total deck area of 400,000 square feet or more; or

(ii) with a main span of 500 feet or more.

(B) **State.**—The term “State” means any of the 50 States, the District of Columbia, or Puerto Rico.

(b) **Community Rural Bridge Program.**—

(1) **Establishment.**—The Secretary of Transportation shall establish a community rural bridge program (referred to in this subsection as the “Program”) to provide funding to States for off-system bridge replacement and rehabilitation.
(2) PURPOSES.—The purposes of the Program are to provide immediate funding to help—

(A) replace and rehabilitate off-system bridges, many of which provide vital connections to rural communities;

(B) reduce risk, by bringing these bridges into a state of good repair; and

(C) facilitate the transfer of bridge ownership from the Federal government to non-Federal entities.

(3) DISTRIBUTION OF FUNDS.—

(A) IN GENERAL.—The Secretary of Transportation shall distribute funds made available to carry out the Program for each fiscal year as follows:

(i) One-half of the funds made available for each fiscal year shall be distributed to each State by the proportion that the total deck area of off-system bridges in each State bears to the total deck area of off-system bridges in all States.

(ii) One-half of the funds made available for each fiscal year shall be distributed to each State by the proportion that the total deck area of off-system bridges
classified as in poor condition in each
State bears to the total deck area of off-
system bridges classified as in poor condi-
tion in all States.

(B) DECK AREA CALCULATION.—In dis-
tributing funds under this paragraph, the Sec-
retary shall calculate the total deck area of off-
system bridges and total area of off-system
bridges classified as in poor condition based on
the National Bridge Inventory as of the end of
the preceding calendar year.

(4) ELIGIBLE PROJECTS.—Funds apportioned
under paragraph (3) shall only be used by a State
for projects that—

(A) replace or rehabilitate off-system
bridges; and

(B) are bundled as one project with at
least 1 other similar bridge project.

(5) ELIGIBLE PROJECT COSTS.—Funds appor-
tioned under this subsection may be used for—

(A) development phase activities, including
planning, feasibility analysis, revenue fore-
casting, environmental review, preliminary engi-
neering and design work, and other
preconstruction activities; and
(B) replacement, rehabilitation, acquisition of real property (including land related to the project and improvements to the land), environmental mitigation, and construction contingencies.

(6) APPROPRIATIONS.—

(A) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this subsection $6,000,000,000 for each of fiscal years 2022 and 2023. Such funds shall remain available for a period of 3 fiscal years following the fiscal year for which the amounts are transferred by the Secretary of the Treasury.

(B) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

(7) APPLICABILITY OF TITLE 23, UNITED STATES CODE.—Funds made available under paragraph (6) shall be administered as if apportioned under chapter 1 of title 23, United States Code.
(8) DEFINITIONS.—In this subsection, the following definitions apply:

(A) OFF-SYSTEM BRIDGE.—The term “off-system bridge” means a highway bridge located on a public road, other than a bridge on a Federal-aid highway.

(B) STATE.—The term “State” means any of the 50 States, the District of Columbia, or Puerto Rico.

SEC. 1108. INCREASED FLEXIBILITY FOR BRIDGE BUNDLING PROJECTS.

Section 144(j) of title 23, United States Code is amended—

(1) by striking paragraph (5); and

(2) by redesignating paragraph (6) as paragraph (5).

SEC. 1109. OFF-SYSTEM BRIDGE SET-ASIDE.

Section 133(f) of title 23, United States Code, is amended—

(1) by striking paragraph (1) and inserting the following:

“(1) DEFINITIONS.—In this subsection, the following definitions apply:

“(A) OFF-SYSTEM BRIDGE.—The term ‘off-system bridge’ means a highway bridge lo-
cated on a public road, other than a bridge on a Federal-aid highway.

“(B) OFF-SYSTEM LOW WATER CROSSING.—The term ‘offsystem low water crossing’ means a low water crossing (as defined by the Secretary) located on a public road, other than a low water crossing on a Federal-aid highway.”;

(2) in paragraph (2), by striking subparagraph (A) and inserting the following:

(A) SET-ASIDE.—

“(i) IN GENERAL.—Of the amounts apportioned to a State for fiscal year 2013 and each fiscal year thereafter under this section, the State shall obligate for activities described in clause (ii) an amount that is not less than 15 percent of the amount of funds apportioned to the State for the highway bridge program for fiscal year 2009, except that amounts allocated under subsection (d) shall not be obligated to carry out this subsection.

“(ii) ACTIVITIES DESCRIBED.—The activities referred to in clause (i) are—
“(I) replacement, rehabilitation, preservation, protection, or inspection and evaluation of off-system bridges; and

“(II) replacement of an off-system low water crossing with a bridge.”; and

(3) in paragraph (3), in the matter preceding subparagraph (A)—

(A) by striking “replacement of a bridge or rehabilitation of a bridge” and inserting “replacement of a bridge, rehabilitation of a bridge, or replacement of a low water crossing with a bridge,”;

(B) by inserting “and” after “is non-controversial,”; and

(C) by striking “and is determined by the Secretary upon completion to be no longer a deficient bridge”.

SEC. 1110. ESTABLISHMENT OF ROUTES AND NETT ENTITIES.

Section 102 of title 49, United States Code, is amended—

(1) by redesignating subsection (h) as subsection (j); and
(2) by inserting after subsection (g) the following:

“(h) RURAL OPPORTUNITIES TO USE TRANSPORTATION FOR ECONOMIC SUCCESS COUNCIL.—

“(1) DEFINITIONS.—In this subsection:

“(A) COUNCIL.—The term ‘Council’ means the Rural Opportunities to Use Transportation for Economic Success Council.

“(B) OFFICE.—The term ‘Office’ means the Office of Rural Economic Investment.

“(2) ESTABLISHMENT.—There is established in the Department of Transportation an internal council to be known as the Rural Opportunities to Use Transportation for Economic Success Council or the ROUTES Council.

“(3) DUTIES.—The Council shall carry out the following duties:

“(A) Coordinate rural-related funding programs and assistance among the modal administrations of the Department.

“(B) Educate rural communities about applicable Department discretionary grants, develop effective methods to evaluate rural projects in discretionary grant programs, and
communicate such methods through program
guidance.

“(C) Collect input from knowledgeable en-
tities and the public on the benefits of rural
transportation projects, the technical and finan-
cial assistance required for constructing and op-
erating rural transportation infrastructure and
services, and barriers and opportunities to
funding these rural projects.

“(D) Evaluate data on rural transportation
challenges and determine methods to align the
Department’s discretionary funding and financ-
ing opportunities with the needs of rural com-
munities for meeting national transportation
goals.

“(4) MEMBERSHIP.—The Council shall consist
of the following members of the Department or their
designees:

“(A) The Under Secretary of Transpor-
tation for Policy, who shall serve as the Chair
of the Council.

“(B) The General Counsel.

“(C) The Chief Financial Officer and As-
sistant Secretary for Budget and Programs.
“(D) The Assistant Secretary for Research and Technology.

“(E) The Administrators of the—

“(i) Federal Aviation Administration;

“(ii) Federal Highway Administration;

“(iii) Federal Railroad Administration;

“(iv) Federal Transit Administration;

and

“(v) Maritime Administration.

“(F) Other members the Secretary may designate.

“(5) COUNCIL MEETINGS.—The Council shall meet at least bimonthly.

“(6) REPORT TO CONGRESS.—The Council shall submit annually a report on the safety, condition, and usage of rural transportation infrastructure in the United States to the Committee on Transportation and Infrastructure of the House of Representatives, the Committee on Environment and Public Works of the Senate, and the Committee on Commerce, Science, and Transportation of the Senate.

“(7) OFFICE OF RURAL ECONOMIC INVESTMENT.—
“(A) IN GENERAL.—There is established in
the Department an Office of Rural Economic
Investment, which shall report to the Under
Secretary of Transportation for Policy. The
Secretary shall appoint a Director of the Office
of Rural Economic Investment.

“(B) MISSION AND GOALS.—The mission
and goals of the Office shall be to coordinate
with other offices and agencies within the De-
partment and with other Federal agencies—

“(i) to ensure that the unique needs
and attributes of rural transportation, in-
volving all modes, are fully addressed dur-
ing the development and implementation of
transportation policies, programs, and ac-
tivities within the Department;

“(ii) to improve coordination of Fed-
eral transportation policies, programs, and
activities within the Department in a man-
ner that expands economic development in
rural communities and regions, and to pro-
vide recommendations for improvement;

“(iii) to improve Federal transpor-
tation infrastructure investment in rural
communities, including by providing rec-
ommendations for changes in formula funds or other existing funding distribution patterns;

“(iv) to use innovation and research to resolve local and regional transportation challenges faced by rural communities;

“(v) to promote and improve planning and coordination among rural areas to maximize the unique competitive advantage in those areas while avoiding duplicative Federal, State, and local investments; and

“(vi) to ensure that all rural communities lacking resources receive proactive outreach, education, and technical assistance to improve access to Federal transportation programs.

“(C) DUTIES OF THE OFFICE.—The Director of the Office shall—

“(i) support the Council and the activities of the Council;

“(ii) provide information and outreach to rural communities concerning the availability and eligibility requirements of participating in programs of the Department;
“(iii) help rural communities identify transportation investments needed to ensure continued economic growth;

“(iv) serve as a resource for assisting rural communities with respect to Federal transportation programs;

“(v) ensure and coordinate a routine rural consultation on the development of policies, programs, and activities of the Department;

“(vi) serve as an advocate within the Department on behalf of rural communities; and

“(vii) work in consultation with the Secretary of Agriculture, the Secretary of Health and Human Services, the Secretary of Commerce, the Federal Communications Commission, and other Federal agencies, as the Secretary determines to be appropriate, in carrying out the responsibilities of the Office.

“(D) APPLICABILITY.—In carrying out the mission and goals of the Office under subparagraph (B) and the duties of the Office under subparagraph (A), the Director shall consider
as ‘rural’ any area considered to be a rural area under any Federal transportation program of the Department.

“(i) Nontraditional and Emerging Transportation Technology Council.—

“(1) Establishment.—There is established in the Department of Transportation an internal council to be known as the Nontraditional and Emerging Transportation Technology Council or the NETT Council.

“(2) Mission.—The mission of the Council shall be to identify and resolve jurisdictional and regulatory gaps that impede innovation in, and implementation of, nontraditional and emerging transportation technologies, approaches, and projects that seek to improve safety, alleviate congestion, expand access and mobility for rural and urban consumers of all economic backgrounds, and enable a more efficient flow of commercial goods.

“(3) Duties.—The NETT Council shall identify and resolve jurisdictional and regulatory gaps associated with nontraditional and emerging transportation projects pending before the Department, including with respect to—

“(A) safety oversight;
“(B) environmental review; and

“(C) funding and financing issues.

“(4) MEMBERSHIP.—The membership of the NETT Council shall include—

“(A) the Under Secretary of Transportation for Policy, who shall serve as the Chair of the Council;

“(B) Administrators or designees of the operating Administrations of the Department; and

“(C) other members the Secretary may designate, to include heads of offices within the Office of the Secretary of Transportation.

“(5) COUNCIL MEETINGS.—The Council shall hold meetings as needed at the Secretary’s discretion.”.

**Subtitle B—Acceleration of Project Delivery**

**SEC. 1201. ENVIRONMENTAL REVIEWS FOR MAJOR PROJECTS.**

Section 139 of title 23, United States Code, is amended—

(1) in subsection (a)—

(A) in paragraph (3)(B) by striking “process for and completion of any environmental
permit’’ and inserting ‘‘process and schedule, including a timetable for and completion of any environmental permit’’;

(B) By redesignating paragraphs (5) through (8) as paragraphs (9) through (11);

(C) by redesignating paragraphs (2) through (4) as paragraphs (4) through (6);

(D) by inserting after paragraph (1) the following:

‘‘(2) AUTHORIZATION.—The term ‘authorization’ means an environmental license, permit, approval, finding, or other administrative decision related to an environmental review process that is required under Federal law to site, construct, or reconstruct a project.

‘‘(3) ENVIRONMENTAL DOCUMENT.—The term ‘environmental document’ means an environmental assessment, finding of no significant impact, notice of intent, environmental impact statement, or record of decision under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).’’; and

(E) by inserting after paragraph (6), as redesignated, the following:

‘‘(7) MAJOR PROJECT.—The term ‘major project’ means a project for which—
“(A) multiple permits, approvals, reviews, or studies are required under a Federal law other than the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

“(B) the project sponsor has identified the reasonable availability of funds sufficient to complete the project;

“(C) the project is not a covered project, as such term is defined in section 41001 of the FAST Act (42 U.S.C. 4370m); and

“(D) the head of the lead agency has determined that—

“(i) an environmental impact statement is required; or

“(ii) an environmental assessment is required, and the project sponsor requests that the project be treated as a major project.”.

(2) in subsection (b)(1)—

(A) by inserting “, including major projects,” after “all projects”; and

(B) by inserting “, at the request of a project sponsor” after “be applied”; 

(3) in subsection (c)—

(A) in paragraph (6)—
(i) in subparagraph (B) by striking “and” at the end;

(ii) in subparagraph (C) by striking the period at the end and inserting “; and”;

(iii) by adding at the end the following:

“(D) to calculate annually the average time taken by the lead agency to complete all environmental documents for each project during the previous fiscal year.”; and

(B) by adding at the end the following:

“(7) PROCESS IMPROVEMENTS FOR PROJECTS.—

“(A) IN GENERAL.—The Secretary shall review existing practices, procedures, programmatic agreements, and applicable laws to identify potential changes that would facilitate an efficient environmental review process for projects.

“(B) CONSULTATION.—In conducting the review required by subparagraph (A), the Secretary shall consult, as appropriate, with the heads of other Federal agencies that participate in the environmental review process.
“(C) REPORT.—Not later than 2 years after the date of enactment of the STARTER Act 2.0, Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that includes—

“(i) the results of the review required by subparagraph (A); and

“(ii) an analysis of whether additional resources would help the Secretary meet the requirements applicable to the projects under this section.”;

(4) in subsection (d)—

(A) in paragraph (8)—

(i) in the heading, by striking “NEPA” and inserting “ENVIRONMENTAL”;

(ii) by amending subparagraph (A) to read as follows:

“(A) IN GENERAL.—Except as inconsistent with paragraph (7), and except as provided in subparagraph (D), to the maximum extent practicable and consistent with Federal law, all Federal authorizations and reviews for a project
shall rely on a single environmental document for each type of environmental document prepared under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) under the leadership of the lead agency.”; and

(iii) by adding at the end the following:

“(D) EXCEPTION.—The lead agency may waive the application of subparagraph (A) with respect to a project if—

“(i) the project sponsor requests that agencies issue separate environmental documents;

“(ii) the obligations of a cooperating agency or participating agency under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) have already been satisfied with respect to such project; or

“(iii) the lead agency determines that such application would not facilitate completion of the environmental review process for such project within the timeline established under paragraph (10).”; and

(B) by adding at the end the following:
“(10) TIMELY AUTHORIZATIONS FOR MAJOR PROJECTS.—

“(A) DEADLINE.—Except as provided in subparagraph (C), notwithstanding any other provision of law, all authorization decisions necessary for the construction of a major project shall be completed by not later than 90 days after the date of the issuance of a record of decision for the major project.

“(B) REQUIRED LEVEL OF DETAIL.—The final environmental impact statement for a major project shall include an adequate level of detail to inform decisions necessary for the role of the participating agencies in the environmental review process.

“(C) EXTENSION OF DEADLINE.—Not later than 180 days after the date of enactment of the STARTER Act 2.0, the Secretary shall establish procedures for a lead agency to extend a deadline under subparagraph (A) in cases in which—

“(i) Federal law prohibits the lead agency or another agency from issuing an approval or permit within the period described in such subparagraph;
“(ii) such an extension is requested by the project sponsor; or

“(iii) such extension would facilitate the completion of the environmental review and authorization process of the major project.”;

(5) in subsection (g)—

(A) in paragraph (1)(B)—

(i) by amending clause (ii)(IV) to read as follows:

“(IV) the overall time required by an agency to conduct an environmental review and make decisions under applicable Federal law relating to a project (including the issuance or denial of a permit or license) and the cost of the project;”;

(ii) by adding at the end the following:

“(iii) MAJOR PROJECT SCHEDULE.—To the maximum extent practicable and consistent with applicable Federal law, in the case of a major project, the lead agency shall develop, in consultation with the project sponsor, a schedule for the major project...
project that is consistent with an agency average of not more than 2 years for the completion of the environmental review process for major projects. The time period measured, as applicable—

“(I) in the case of a project that requires an environmental impact statement, begins on the date of publication of a notice of intent to prepare an environmental impact statement and ends on the date of publication of a record of decision; or

“(II) in the case of a project which does not require an environmental impact statement, begins on the date of that the decision is made to prepare an environmental assessment and ends on the date of issuance of a finding of no significant impact.”;

(B) by redesignating subparagraph (E) as subparagraph (F); and

(C) by inserting after subparagraph (D) the following:

“(E) FAILURE TO MEET DEADLINE.—If a Federal cooperating agency fails to meet a
69 deadline established under subparagraph

(D)(ii)(I)—

“(i) not later than 30 days after the
date such agency failed to meet such dead-
line, such agency shall submit to the Sec-
retary a report on why the deadline was
not met; and

“(ii) not later than 30 days after the
date on which a report is submitted under
clause (i), the Secretary shall—

“(I) transmit to the Committee
on Environment and Public Works of
the Senate and the Committee on
Transportation and Infrastructure of
the House of Representatives a copy
of such report; and

“(II) make such report available
to the public on the website of such
agency.”; and

(6) By adding at the end the following:

“(p) ACCOUNTABILITY AND REPORTING FOR MAJOR
PROJECTS.—

“(1) IN GENERAL.—Not later than 180 days
after the date of enactment of the STARTER Act
2.0, the Secretary shall establish a performance accountability system to track each major project.

“(2) REQUIREMENTS.—The performance accountability system required under paragraph (1) shall, for each major project, track—

“(A) the environmental review process for such project, including the project schedule required by subsection (g)(1)(B)(iii);

“(B) whether the lead agency, cooperating agencies, and participating agencies are meeting such schedule; and

“(C) the time taken to complete the environmental review process.

“(q) DEVELOPMENT OF CATEGORICAL EXCLUSIONS.—

“(1) IN GENERAL.—Not later than 60 days after the date of enactment of this subsection, the Secretary shall—

“(A) in consultation with the agencies described in paragraph (2), identify the categorical exclusions established by the Federal Highway Administration that would accelerate delivery of a project if such categorical exclusions were available to such agencies;
“(B) collect existing documentation and
substantiating information on the categorical
exclusions described in subparagraph (A); and
“(C) provide to each agency described in
paragraph (2) a list of the categorical exclu-
sions identified under subparagraph (A) and
the documentation and substantiating informa-
tion collected under subparagraph (B).
“(2) AGENCIES DESCRIBED.—The following
agencies are described in this paragraph:
“(A) The Departments of—
“(i) the Interior;
“(ii) Commerce;
“(iii) Agriculture;
“(iv) Energy; and
“(v) Defense, including the United
States Army Corps of Engineers.
“(B) Any other Federal agency that has
participated in an environmental review process
for a major project, as determined by the Sec-
retary.
“(3) ADOPTION OF CATEGORICAL EXCLU-
sIONS.—
“(A) IN GENERAL.—Not later than 1 year
after the date on which the Secretary provides
the list under paragraph (1)(C), an agency described in paragraph (2) shall publish a notice of proposed rulemaking to propose any categorical exclusions from the list applicable to the agency, subject to the condition that the categorical exclusion identified under paragraph (1)(A) meets the criteria for a categorical exclusion under section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

“(B) PUBLIC COMMENT.—In a notice of proposed rulemaking under subparagraph (A), the applicable agency shall solicit comments on whether any of the proposed new categorical exclusions meet the criteria for a categorical exclusion under section 1508.4 of title 40, Code of Federal Regulations (or successor regulations).”.

SEC. 1202. EFFICIENT ENVIRONMENTAL REVIEWS FOR PROJECT DECISIONMAKING.

(a) AMENDMENTS.—Title I of the National Environmental Policy Act of 1969 (42 U.S.C. 4332) is amended—

(1) in section 102(2)(C), by inserting “subject to section 106,” before “include”; and

(2) by adding at the end the following:
“SEC. 106. PROCEDURES FOR DETERMINATIONS.

“(a) ENVIRONMENTAL IMPACT STATEMENTS.—

“(1) REQUEST FOR PUBLIC COMMENT.—Each notice of intent to prepare an environmental impact statement under section 102 shall include a request for public comment on potential alternatives or impacts and on relevant information, studies, or analyses with respect to the proposed Federal action.

“(2) SPONSOR PREPARATION.—A lead agency may allow a project sponsor to prepare an environmental impact statement, if such agency provides such sponsor with appropriate guidance and assists in the preparation. The lead agency shall independently evaluate the environmental impact statement before adopting it, and shall take responsibility for the contents upon adoption.

“(3) DEADLINE.—Each environmental impact statement shall be completed not later than 2 years after the date of publication of the notice of intent to prepare such environmental impact statement is issued unless the lead agency approves a delay in writing and establishes a new timeline that provides only so much additional time as is necessary to complete such environmental impact statement. The lead agency may only approve such a delay if such delay
is necessary to complete the environmental impact statement.

“(4) Statement of purpose and need.—Each environmental impact statement shall include a statement of purpose and need that briefly summarizes the underlying purpose and need for the proposed agency action. In a case where the agency is reviewing an application for authorization, such statement shall focus on the goals of the applicant and the agency’s authority.

“(5) Estimated total cost.—The cover sheet for each environmental impact statement shall include a statement of the estimated total cost of preparing such environmental impact statement, including the costs of agency full-time equivalent personnel hours, contractor costs, and other direct costs.

“(6) Word limit.—A statement of environmental impact may not exceed 75,000 words unless—

“(A) the proposal is of unusual scope or complexity; or

“(B) the lead agency approves a longer statement in writing and establishes a new word limit.
“(b) ENVIRONMENTAL ASSESSMENTS.—

“(1) SPONSOR PREPARATION.—A lead agency may allow a project sponsor to prepare an environmental assessment, if such agency provides such sponsor with appropriate guidance and assists in the preparation. The lead agency shall independently evaluate the environmental assessment before adopting it, and shall take responsibility for the contents upon adoption.

“(2) WORD LIMIT.—An environmental assessment may not exceed 37,500 words, excluding appendices, unless the lead agency approves a longer statement in writing and establishes a new word limit.

“(3) DEADLINE.—Environmental assessments required by section 102 shall be completed not later than 1 year after the date on which the decision to prepare such environmental assessment is made unless the lead agency approves a delay in writing and establishes a new timeline that provides only so much additional time as is necessary to complete such environmental assessment.

“(c) REVIEW FOR APPLICATION OF SECTION 102.—In reviewing a Federal action to determine the appropriate review under section 102:
“(1) REQUIREMENTS FOR A COOPERATING AGENCY.—A cooperating agency shall submit any comments within a time period specified by the lead agency and limit such comments to matters on which such agency has jurisdiction by law or special expertise with respect to an environmental issue.

“(2) DEFINITION OF SIGNIFICANCE.—In determining whether the effects of a proposed Federal action are significant, a Federal official shall only consider the reasonably foreseeable effects with a reasonably close causal relationship to the action being considered and may not consider cumulative effects.

“(d) CATEGORICAL EXCLUSIONS.—Not later than 90 days after the date of enactment of this section, the Council on Environmental Quality shall establish procedures for a Federal agency to adopt a categorical exclusion established by another Federal agency.

“(e) JUDICIAL REVIEW.—No agency action taken under parts 1500 through 1508 of title 40, Code of Federal Regulations, (or any successor regulations) may be subject to judicial review before the issuance of a record of decision or other final agency decision.

“(f) INJUNCTIVE RELIEF.—A violation of this Act shall not constitute the basis for injunctive relief.

“(g) DEFINITIONS.—In this section:
“(1) CATEGORICAL EXCLUSION.—The term ‘categorical exclusion’ means a category of actions which a Federal agency has determined do not under usual circumstances have a significant effect on the human environment for the purposes of this Act.

“(2) COOPERATING AGENCY.—The term ‘cooperating agency’ has the meaning given such term in section 139 of title 23, United States Code.

“(3) ENVIRONMENTAL ASSESSMENT.—The term ‘environmental assessment’ means an environmental assessment prepared under section 102.

“(4) ENVIRONMENTAL IMPACT STATEMENT.—The term ‘environmental impact statement’ means an environmental impact statement prepared under section 102.

“(5) LEAD AGENCY.—The term ‘lead agency’ has the meaning given such term in section 139 of title 23, United States Code.

“(6) REASONABLY FORESEEABLE.—The term ‘reasonably foreseeable’ means sufficiently likely to occur such that a person of ordinary prudence would take such occurrence into account in reaching a decision.
“(7) SPECIAL EXPERTISE.—The term ‘special expertise’ means statutory responsibility, agency mission, or related program experience.”.

(b) REGULATORY CHANGES.—

(1) CONTROVERSY AS A FACTOR IN DETERMINING SIGNIFICANCE.—The Council on Environmental Quality shall, not later than 90 days after the date of enactment of this Act, issue regulations to remove consideration of the level of controversy with respect to a determination regarding whether a proposed Federal action is significant as such term is used in section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332).

(2) ALTERNATIVES OUTSIDE OF AGENCY JURISDICTION.—The Council on Environmental Quality shall, not later than 120 days after the date of enactment of this Act, issue regulations to remove any requirement that a lead agency consider alternatives not within the jurisdiction of such agency unless such consideration is necessary for agency decision-making under section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332).
SEC. 1203. APPLICATION OF CATEGORICAL EXCLUSIONS FOR TRANSPORTATION PROJECTS.

(a) In General.—Section 304 of title 49, United States Code, is amended—

(1) in the section heading by striking “multimodal” and inserting “transpor-
tation”;

(2) in subsection (a)—

(A) in paragraph (1)—

(i) by striking “Department of Trans-
portation operating administration or sec-
retarial office” and inserting “Federal 
agency”;

(ii) by striking “lead authority” and 
inserting “lead agency”; and

(iii) by striking “multimodal”;

(B) by amending paragraph (2) to read as 
follows:

“(2) LEAD AGENCY.—The term ‘lead agency’ 
means a Federal agency, or State agency that has 
been delegated authority under the National Envi-
seq.), that has the lead responsibility for compliance 
with such Act with respect to a proposed project.”;

and
(C) by amending paragraph (3) to read as follows:

“(3) PROJECT.—The term ‘project’ has the meaning given such term in section 139(a) of title 23.”;

(3) in subsection (b) by striking “multimodal”;

(4) in subsection (e)—

(A) in the heading by striking “MULTIMODAL”;

(B) by striking “multimodal project, a lead authority” and inserting “project, a lead agency”;

(C) by striking “procedures of a cooperating authority for a proposed multimodal project” and inserting “procedures of any other Federal agency for a proposed project”;

(D) in paragraph (1)—

(i) by striking “lead authority makes a determination, with the concurrence of the cooperating authority” and inserting “the Federal agency proposing to apply the categorical exclusion makes a determination, after consultation with the other Federal agencies”;
(ii) in subparagraph (A) by striking “multimodal”; and

(iii) in subparagraph (B) by striking the semicolon and inserting “; and”;

(E) in paragraph (2)—

(i) by striking “lead authority” and inserting “lead agency proposing to apply the categorical exclusion”; and

(ii) by striking “of the cooperating authority or procedures under that Act; and” and inserting “or procedures of the other Federal agency under that Act.”; and

(F) by striking paragraph (3); and

(5) in subsection (d) by striking “multimodal”.

(b) CLERICAL AMENDMENT.—The analysis for chapter 3 of title 49, United States Code, is amended by striking the item relating to section 304 and inserting the following:

“304. Application of categorical exclusions for transportation projects.”.

SEC. 1204. AIR QUALITY AND CONFORMITY.

(a) SEPARATING REQUIREMENTS APPLICABLE TO PROJECTS.—Section 176(c)(2) of the Clean Air Act (42 U.S.C. 7506(c)(2)) is amended—

(1) by striking “(2) Any transportation” and inserting “(2)(A) Any transportation”;
(2) by striking “any transportation plan, program or project unless such plan, program or project” and inserting “any transportation plan or program unless such plan or program”;

(3) by striking “(A) no transportation” and inserting “(i) no transportation”;

(4) by striking “(B) no metropolitan” and inserting “(ii) no metropolitan”;

(5) by striking “(C) a transportation project may be adopted or approved by a metropolitan planning organization or any recipient of funds designated under title 23, United States Code, chapter 53 of title 49, United States Code, or found in conformity by a metropolitan planning organization or approved, accepted, or funded by the Department of Transportation only if it meets either the requirements of subparagraph (D)’’ and inserting the following:

“(B) Except as provided in this section, no Federal agency may approve, accept, or fund any transportation project unless such project has been found to conform to any applicable implementation plan in effect under this Act. A transportation project may be found in conformity by the Department of Transportation only if it meets either the requirements of subparagraph (C)’’;}
(6) by adjusting the margins of clauses (i), (ii), and (iii) of subparagraph (B), as redesignated, 2 ems to the left; and

(7) by striking “(D) Any project not referred to in subparagraph (C)” and inserting the following:

“(C) Any project not referred to in subparagraph (B)”.

(b) CONFORMITY DETERMINATIONS PRIOR TO CONSTRUCTION OF TRANSPORTATION PROJECTS.—Paragraph (2) of section 176(c) of the Clean Air Act (42 U.S.C. 7506(c)), as amended by subsection (a), is further amended by adding at the end the following new subparagraph:

“(F) The conformity determinations required by this section with respect to transportation projects shall be coordinated with the transportation planning process under sections 134 and 135 of title 23, United States Code, and with the environmental review process required under the National Environmental Policy Act of 1969 and other applicable laws, in accordance with the following requirements:

“(i) The Secretary of Transportation shall make its conformity determination for a transportation project prior to initiation of construction of the project.
“(ii) The Secretary of Transportation shall include the transportation project in the plan or program developed pursuant to title 23 or chapter 53 of title 49, United States Code, as applicable, before the Secretary of Transportation makes a conformity determination for the project.

“(iii) The Secretary of Transportation shall—

“(I) ensure that any environmental document prepared for the project under the National Environmental Policy Act of 1969 (42 U.S.C. 4332 et seq.) discloses the need for a transportation conformity determination and evaluates consistency with conformity requirements; and

“(II) condition any approval issued by the Secretary in the environmental review process on satisfying conformity requirements prior to construction.”.

(c) Technical Correction to Margins.—The margins of paragraphs (5) through (10) of section 176(c) of the Clean Air Act (42 U.S.C. 7506(c)) are amended by moving such margins 2 ems to the left.

(d) Applicability.—Section 176(c)(5) of the Clean Air Act (42 U.S.C. 7506(c)(5)), as amended by subsection (c), is further amended—
(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(2) by striking “(5) APPLICABILITY.—This subsection” and inserting “(5) APPLICABILITY.—(A) This subsection”; and

(3) by adding at the end the following new subparagraph:

“(B) If a new national ambient air quality standard is promulgated for an air pollutant under section 109, the requirements of this section apply only with respect to most recently promulgated standard.”.

(e) Programmatic Conformity Determinations.—Section 176(c) of the Clean Air Act (42 U.S.C. 7506(c)), as amended, is amended by adding at the end the following new paragraph:

“(11) Programmatic Conformity Determinations.—

“(A) In general.—The Secretary of Transportation—

“(i) shall, to the maximum extent practicable, use programmatic conformity determinations to streamline the process for satisfying transportation conformity requirements under this subsection; and
“(ii) may issue a programmatic conformity determination, in consultation with the Administrator, on a nationwide, statewide, metropolitan, or other geographic basis.

“(B) Regulations.—

“(i) Requirement.—Not later than 180 days after the date of enactment of this paragraph, the Secretary of Transportation shall issue regulations implementing this paragraph.

“(ii) Contents.—The regulations required by clause (i) shall include procedures for making programmatic conformity determinations for—

“(I) projects in marginal nonattainment areas;

“(II) projects that are not exempt from conformity requirements, but would have individually and cumulatively minor effects on the applicable area’s ability to control pollutants; and

“(III) projects located in areas in which the ambient levels of the applicable pollutant are substantially lower than the level required by the applicable national ambient air quality standard, such that an
exceedance of that standard is determined Secretary to be unlikely to occur.

“(C) DEFINITION.—In this paragraph, the term ‘programmatic conformity determination’ includes any conformity determination that applies to a category of transportation plans, programs, or projects.”

**SEC. 1205. AGREEMENTS RELATING TO USE OF AND ACCESS TO RIGHTS-OF-WAY INTERSTATE SYSTEM.**

Section 111 of title 23, United States Code, is amended by striking subsection (e) and inserting the following:

“(e) JUSTIFICATION REPORTS.—

“(1) IN GENERAL.—Upon request of a State, the Secretary shall enter into a written agreement with the State that assigns the full responsibility of the Secretary to the State for granting any approvals required under subsection (a) for changes in points of access to, or exits from, the Interstate System (including new or modified freeway-to-crossroad interchanges inside a transportation management area designated or identified under section 5303(k) of title 49).
“(2) CONDITIONS.—In entering into a written agreement under paragraph (1), the Secretary shall include appropriate conditions to ensure that the responsibilities assigned are carried out in a manner consistent with maintaining a safe and efficient Interstate System.”.

SEC. 1206. PERMITS FOR DREDGED OR FILL MATERIAL.

Section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344) is amended—

(1) in subsection (f)(1)—

(A) in subparagraph (C) by striking “, or the maintenance of drainage ditches”;

(B) by redesignating subparagraphs (D), (E), and (F) as subparagraphs (E), (F), and (G), respectively; and

(C) by inserting after subparagraph (C) the following:

“(D) activities involving maintenance, repair or construction of roadside ditches, including emergency activities, temporary fills, and changes in the character, scope, or size of the original fill design to meet current design and safety standards, provided they that do not result in significant alterations to flow or circulation, and maintain to the maximum
extent practicable, the course, condition, capacity, and location of open waters;”; and

(2) in subsection (s)(3) by striking “acton” and inserting “action”.

SEC. 1207. PILOT PROGRAM ON USE OF INNOVATIVE PRACTICES FOR ENVIRONMENTAL REVIEWS.

(a) FINDINGS.—Congress finds the following:

(1) The environmental review process for transportation infrastructure projects is complex and inefficient, resulting in delays and increased costs of delivery of needed improvements to our transportation system.

(2) It is in the national interest to promote truly innovative approaches that have the potential to yield positive environmental and transportation outcomes more quickly and efficiently, with greater transparency and responsiveness to all stakeholders.

(b) ESTABLISHMENT.—The Secretary of Transportation shall establish a pilot program to promote the use of innovative practices in carrying out environmental reviews for transportation projects, including innovative practices that—

(1) integrate environmental planning or other techniques involving consideration of multiple resources on a watershed or ecosystem scale;
(2) enhance environmental mitigation and enhancement measures that will result in a substantial improvement over existing conditions in an ecosystem or watershed;

(3) use innovative technologies that enable more effective public participation in decision-making, including use of visualization, animation, and other advanced methods for depicting alternatives; and

(4) focus on environmental and transportation outcomes rather than processes.

(e) FLEXIBILITIES.—In carrying out the pilot program established under subsection (b), the Secretary, in concurrence with the affected agency may waive, with respect to an eligible project, any requirement under Federal law, regulation, or order, if the Secretary and such agencies find that waiving the requirement is reasonably expected to—

(1) promote the development of innovative practices for the environmental review process, as described in paragraphs (1) through (4) of subsection (b);

(2) enable the more efficient delivery of needed improvements to the transportation system; and

(3) result in achieving the conservation goals of relevant statutes.
(d) Eligibility.—In carrying out the pilot program established under subsection (b), the Secretary may not select more than 15 eligible projects each year to participate in the program.

(e) Application Process.—

(1) In general.—The Secretary and the affected agency shall be jointly responsible for reviewing and approving applications for participation in the program, as set forth in this subsection.

(2) Application.—The applicant shall submit a written application, in a form prescribed by the Secretary, requesting use of one or more innovative practices in the environmental review process for the project or proposal and identifying any flexibilities needed to carry out those innovative practices.

(3) Written recommendation.—If the Secretary recommends approval of the application, the Secretary shall submit a written recommendation to the affected agency for review. The Secretary’s recommendation may include modifications to the applicant’s proposal.

(4) Approval or denial of application.—The affected agency shall approve or deny the application, or approve the application with conditions.
(5) COMMUNICATION OF DECISION.—Upon the final approval decision by the Secretary and affected agency, the Secretary shall communicate the decision in writing to the project sponsor, the affected State (if not the project sponsor), and each affected agency, and shall post the decision on the agency’s public website, and publish the decision in the Federal Register. The Secretary’s notice shall identify, with specificity, each federal requirement that has been waived or otherwise modified. This decision shall be final.

(f) IMPLEMENTATION.—Upon publication of the decision in the Federal Register pursuant to subsection (e)(4), the Secretary may initiate the proposal or the environmental review process for the project. Each federal agency with responsibility for review, consultation, approval, or other role in the environmental review process for the project or proposal shall proceed in accordance with the decision.

(g) TERMINATION.—

(1) IN GENERAL.—The Secretary or any affected agency may terminate the participation of a project in the pilot program under this section if the Secretary or affected agency determines that—
(A) the conditions for participation (as set forth in the application approval decision) have not been met; and

(B) termination is in the public interest.

(2) NOTICE.—Before terminating a project’s participation under paragraph (1), the Secretary shall give the project sponsor (and the State, if the State is not the sponsor) written notice and a period of at least 30 days to address the concerns.

(h) REPORTING.—

(1) ANNUAL REPORT.—The Secretary, in consultation with the affected agency, shall annually submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on each eligible project participating in the program.

(2) CONTENTS.—The annual report under paragraph (1) shall—

(A) identify each eligible project;

(B) provide a status update on the environmental review process for such project; and

(C) summarize any lessons learned from the use of innovative practices authorized under the pilot program.
(i) **SUNSET.**—The pilot program established under subsection (b) shall terminate on the date that is 5 years after the date of enactment of this Act.

(j) **DEFINITIONS.**—In this section:

(1) **AFFlicted AGENCY.**—The term “affected agency” means a Federal agency or agencies, other than the Department of Transportation, with an approval or consultation role that would be affected if the flexibilities described in subsection (e) are used.

(2) **ELigible ENTITY.**—The term “eligible entity” means any State department of transportation.

(3) **ELigible PROJECT.**—The term “eligible project” includes—

(A) any project (as such term is defined in section 139(a)(6) of title 23, United States Code) for which the environmental review process has not been initiated for such project; and

(B) any proposal to meet paragraphs (1) through (4) of subsection (c).

**SEC. 1208. MAJOR PROJECTS THRESHOLD.**

(a) **IN GENERAL.**—Section 106 of title 23, United States Code, is amended—

(1) in subsection (h)(1) by striking “$500,000,000” and inserting “$1,000,000,000, increased by the Secretary as necessary,”;
(2) by striking subsection (i); and

(3) by redesignating subsection (j) as subsection (i).

(b) CONFORMING AMENDMENTS.—Section 139(h) of title 23, United States Code, is amended—

(1) in paragraph (7)(B)(i)(I) by striking “or (i)”;

(2) by amending paragraph (8) to read as follows:

“(8) EXPEDITED DECISIONS AND REVIEWS.—

To ensure that Federal environmental decisions and reviews are expeditiously made, adequate resources made available under this title shall be devoted to ensuring that applicable environmental reviews under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) are completed on an expeditious basis and that the shortest existing applicable process under that Act is implemented, not to exceed 2 years.”.

SEC. 1209. ADDING PREVIOUSLY APPROVED PROJECTS TO THE TRANSPORTATION IMPROVEMENT PROGRAM.

(a) METROPOLITAN TRANSPORTATION PLANNING.—

Section 134(j)(1) of title 23, United States Code, is amended by adding at the end the following:
“(E) EXCEPTION.—Notwithstanding any other provision of law, the amendment of an approved TIP to add a project or an identified phase of a project does not require public review and comment if the added project or the identified phase—

“(i) was in the approved TIP that immediately preceded the current TIP; and

“(ii) is unchanged from the project or the identified phase in that preceding TIP.”.

(b) STATEWIDE AND NONMETROPOLITAN TRANSPORTATION PLANNING.—Section 135(g) of title 23, United States Code, is amended—

(1) by redesignating paragraph (9) as paragraph (10); and

(2) by inserting after paragraph (8) the following:

“(9) EXCEPTION.—Notwithstanding any other provision of law, the amendment of an approved TIP to add a project or an identified phase of a project does not require public review and comment if the added project or the identified phase—

“(A) was in the approved transportation improvement program that immediately pre-
ceded the transportation improvement program in effect on the date of such proposed amend-
ment; and

“(B) is unchanged from the project or the identified phase in that preceding transpor-
tation improvement program.”.

TITLE II—INNOVATIVE PROJECT FINANCE

SEC. 2001. TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT OF 1998 TEMPORARY LOAN RELIEF DUE TO THE COVID–19 PAN-
DEMIC.

(a) Definitions.—In this section:

(1) Eligible borrower.—The term “eligible borrower” means a recipient of an eligible loan ad-
ministered by the National Surface Transportation and Innovative Finance Bureau.

(2) Eligible loan.—The term “eligible loan” means a loan provided on or before the date of en-
actment of this Act under a program described in subparagraph (A) or (B) of section 116(d)(1) of title 49, United States Code.

(3) Secretary.—The term “Secretary” means the Secretary of Transportation.

(b) Interest Rate Reset.—
(1) IN GENERAL.—If, at any time after the date of execution of an eligible loan, the eligible borrower of such eligible loan is unable to generate sufficient revenues from the dedicated revenue source as a result of the COVID–19 pandemic and is unable to pay the scheduled repayments of principal and interest on such eligible loan—

(A) the eligible borrower may submit to the Secretary a request to reset the interest rate of the eligible loan in such manner and containing such information as the Secretary may require; and

(B) the Secretary—

(i) in accordance with such criteria as the Secretary may establish under subsection (d), shall determine whether the eligible borrower is unable to generate sufficient revenues as a result of the COVID–19 pandemic; and

(ii) if a positive determination is made under clause (i), may reset the interest rate of such eligible loan (including through amendment of such eligible loan) to a lower interest rate equal to not less than the yield on United States Treasury
securities of a similar maturity to the maturity of the eligible loan on the date of the reset, in accordance with this section.

(2) APPLICABILITY.—A lower interest rate provided for an eligible loan pursuant to paragraph (1)(B)(ii) shall apply until the final maturity date of the eligible loan.

(c) OTHER LOAN MODIFICATIONS.—With respect to an eligible borrower described in subsection (b)(1), the Secretary, in carrying out subparagraph (B) of such subsection, may—

(1) allow, for a maximum aggregate period of not more than 5 years, an obligor to add unpaid principal and interest to the outstanding balance of the loan, subject to the requirements under section 502(j)(3)(B) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822(j)(3)(B)) or section 603(c)(3)(B) of title 23, United States Code, as applicable; and

(2) extend any applicable disbursement period established under an agreement for credit assistance made pursuant to section 502 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822) or section 603 of title 23, United States Code, as applicable.
(d) CRITERIA.—

(1) IN GENERAL.—To be eligible to receive a lower interest rate or other loan modification under this section, an eligible borrower shall achieve compliance with such criteria as the Secretary may establish, in accordance with paragraph (2).

(2) FACTORS FOR CONSIDERATION.—In establishing criteria for purposes of paragraph (1), the Secretary may take into consideration such factors as the Secretary determines to be relevant, including achieving the objectives of—

(A) maintaining the operation of a project carried out by an eligible borrower in a disaster, emergency, or other extenuating circumstance;

(B) mitigating the financial impact on an eligible borrower of a disaster, emergency, or other extenuating circumstance; and

(C) protecting the interests of the Federal Government in critical infrastructure.

(e) EFFECTIVE PERIOD.—

(1) IN GENERAL.—The authority of the Secretary to reset interest rates pursuant to this section shall terminate on September 30, 2022.

(2) EFFECT OF SUBSECTION.—Nothing in this subsection affects any eligible loan that is modified
pursuant to this section on or before September 30, 2022.

TITLE III—PUBLIC TRANSPORTATION

SEC. 3001. SHORT TITLE.

This title may be cited as the “Federal Public Transportation Act of 2021”.

SEC. 3002. URBANIZED AREA FORMULA GRANTS.

(a) IMPACTS OF SERVICE REDUCTIONS.—Section 5307(c)(1) is amended—

(1) by redesignating subparagraphs (J) and (K) as subparagraphs (K) and (L), respectively; and

(2) by inserting after subparagraph (I) the following:

“(J) in any case in which a project will result in a service reduction that impacts an area of persistent poverty, consider whether third party contractors can offer options for continuing the service, provided that such options do not negatively impact the salaries or benefits of employees currently providing the service;”.

(b) TARGETED REVIEW.—Section 5307(f)(2) of title 49, United States Code, is amended—

(1) by striking “At least once every 3 years” and inserting the following:
“(A) IN GENERAL.—At least once every 3 years, except as provided for under subparagraph (B); and

(2) by adding at the end the following:

“(B) TARGETED REVIEW FOR HIGH-PERFORMING RECIPIENTS.—In the case of a recipient under this section for which no action under paragraph (3) has been found to be necessary for 6 or more consecutive years, the triennial review shall be a targeted review, as determined by the Secretary, to ascertain whether there is, with respect to the performance of a program under this section—

“(i) any outstanding or unresolved finding from prior reviews;

“(ii) evidence of noncompliance with an applicable statutory or administrative requirement under this chapter; or

“(iii) any material change since the most recent triennial review that the Secretary determines risks the recipient’s compliance with respect to such performance.”.
SEC. 3003. FIXED GUIDEWAY CAPITAL INVESTMENT GRANTS.

Section 5309 of title 49, United States Code, is amended—

(1) in subsection (a)—

(A) in paragraph (7)—

(i) in subparagraph (A) by striking "$100,000,000" and inserting "$200,000,000"; and

(ii) in subparagraph (B) by striking "$300,000,000" and inserting "$400,000,000"; and

(B) by adding at the end the following:

“(8) RURAL START PROJECT.—The term ‘rural start project’ means a new transit capital project that is not in an urbanized area for which—

“(A) the Federal assistance provided or to be provided under this section is less than $80,000,000; and

“(B) the total estimated net capital cost is less than $150,000,000.”;

(2) in subsection (b)(1) by striking “or small start projects” and inserting “, small start projects, or rural start projects”;
(3) in subsection (c)(1) by striking “small start projects” and inserting “small start projects, rural start projects”; and

(4) in subsection (h)—

(A) in the heading by striking “SMALL START PROJECTS” and inserting “SMALL START PROJECTS AND RURAL START PROJECTS”;

(B) in paragraph (1) by striking “small start project” and inserting “small start project or rural start project”;

(C) in paragraph (2)(A) by striking “small starts project” and inserting “small start project or rural start project”;

(D) in paragraph (3) by striking “small start project” and inserting “small start project or rural start project”; and

(E) in paragraph (6)(A) by striking “small start project” and inserting “small start project or rural start project”.

SEC. 3004. ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES.

Section 5310 of title 49, United States Code, is amended—
(1) in subsection (b)(2) by striking “(A) AMOUNT AVAILABLE” and all that follows through “A recipient of a grant under” and inserting “A recipient of a grant under”;

(2) in subsection (c)(2) by adding at the end the following:

“(E) REALLOCATION.—Amounts apportioned under section 5310(c)(1)(A) may be reallocated to projects in areas other than urbanized areas.”;

(3) by striking paragraphs (1) and (2) of subsection (d) and inserting the following:

“(1) CAPITAL PROJECTS.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), a grant awarded under this section for a capital project shall be 80 percent of the net costs of the project, as determined by the Secretary.

“(B) EXCEPTION.—A State described in section 120(b) of title 23 shall receive a Federal Government share of the net costs in accordance with the formula under such section.

“(2) OPERATING ASSISTANCE.—

“(A) IN GENERAL.—Except as provided by subparagraph (B), a grant awarded under this
section for a operating assistance may not ex-
ceed an amount equal to 50 percent of the net
operating costs of the project, as determined by
the Secretary.

“(B) EXCEPTION.—A state described in
section 120(b) of title 23 shall receive a Federal
Government share of the net costs that is equal
to 62.5 percent of the Federal Government
share provided for under paragraph (1)(B).”;
and

(4) by striking subsection (e)(1) and inserting
the following:

“(1) IN GENERAL.—To the extent the Secretary
determines appropriate, the requirements of—

“(A) section 5307 shall apply to recipients
of grants made in urbanized areas under this
subsection; and

“(B) section 5311 shall apply to recipients
of grants made in rural areas under this sub-
section.”.

SEC. 3005. FORMULA GRANTS FOR RURAL AREAS.

Section 5311(g) of title 49, United States Code, is
amended—

(1) in paragraph (1) by adding at the end the
following:
“(C) Projects in qualified opportunity zones, medically underserved areas, or areas with a medically underserved population.—A grant awarded under this section for a capital project in a qualified opportunity zone, a medically underserved area, or areas with a medically underserved population shall be for 90 percent of the net costs of the project, as determined by the Secretary.”;

(2) in paragraph (2) by adding at the end the following:

“(C) Projects in qualified opportunity zones, medically underserved areas, or areas with a medically underserved population.—A grant awarded under this section for a capital project in a qualified opportunity zone, a medically underserved area, or an area with a medically underserved population shall be for 62.5 percent of the Federal Government share provided for under paragraph (1)(B).”; and

(3) by adding at the end the following:

“(6) Definitions.—In this subsection:
“(A) QUALIFIED OPPORTUNITY ZONE.—

The term ‘qualified opportunity zone’ has the meaning given such term section 1400Z–1 of the Internal Revenue Code of 1986.

“(B) MEDICALLY UNDERSERVED AREAS; AN AREA WITH A MEDICALLY UNDERSERVED POPULATION.—The term ‘medically underserved areas’ or ‘an area with a medically underserved population’ means an area or populations that are designated as medically underserved by the Secretary of Health and Human Services pursuant to section 330(b)(3) of the Public Health Service Act (42 U.S.C. 254b(b)(3)).”.

SEC. 3006. NON-EMERGENCY MEDICAL TRANSPORTATION.

(a) RESEARCH PROJECT ELIGIBILITY.—Section 5312(c)(2) of title 49, United States Code, is amended—

(1) in subparagraph (M), by striking “or” at the end;

(2) by redesignating subparagraph (N) as subparagraph (O); and

(3) by inserting after subparagraph (M) the following:

“(N) access to hospitals and healthcare providers in areas underserved by transit or
with limited public transportation options, as
determined by the Secretary; or”.

(b) INNOVATION AND DEVELOPMENT PROJECT ELI-
GIBILITY.—Section 5312(d)(2) of title 49, United States
Code, is amended—

(1) in subparagraph (G), by striking “or” at
the end;

(2) by redesignating subparagraph (H) as sub-
paragraph (I); and

(3) by inserting after subparagraph (G) the fol-
lowing:

“(H) public transportation projects that
improve health care access and outcomes; or”.

(e) DEMONSTRATION, DEPLOYMENT, AND EVALUA-
TION PROJECT ELIGIBILITY.—Section 5312(e)(3) of title
49, United States Code, is amended—

(1) in subparagraph (B), by striking “or” at
the end;

(2) in subparagraph (C), by striking the period
and inserting “; or”; and

(3) by adding at the end the following:

“(D) the deployment of public transpor-
tation projects or practices that—

“(i) achieve measurable improvements
in transportation access to health care for
medically underserved areas or populations, as designated by the Health Resources and Services Administration pursuant to section 330(b)(3) of the Public Health Service Act (42 U.S.C. 254b(b)(3));

“(ii) implement transportation strategies for addressing significant health needs as identified by a community health needs assessment pursuant to the requirements of section 501(r)(3)(A) of the Internal Revenue Code of 1986; or

“(iii) eliminate or reduce transportation barriers to accessing health care that are identified and prioritized in the coordinated public transit-human services transportation plan described in section 5310(e)(2)(A).”.

SEC. 3007. TECHNICAL ASSISTANCE AND WORKFORCE DEVELOPMENT.

(a) In General.—Section 5314(a) of title 49, United States Code, is amended—

(1) in paragraph (2)—

(A) in subparagraph (H) by striking “and” at the end;
(B) by redesignating subparagraph (I) as subparagraph (J); and

(C) by inserting after subparagraph (H) the following:

“(I) provide innovation and capacity-building to rural and tribal public transportation recipients but that do not duplicate the activities of sections 5311(b) or 5312; and”; and

(2) by adding at the end the following:

“(5) Availability of amounts.—Of the amounts made available to carry out this section under section 5338(c), such sums as necessary shall be available to carry out activities described in paragraph (2)(I).”.

(b) Availability of amounts.—Section 5314(c)(4)(A) of title 49, United States Code, is amended by inserting “5311,” after “5307,”.

SEC. 3008. GENERAL PROVISIONS.

(a) Reasonable access to public transportation facilities.—Section 5323 of title 49, United States Code, is amended by striking subsection (r) and inserting the following:

“(r) Reasonable access to public transportation facilities.—
“(1) IN GENERAL.—A recipient of assistance under this chapter may not deny reasonable access for a private or charter transportation operator to federally funded public transportation facilities, including intermodal facilities, park and ride lots, and bus-only highway lanes. In determining reasonable access, capacity requirements of the recipient of assistance and the extent to which access would be detrimental or beneficial to existing public transportation services must be considered. A recipient shall respond to any request for reasonable access within 90 days of the receipt of the request.

“(2) RESPONSE TO REQUEST.—

“(A) IN GENERAL.—If a recipient of assistance under this chapter fails to respond to a request within the 90-day period described in paragraph (1), the operator may seek assistance from the Secretary to obtain a response.

“(B) DENIAL OF ACCESS.—If a recipient of assistance under this chapter denies access to a private intercity or charter transportation operator based on the reasonable access standards provided in paragraph (1), the recipient shall provide, in writing, the reasons for the denial.”.
(b) **WAIVERS AND DEFERRALS; ADMINISTRATIVE OPTION.**—Section 5323 of title 49, United States Code, is further amended by striking subsection (t) and inserting the following:

“(t) **WAIVERS AND DEFERRALS; ADMINISTRATIVE OPTION.**—

“(1) **IN GENERAL.**—Notwithstanding any other provision of law, the Secretary shall have the authority to waive, exempt, defer, or establish a simplified level of compliance for recipients of assistance under this chapter that operate 10 or fewer vehicles in service, or that receive financial assistance under both sections 5307 and 5311 of this chapter.

“(2) **GUIDANCE REQUIRED.**—Not later than 180 days of enactment of the Federal Public Transportation Act of 2021, the Secretary shall publish guidance for recipients of assistance under this chapter that operate 10 or fewer buses in service or that receive financial assistance under both of sections 5307 and 5311 concerning—

“(A) which specific requirements may be considered for waivers, exemptions, deferrals, or simplified levels of compliance by recipients of assistance described in paragraph (1);
“(B) the process by which recipients of assistance described in paragraph (1) may request such waivers, exemptions, deferrals, or simplified levels of compliance;

“(C) the criteria by which the Secretary shall evaluate and act upon such requests;

“(D) the terms and conditions the Secretary shall attach to any waiver, exemption, deferral or simplified level of compliance that is awarded under paragraph (1);

“(E) actions the Secretary may take if a recipient fails to comply the terms and conditions attached to a waiver, exemption, deferral, or simplified level of compliance that has been awarded under paragraph (1); and

“(F) the circumstances under which the Secretary may use this paragraph to award a waiver, exemption, deferral or simplified level of compliance to a recipient of assistance under this chapter and described in this paragraph.

“(3) MAINTAIN SAFETY.—The Secretary shall not take any action under this subsection that would degrade safety to lives or property.

“(4) REPORT.—The Secretary shall submit to the Committee of Banking, Housing, and Urban Af-
fares of the Senate and the Committee of Transportation and Infrastructure of the House of Representatives an annual report detailing the requests and actions that have been taken under this subsection in the preceding 12 months.”.

(c) Threshold for the Sale of Transit Vehicles After Service Life.—Section 5323 of title 49, United States Code, is further amended by adding at the end the following:

“(w) Threshold for the Sale of Transit Vehicles After Service Life.—Notwithstanding any other provision of law, for programs under this chapter the threshold amount for transit vehicles after the service life is reached shall be 20 percent of the original acquisition cost of the purchased equipment. For transit vehicles sold for an amount above such amount, the threshold amount shall be retained by the transit agency upon sale of the asset for use by the transit agency for the purpose or operating or capital expenditures, and the remainder shall be remitted to the Secretary and shall be deposited into the Mass Transit Account of the Highway Trust Fund. If such a vehicle is sold for an amount below or equal to the threshold amount, the transit agency shall retain all funds from the sale.”.
SEC. 3009. APPORTIONMENTS.

Section 5336(h)(3) of title 49, United States Code, is amended to read as follows:

“(3) of amount not apportioned under paragraphs (1) and (2), 3 percent shall be apportioned to urbanized areas with populations of less than 200,000 in accordance with subsection (i);”.

SEC. 3010. GRANTS FOR BUS AND BUS FACILITIES.

Section 5339 of title 49, United States Code is amended—

(1) in subsection (a)(5) by striking subparagraph (A) and inserting the following:

“(A) NATIONAL DISTRIBUTION.—For each of fiscal years 2022 through 2026, each State shall be allocated 0.6 percent of the amount made available under section 5338(a)(2)(L) and each territory shall be allocated 0.15 percent of such amount.”;

(2) in subsection (b)(5) by striking “10” and inserting “20”; and

(3) in subsection (c)—

(A) in paragraph (1)(E)—

(i) in clause (i) by striking “; or” and inserting a semicolon;

(ii) in clause (ii) by striking the semi-colon and inserting “; or”; and
(iii) by adding at the end the following:

“(iii) with respect to projects in rural areas, any passenger vehicle that is equipped with any technology, including compressed natural gas and liquefied natural gas that reduces energy consumption or harmful emissions, including direct carbon emissions, when compared to a diesel powered vehicle;”;

(B) in paragraph (3)(A) by striking “requirements of section 5307” and inserting the following: “requirements of—

“(i) for eligible recipients of grants made in urbanized areas, section 5307; and

“(ii) for eligible recipients of grants made in rural areas, section 5311.”; and

(C) by adding at the end the following:

“(8) DISTRIBUTION OF GRANT FUNDS.—Of the funds allocated under section 5338(a)(2)(M) for no or low emission grants under section 5339(c), not less than 10 percent of the amounts shall be distributed to projects in rural areas.”.
SEC. 3011. ELIMINATION OF APPORTIONMENTS BASED ON HIGH DENSITY STATE FACTORS.

(a) IN GENERAL.—Section 5340 of title 49, United States Code, is amended—

(1) in subsection (b) by striking “and subsection (d)”;

and

(2) by striking subsection (d).

(b) TECHNICAL CORRECTIONS.—Section 5340 of title 49, United States Code, is amended—

(1) in subsection (b) by striking “5338(b)(2)(N)” and inserting “5338(a)(2)(N)”;

and

(2) in subsection (c)(1) by striking “subsection (b)(1)” and inserting “subsection (b)”.

SEC. 3012. INNOVATIVE MOBILITY AND TECHNOLOGY DEPLOYMENT GRANTS.

(a) IN GENERAL.—Chapter 53 of title 49, United States Code, is amended by inserting after section 5312 the following:

“§ 5313. Innovative mobility and technology deployment grants

“(a) AUTHORITY.—The Secretary shall establish an innovative mobility and technology deployment grants program to award grants to entities described in subsection (b) to assist in financing of public transportation projects that—
“(1) allow for the integration of mobility services or technologies in public transportation services, including traveler information, trip planning information, new or expanded reservation capabilities, integrated payment solutions, fare automation, or delivery designs to improve options in public transportation;

“(2) advance first-mile, last-mile, late night, or low density services that connect riders to public transportation, including—

“(A) microtransit;

“(B) commuter busing; or

“(C) commuter highway vehicles;

“(3) advance on demand complementary para-transit services;

“(4) provide accessibility and connectivity for rural areas not being adequately served by public transportation, as determined by the Secretary;

“(5) expand high-performing public transportation business models that increase access to public transportation; or

“(6) provide any other transit service that the Secretary determines appropriate to meet the purposes of this section.
“(b) ELIGIBLE ENTITIES.—To be eligible for a grant under this section, an entity shall be—

“(1) a State or local government; or
“(2) a publicly owned operator of public transportation.

“(c) APPLICATION.—To be eligible to receive a grant under this section, an entity described in subsection (b) shall submit to the Secretary an application in such form and contain such information as the Secretary may require.

“(d) RULEMAKING.—The Secretary shall—

“(1) issue such regulations as are necessary to carry out this section, and publish such regulations in the Federal Register, not later than 270 days after the date of enactment of this section; and
“(2) in issuing such regulations, solicit and receive comments from stakeholders not later than 180 days after the date of enactment of this section.

“(e) GRANT REQUIREMENTS.—The Secretary may approve modified grant requirements for projects carried out using a grant under this section.

“(f) LIMITATIONS.—

“(1) PERIOD OF GRANT.—A grant under this section shall be for a 3-year period beginning on the
date on which the first payment of any amount
under the grant is provided to an eligible entity.

“(2) RURAL GRANT MINIMUM.—The Secretary
shall award not less than 20 percent of the total
amounts made available to carry out this section to
support activities described under subsection (a) in
rural areas.

“(3) GOVERNMENT SHARE OF COSTS.—The
Federal share of the total project cost of a project
carried out under this section may not exceed 80
percent.

“(4) ALLOCATION.—Of the amounts authorized
to be appropriated to carry out this section for each
fiscal year, not more than 20 percent may be award-
ed under subsection (a) to a single entity.

“(g) BEST PRACTICES.—The Secretary shall annu-
ally collect from, review, and disseminate to public trans-
portation agencies findings or best practices from projects
funded under this section.

“(h) DEFINITIONS.—In this section:

“(1) COMMUTER HIGHWAY VEHICLE.—The
term ‘commuter highway vehicle’ has the meaning
given such term in section 132(f)(5)(B) of the Inter-
“(2) HIGH-PERFORMING PUBLIC TRANSPORTATION.—The term ‘high-performing public transportation’ means a public transportation service, whether provided by a public agency, private non-profit, or for-profit organization, that is able to collect all operating costs through fare-box revenue or other dedicated sources for an activity and increases access to public transportation.

“(3) MICRO-TRANSIT.—The term ‘micro-transit’ means internet-enabled, public transportation services that use dynamically generated routes calculated by algorithms developed to increase the occupancy of vehicles.”.

(b) CLERICAL AMENDMENT.—The analysis for chapter 53 of title 49, United States Code, is amended by inserting after section 5312 the following:

“5313. Innovative mobility and technology deployment grants.”.

SEC. 3013. EXPEDITED PROJECT DELIVERY FOR CAPITAL INVESTMENT GRANTS.

Section 3005(b)(3)(A) of the FAST Act (49 U.S.C. 5309 note) is amended—

(1) in clause (iv)(V) by adding “and” at the end;

(2) in clause (v) by striking “; and” and inserting a period; and

(3) by striking clause (vi).
TITLe IV—HIGHWAY TRAFFIC
SAFETY

SEC. 4001. FUNDING AND GRANT REQUIREMENTS.

The funds provided for programs under chapter 4 of
title 23, United States Code, and chapter 303 of title 49,
United States Code, shall be subject to the following re-
quirements, as applicable:

(1) APPLICABILITY OF TITLE 23.—Except as
otherwise provided in chapter 4 of title 23, United
States Code, and chapter 303 of title 49, United
States Code, amounts made available under sub-
section (a) for fiscal years 2022 through 2026 shall
be available for obligation in the same manner as if
such funds were apportioned under chapter 1 of title
23, United States Code.

(2) STATE MATCHING REQUIREMENTS.—If a
grant awarded under chapter 4 of title 23, United
States Code, requires a State to share in the cost,
the aggregate of all expenditures for highway safety
activities made during a fiscal year by the State and
its political subdivisions (exclusive of Federal funds)
for carrying out the grant (other than planning and
administration) shall be available for the purpose of
crediting the State during such fiscal year for the
non-Federal share of the cost of any other project
carried out under chapter 4 of title 23, United
States Code (other than planning or administration),
without regard to whether such expenditures were
made in connection with such project.

(3) **Grant application and deadline.**—To receive a grant under chapter 4 of title 23, United States Code, a State shall submit an application, and the Secretary shall establish a single deadline for such applications to enable the award of grants early in the next fiscal year.

(4) **Prohibition on other uses.**—Except as otherwise provided in chapter 4 of title 23, United States Code, and chapter 303 of title 49, United States Code, the amounts made available from the Highway Trust Fund (other than the Mass Transit Account) for a program under such chapters—

(A) shall only be used to carry out such program; and

(B) may not be used by States or local governments for construction purposes.

**SEC. 4002. HIGHWAY SAFETY RESEARCH AND DEVELOPMENT.**

(a) **In general.**—Section 403 of title 23, United States Code, is amended—
(1) in subsection (h) by striking paragraph (2) and inserting the following:

“(2) FUNDING.—The Secretary shall obligate such sums as are necessary for each of fiscal years 2022 through 2024 from the funds made available to carry out this section to conduct the research described in paragraph (1).”; and

(2) by adding at the end the following:

“(k) DRUG-IMPAIRED DRIVING PREVENTION PILOT PROGRAM.—

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of the STARTER Act 2.0, the Secretary shall establish a pilot program to create, and study the effects of, a public awareness campaign to reduce instances of driving while under the influence of prescription and over-the-counter medications.

“(2) LOCATIONS.—The Secretary shall implement the pilot program in States that are, or a region that is, most affected by the opioid epidemic, as measured by the most recent opioid-involved overdose deaths per 10,000 persons, as reported by the Centers for Disease Control and Prevention.

“(3) SUNSET.—The authority of the Secretary under paragraph (1) shall terminate on the date
that is 2 years after the date on which the pilot pro-
gram is established pursuant to paragraph (1).

“(4) REPORT.—Not later than 1 year after the
date of termination of the pilot program described in
paragraph (3), the Secretary shall submit to the
Committee on Transportation and Infrastructure of
the House of Representatives and the Committee on
Commerce, Science, and Transportation of the Sen-
ate a report on the results of the study of the effects
of the public awareness and enforcement campaign.

“(l) RESEARCH AND TRAINING ON MARIJUANA DE-
TECTION.—

“(1) IN GENERAL.—The Administrator of the
National Highway Traffic Safety Administration
shall carry out a collaborative research effort to
study the effect that marijuana use has on driving
and research ways to detect and reduce incidences of
driving under the influence of marijuana.

“(2) REPORTS.—The Administrator shall sub-
mit to the Committee on Commerce, Science, and
Transportation of the Senate and the Committee on
Transportation and Infrastructure of the House of
Representatives an annual report that—

“(A) describes the progress made in car-
rying out the collaborative research effort; and
“(B) includes an accounting for the use of Federal funds obligated or expended in carrying out such effort.”.

(b) STUDY OF ILLEGAL PASSING OF SCHOOL BUSES.—Section 403 of title 23, United States Code, is further amended by adding at the end the following:

“(m) STUDY OF ILLEGAL PASSING OF SCHOOL BUSES.—

“(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study on illegal passing of school buses by motor vehicles.

“(2) STUDY ELEMENTS.—In completing the study under paragraph (1), the Comptroller General shall compile and examine the following issues related to illegal passing of school buses:

“(A) Description of illegal passing laws in each State relating to school buses.

“(B) Identification of laws that may affect or intersect with illegal school bus passing laws.

“(C) Description of how each State enforces such laws.

“(D) Evaluation of methods that each State uses to review, document, and report to law enforcement school bus stop-arm violations and illegal school bus passing.
“(E) Review of driver education materials.

“(F) Identification of best practices relating to the most effective approaches to address illegal passing of school buses.

“(3) REPORT.—Not later than 2 years after the date of enactment of the STARTER Act 2.0 the Comptroller General shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report on the results of the study under paragraph (1).

“(n) PUBLIC SAFETY MEDIA PROGRAMS.—

“(1) CHILD HEATSTROKE.—Not later than 1 year after the date of enactment of the STARTER Act 2.0, the Secretary shall establish and implement a public safety messaging program to educate the public and reduce heatstroke related deaths of children in unattended vehicles.

“(2) ILLEGAL PASSING OF SCHOOL BUSES.—Not later than 18 months after the date of enactment of this subsection, the Secretary shall establish and implement a public safety messaging program to educate the public and reduce the illegal passing of school buses.”.
SEC. 4003. NATIONAL PRIORITY SAFETY PROGRAMS.

Section 405(a)(9)(A) of title 23, United States Code, is amended by striking “date of enactment of the FAST Act” and inserting “date of enactment of the STARTER Act 2.0”.

SEC. 4004. NATIONAL PRIORITY SAFETY PROGRAM GRANT ELIGIBILITY.

Section 4010 of the FAST Act (23 U.S.C. 405 note) is amended—

(1) by striking “the date on which the Secretary awards” and inserting “each occurrence of the Secretary awarding”; and

(2) by striking “a publicly available Internet Web site of the Department” and inserting “the website of the Department”.

TITLE V—MOTOR CARRIER SAFETY

SEC. 5001. FUNDING AND GRANT REQUIREMENTS.

The funds provided for programs under chapter 311 of title 49, United States Code, shall be subject to the following requirements:

(1) APPLICABILITY OF TITLE 23.—Except as otherwise provided in chapter 311 of title 49, United States Code, amounts made available under subsection (a) for fiscal years 2022 through 2026 shall be available for obligation in the same manner as if
such funds were apportioned under chapter 1 of title 23, United States Code.

(2) **STATE MATCHING REQUIREMENTS.**—If a grant awarded under chapter 311 of title 49, United States Code, requires a State to share in the cost, the aggregate of all expenditures for highway safety activities made during a fiscal year by the State and its political subdivisions (exclusive of Federal funds) for carrying out the grant (other than planning and administration) shall be available for the purpose of crediting the State during such fiscal year for the non-Federal share of the cost of any other project carried out under chapter 311 of title 49, United States Code (other than planning or administration), without regard to whether such expenditures were made in connection with such project.

(3) **GRANT APPLICATION AND DEADLINE.**—To receive a grant under chapter 311 of title 49, United States Code, a State shall submit an application, and the Secretary shall establish a single deadline for such applications to enable the award of grants early in the next fiscal year.

(4) **PROHIBITION ON OTHER USES.**—Except as otherwise provided in chapter 311 of title 49, United States Code, the amounts made available from the
Highway Trust Fund (other than the Mass Transit Account) for a program under such chapters—

(A) shall only be used to carry out such program; and

(B) may not be used by States or local governments for construction purposes.

SEC. 5002. COMPLIANCE, SAFETY, AND ACCOUNTABILITY REFORM.

(a) MOTOR CARRIER SAFETY GRANTS.—

(1) IN GENERAL.—

(A) SELECTION STANDARD.—For any applicable legal requirement with respect to a covered entity contracting with a covered motor carrier for the shipment of goods or household goods, the covered entity shall be considered reasonable and prudent in the selection of such motor carrier if the covered entity verifies, not later than the date of shipment and not earlier than 45 days before the date of shipment, that the covered motor carrier—

(i) is registered under section 13902 of title 49, United States Code, as a motor carrier or household goods motor carrier;
(ii) has at least the minimum insurance coverage required by Federal and State law; and

(iii) is not determined unfit to operate safely commercial motor vehicles under section 31144 of title 49, United States Code, or otherwise ordered to discontinue operations by the Federal Motor Carrier Safety Administration (including not renewing a Department of Transportation registration number) or a State.

(B) SUNSET.—The standard established under subparagraph (A) shall sunset on the effective date of a regulation issued pursuant to paragraph (3).

(2) REVOCATION OF REGISTRATION.—Section 31144(a) of title 49, United States Code, is amended—

(A) in paragraph (3) by striking “and”; 

(B) in paragraph (4) by striking the period and inserting “; and”; and

(C) by adding at the end the following:

“(5) prescribe by regulation a process for revoking the registration of an owner or operator deter-
mined unfit to operate safely a commercial motor vehicle under this section.”.

(3) RULEMAKING.—

(A) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Secretary of Transportation shall—

(i) update and revise the regulations issued pursuant to subsection (b) of section 31144 of title 49, United States Code, to include the requirements of paragraph (1); and

(ii) issue such regulations as are necessary to carry out section 31144(a)(5) of title 49, United States Code, as added by this Act.

(B) FACTORS FOR AN UNSATISFACTORY RATING.—The regulations updated under subparagraph (A)(i) shall provide a procedure for the Secretary to determine if a motor carrier is not fit to operate a commercial motor vehicle in or affecting interstate commerce in accordance with section 31144 of title 49, United States Code.
(4) SAVINGS CLAUSE.—Nothing in this section shall be construed to preempt or superecede any State law or regulation relating to drayage.

(5) DEFINITIONS.—In this section:

(A) COVERED ENTITY.—The term “covered entity” means a person acting as—

(i) a shipper or cosignee of goods, except that such term does not mean a person acting as an individual shipper (as such term is defined in section 13103 of title 49, United States Code);

(ii) a broker, a freight forwarder, or a household goods freight forwarder (as such terms are defined in section 13102 of title 49, United States Code);

(iii) an ocean transportation intermediary (as such term is defined in section 40102 of title 46, United States Code), when arranging for inland transportation as part of an international through movement involving ocean transportation between the United States and a foreign port;

(iv) an indirect air carrier holding a Standard Security Program approved by
the Transportation Security Administration only to the extent that the indirect air carrier is engaging in the activities as an air carrier defined in paragraph (2) or (3) of section 40102 of title 49, United States Code;

(v) a customs broker licensed in accordance with section 111.2 of title 19, Code of Federal Regulations, only to the extent that the customs broker is engaging in a movement under a customs bond or in a transaction involving customs business, as defined by section 111.1 of title 19, Code of Federal Regulations; or

(vi) a motor carrier registered under chapter 139 of title 49, United States Code.

(B) COVERED MOTOR CARRIER.—The term “covered motor carrier” means a motor carrier or a household goods motor carrier (as such terms are defined in section 13102 of title 49, United States Code) that is subject to Federal motor carrier financial responsibility and safety regulations.
(C) HOUSEHOLD GOODS.—The term “household goods” has the meaning given such term in section 13102 of title 49, United States Code.

(b) REMOTE AUDIT.—Section 31144 of title 49, United States Code, is amended by adding at the end the following:

“(j) REMOTE AUDITS.—

“(1) IN GENERAL.—The Secretary shall establish a pilot program to conduct remote compliance reviews under subpart A of part 385 of title 49, Code of Federal Regulations, to assign a safety rating for commercial motor carriers.

“(2) CONTENTS.—In conducting the pilot program, the Secretary shall—

“(A) use the same standards that would otherwise be applicable to commercial motor carriers;

“(B) apply the procedures of part 385 of title 49, Code of Federal Regulations, including the safety fitness rating methodology under appendix B, prior to assigning a safety rating under such pilot program;
“(C) assign safety ratings regardless of whether an on-site review of activities has taken place; and

“(D) leverage all available technology to access information and records.

“(3) ELIGIBLE PARTICIPANTS.—

“(A) IN GENERAL.—Motor carriers that are eligible to participate in the pilot program under this subsection shall—

“(i) voluntarily agree to participate in such pilot program; and

“(ii) be able to opt-out of participation in such pilot program at any time.

“(B) PROHIBITION ON PARTICIPATION.—Motor carriers that transport hazardous materials or passengers shall be prohibited from participating in the pilot program under this section.

“(4) AUTHORIZED AGENTS.—Remote compliance reviews conducted under the pilot program under this section may be conducted by—

“(A) Federal Motor Carrier Safety Administration personnel;
“(B) State commercial motor vehicle authorities that meet acceptable standards set forth by the Secretary; or

“(C) private contractors that meet acceptable standards set forth by the Secretary.

“(5) AVAILABILITY OF SAFETY RATINGS.— Safety ratings determined under the pilot program under this subsection may not be released publicly by the Secretary or by any authorized agent described in paragraph (4) that is participating in the pilot program under this subsection.”.

SEC. 5003. ENTRY-LEVEL DRIVER TRAINING REGULATIONS.

(a) IN GENERAL.—Not later than February 7, 2023, the Secretary of Transportation shall implement the minimum training requirements for entry-level commercial motor vehicle operators published in the final rule issued by the Federal Motor Carrier Safety Administration on December 8, 2016, titled “Minimum Training Requirements for Entry-Level Commercial Motor Vehicle Operators” (81 Fed. Reg. 88732).

(b) TRAINING PROVIDER REGISTRY DEPLOYMENT.— Not later than October 1, 2022, the Federal Motor Carrier Safety Administration shall deploy the training provider registry referenced in the final regulation issued by the Administration on December 8, 2016, titled “Minimum
Training Requirements for Entry-Level Commercial Motor Vehicle Operators” (81 Fed. Reg. 88732) to allow training providers to sign up prior to the implementation date described in subsection (a).

(c) REPORT TO CONGRESS.—Not later than February 7, 2022, and every 90 days thereafter until the implementation of the requirements described in subsection (a), the Secretary of Transportation shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report describing—

(1) the status of the training provider registry described in subsection (b); and

(2) the Federal and State efforts to implement the final rule described in subsection (a).

(d) REPORT ON NONCOMPLIANCE.—Not later than 45 days after the date on which compliance with the final rule described in subsection (a) is required under such subsection, the Secretary of Transportation shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report containing a list of all States in substantial non-compliance with such final rule.
SEC. 5004. TRUCKING INDUSTRY WORKFORCE DEVELOPMENT.

(a) DEFINITIONS.—In this section:

(1) APPRENTICE.—The term “apprentice” means an employee under the age of 21 who holds a commercial driver’s license required to operate a class of vehicles described in part 383 of title 49, Code of Federal Regulations, and any successor regulations.

(2) COMMERCIAL DRIVER’S LICENSE.—The term “commercial driver’s license” has the meaning given the term in section 31301 of title 49, United States Code.

(3) COMMERCIAL MOTOR VEHICLE.—The term “commercial motor vehicle” means a commercial motor vehicle that meets the definition under paragraph (1) or (4) of the definition of the term “commercial motor vehicle” in section 390.5 of title 49, Code of Federal Regulations (as in effect on the date of enactment of this Act).

(4) DRIVING TIME.—The term “driving time” has the meaning given the term in section 395.2 of title 49, Code of Federal Regulations (as in effect on the date of enactment of this Act).
(5) EMPLOYEE.—The term “employee” has the
meaning given such term in section 31132 of title
49, United States Code.

(6) EMPLOYER.—The term “employer” has the
meaning given such term in section 31132 of title
49, United States Code.

(7) EXPERIENCED DRIVER.—The term “experi-
enced driver” means an individual who—

(A) is not less than 21 years of age;

(B) has held a commercial driver’s license
for the 2-year period ending on the date on
which the individual serves as an experienced
driver under subsection (c)(3)(B);

(C) has had no preventable accidents re-
portable to the Department of Transportation
or pointed moving violations during the 1-year
period ending on the date on which the indi-
vidual serves as an experienced driver under
subsection (c)(3)(B); and

(D) has a minimum of 2 years of experi-
ence driving a commercial motor vehicle in
interstate commerce.

(8) ON-DUTY TIME.—The term “on-duty time”
has the meaning given the term in section 395.2 of
title 49, Code of Federal Regulations (as in effect on
the date of enactment of this Act).

(9) POINTED MOVING VIOLATION.—The term
“pointed moving violation” means a violation that
results in points being added to the license of a driv-
er, or a similar comparable violation, as determined
by the Secretary.

(10) SECRETARY.—The term “Secretary”
means the Secretary of Transportation.

(b) APPRENTICE.—An apprentice may—

(1) drive a commercial motor vehicle in inter-
state commerce while taking part in the 120-hour
probationary period under subsection (c)(1) or the
280-hour probationary period under subsection
(c)(2), pursuant to an apprenticeship program estab-
lished by an employer in accordance with this sec-
tion; and

(2) drive a commercial motor vehicle in inter-
state commerce after the apprentice completes an
apprenticeship program described in paragraph (1).

(c) APPRENTICESHIP PROGRAM.—An apprenticeship
program referred to in subsection (b) is a program that
consists of the following requirements:

(1) 120-HOUR PROBATIONARY PERIOD.—
(A) IN GENERAL.—The apprentice shall complete 120 hours of on-duty time, of which not less than 80 hours are driving time in a commercial motor vehicle.

(B) PERFORMANCE BENCHMARKS.—In order to complete the 120-hour probationary period under subparagraph (A), an employer shall determine that the apprentice is competent in each of the following areas:

(i) Interstate, city traffic, rural 2-lane, and evening driving.

(ii) Safety awareness.

(iii) Speed and space management.

(iv) Lane control.

(v) Mirror scanning.

(vi) Right and left turns.

(vii) Logging and complying with rules relating to hours of service.

(2) 280-HOUR PROBATIONARY PERIOD.—

(A) IN GENERAL.—After completing the 120-hour probationary period under paragraph (1), the apprentice shall complete 280 hours of on-duty time, of which not less than 160 hours are driving time in a commercial motor vehicle.
(B) Performance Benchmarks.—In order to complete the 280-hour probationary period under subparagraph (A), an employer shall determine that the apprentice is competent in each of the following areas:

(i) Backing and maneuvering in close quarters.

(ii) Pre-trip inspections.

(iii) Fueling procedures.

(iv) Weighing loads, weight distribution, and sliding tandems.

(v) Coupling and uncoupling procedures.

(vi) Trip planning, truck routes, map reading, navigation, and permits.

(3) Restrictions for 120-Hour and 280-Hour Probationary Periods.—During the 120-hour probationary period under paragraph (1) and the 280-hour probationary period under paragraph (2)—

(A) the apprentice may only drive a commercial motor vehicle that has—

(i) automatic manual or automatic transmissions;
(ii) active braking collision mitigation systems;

(iii) forward-facing video event capture; and

(iv) governed speeds of 65 miles per hour at the pedal and 65 miles per hour under adaptive cruise control; and

(B) the apprentice shall be accompanied in the cab of the commercial motor vehicle by an experienced driver.

(4) RECORDS RETENTION.—The employer shall maintain records, in a manner required by the Secretary, relating to the satisfaction of the requirements of paragraphs (1)(B) and (2)(B) by the apprentice.

(5) REPORTABLE INCIDENTS.—If the apprentice is involved in a preventable accident reportable to the Department of Transportation or a pointed moving violation while driving a commercial motor vehicle as part of an apprenticeship program described in this subsection, the apprentice shall undergo remediation and additional training until the apprentice can demonstrate, to the satisfaction of the employer, competence in each of the performance
benchmarks described in paragraphs (1)(B) and (2)(B).

(6) COMPLETION OF PROGRAM.—The apprentice shall be considered to have completed the apprenticeship program on the date on which the apprentice completes the 280-hour probationary period under paragraph (2).

(7) MINIMUM REQUIREMENTS.—

(A) IN GENERAL.—Nothing in this section prevents an employer from imposing additional requirements on an apprentice taking part in an apprenticeship program established pursuant to this section.

(B) TECHNOLOGIES.—Nothing in this section prevents an employer from requiring or installing additional technologies in a commercial motor vehicle in addition to the technologies described in paragraph (3)(A).

(d) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall promulgate regulations to implement this section.

(e) NO EFFECT ON LICENSE REQUIREMENT.—Nothing in this section exempts an apprentice from any requirement to hold a commercial driver’s license in order to operate a commercial motor vehicle.
(f) **EMPLOYER RESPONSIBILITY.**—An employer shall not knowingly allow, require, permit, or authorize a driver under the age of 21 to operate a commercial motor vehicle in interstate commerce unless the driver is participating in or has completed an apprenticeship program that meets the requirements of subsection (c).

**SEC. 5005. HOURS OF SERVICE REQUIREMENTS FOR AGRICULTURAL OPERATIONS.**

Section 229 of the Motor Carrier Safety Improvement Act of 1999 (49 U.S.C. 31136 note) is amended—

(1) in subsection (a)(1)—

(A) in the matter preceding subparagraph (A), by striking “during planting and harvest periods, as determined by each State,”; and

(B) by amending subparagraph (A) to read as follows:

“(A) drivers transporting agricultural commodities within a 150 air-mile radius from—

“(i) the source of the agricultural commodities; or

“(ii) the destination of the agricultural commodities;”; and

(2) in subsection (e)(8)—
(A) by striking “during the planting and harvesting seasons within each State, as determined by the State,”; and

(B) by striking “at any time of the year”.

TITLE VI—INNOVATION

SEC. 6001. ADVANCED TRANSPORTATION TECHNOLOGIES PROGRAM.

(a) IN GENERAL.—Chapter 5 of title 23, United States Code, is amended by adding at the end the following:

“§ 520. Advanced transportation technologies program

“(a) IN GENERAL.—The Secretary of Transportation shall establish a program to provide grants to eligible entities to deploy, install, and operate advanced transportation technologies to improve safety, efficiency, system performance, mobility, intermodal connectivity, and infrastructure return on investment.

“(b) CRITERIA.—In carrying out the program under subsection (a), the Secretary shall develop criteria for selection of an eligible entity to receive a grant, including how the proposed deployment of technology—

“(1) reduces costs and improves return on investments (including through the optimization of existing transportation capacity);
“(2) delivers environmental benefits by alleviating congestion and streamlining traffic flow;

“(3) measures and improves the operational performance of the applicable transportation network;

“(4) reduces the number and severity of traffic accidents and increases driver, passenger, and pedestrian safety;

“(5) collects, disseminates, and uses information on real-time traffic, work zone, weather, transit, paratransit, parking, and other transportation-related information to improve mobility, reduce congestion, and provide for more efficient, accessible, and integrated transportation and transportation services;

“(6) monitors transportation assets to improve infrastructure management, reduce maintenance costs, prioritize investment decisions, and ensure a state of good repair;

“(7) delivers economic benefits by reducing delays, improving system performance, and providing for the efficient and reliable movement of goods and services; or
“(8) accelerates the deployment of vehicle-to-vehicle, vehicle-to-infrastructure, autonomous vehicles, and other technologies.

“(c) APPLICATIONS.—An application submitted for a project to be carried out by a grant under this program shall include the following:

“(1) A plan to deploy and provide for the long-term operation and maintenance of advanced transportation technologies to improve safety, efficiency, system performance, and return on investment.

“(2) Objectives for quantifiable system performance improvements, such as—

“(A) reducing traffic-related accidents, congestion, and costs;

“(B) optimizing system efficiency; and

“(C) improving access to transportation services.

“(3) Quantifiable safety, mobility, and environmental benefit projections such as data-driven estimates of how the project proposes to improve the applicable transportation system efficiency and how such project proposes to reduce traffic congestion.

“(4) A plan for any partnerships with private sector entities or public agencies, including multimodal and multijurisdictional entities, research
institutions, organizations representing transportation and technology leaders, or other transportation stakeholders.

“(5) A plan to leverage and optimize existing local and regional advanced transportation technology investments.

“(d) GRANT SELECTION.—

“(1) GRANT AWARDS.—Each fiscal year for which funding is made available under this section, the Secretary shall award grants to not less than 5 and not more than 10 eligible entities.

“(2) GEOGRAPHIC DIVERSITY.—

“(A) IN GENERAL.—Subject to subparagraph (B), in awarding a grant under this section, the Secretary shall ensure, to the extent practicable, that grant recipients represent diverse geographic areas of the United States, including urban areas and rural areas.

“(B) RURAL SET-ASIDE.—Not less than 20 percent of the amounts made available to carry out this section shall be reserved for projects serving rural areas, to the extent there are sufficient eligible applications.

“(3) TECHNOLOGY DIVERSITY.—In awarding a grant under this section, the Secretary shall ensure,
to the extent practicable, that grant recipients represent a variety of technology solutions.

“(e) USE OF GRANT FUNDS.—A grant recipient may use funds awarded under this section to deploy advanced transportation technologies, including—

“(1) advanced traveler information systems;

“(2) advanced transportation management technologies;

“(3) advanced transportation technologies to improve emergency evacuation and response by Federal, State, and local authorities;

“(4) infrastructure maintenance, monitoring, and condition assessment;

“(5) advanced public transportation systems;

“(6) transportation system performance data collection, analysis, and dissemination systems;

“(7) advanced safety systems, such as systems using cellular technology, vehicle-to-vehicle, vehicle-to-pedestrian, and vehicle-to-infrastructure communications, technologies associated with autonomous vehicles, and other collision avoidance technologies;

“(8) integration of intelligent transportation systems with the Smart Grid and other energy distribution and charging systems;

“(9) integrated corridor management systems;
“(10) advanced parking reservation or variable pricing systems;

“(11) electronic pricing, toll collection, and payment systems;

“(12) technology that enhances high occupancy vehicle toll lanes, cordon pricing, or congestion pricing;

“(13) advanced mobility and access technologies, such as dynamic ridesharing and information systems to support human services for elderly and disabled individuals;

“(14) technology that collects and maintains automated driving system safety data and data analysis tools;

“(15) cybersecurity protection measures and activities to protect against cybersecurity threats; or

“(16) advanced vulnerable road user safety information systems.

“(f) REPORT TO SECRETARY.—

“(1) IN GENERAL.—The Secretary shall ensure that a recipient of a grant under this section submits, not later than 1 year after the recipient receives a grant and annually thereafter, a report to the Secretary that describes—
“(A) deployment and operational costs of the project compared to the benefits and savings the project provides; and

“(B) how the project has met the original expectations projected in the deployment plan submitted with the application, such as—

“(i) data on how the project has helped reduce traffic accidents, congestion, costs, and other benefits of the deployed systems;

“(ii) data on the effect of measuring and improving transportation system performance through the deployment of advanced transportation technologies;

“(iii) the effectiveness of providing real-time integrated traffic, transit, and multimodal transportation information to the public to make informed travel decisions; and

“(iv) lessons learned and recommendations for future deployment strategies to optimize transportation mobility, efficiency, and multimodal system performance.

“(2) Report consistency.—
“(A) ADMINISTRATION.—The Secretary shall provide grant recipients with methods and techniques to support consistent data collection across grant recipients and may update such methods and techniques as appropriate.

“(B) UPDATE.—The Secretary shall provide grant recipients notice of an update described in subparagraph (A) not less than 90 days before carrying out such update.

“(g) REPORT.—Not later than 2 years after the date of enactment of this section, and once every 2 years thereafter, the Secretary shall make available to the public on the website of the Department of Transportation an updated report that describes the effectiveness of grant recipients in meeting projected deployment plans including data described in subsection (f) on how the program has—

“(1) reduced traffic-related fatalities and injuries;

“(2) reduced traffic congestion and improved travel time reliability;

“(3) reduced transportation-related emissions;

“(4) optimized multimodal system performance;

“(5) improved access to transportation alternatives;
“(6) provided the public with access to real-time integrated traffic, transit, and multimodal transportation information to make informed travel decisions;

“(7) provided cost savings to transportation agencies, businesses, and the traveling public; or

“(8) provided other benefits to transportation users and the general public.

“(h) PENALTY.—The Secretary may terminate a grant provided under this section and deobligate funds provided by such grant if—

“(1) the Secretary determines from a report submitted pursuant to subsection (f) that a recipient of such grant is not carrying out the requirements of the grant; and

“(2) the Secretary provides written notice to the Committees on Transportation and Infrastructure and Science, Space, and Technology of the House of Representatives and the Committees on Environment and Public Works and Commerce, Science, and Transportation of the Senate 60 days prior to deobligating funds under this subsection.

“(i) FUNDING.—Of the amounts provided to carry out this section, the Secretary may set aside $2,000,000
each fiscal year for program reporting, evaluation, and admin-
istrative costs related to this section.

“(j) **FEDERAL SHARE.**—The Federal share of the cost of a project for which a grant is awarded under this subsection shall not exceed 50 percent of the cost of the project.

“(k) **EXPENSES FOR GRANT RECIPIENTS.**—A grant recipient under this section may use not more than 5 percent of the funds awarded each fiscal year to such recipient to carry out planning and reporting requirements.

“(l) **GRANT FLEXIBILITY.**—

“(1) **IN GENERAL.**—If, by August 1 of each fiscal year, the Secretary determines that there are not enough grant applications that meet the requirements described in subsection (c) to carry out this section for a fiscal year, the Secretary shall transfer to the programs specified in paragraph (2)—

“(A) any of the funds reserved for the fiscal year under subsection (i) that the Secretary has not yet awarded under this section; and

“(B) an amount of obligation limitation equal to the amount of funds that the Secretary transfers under subparagraph (A).

“(2) **PROGRAMS.**—The programs referred to in paragraph (1) are—
“(A) the programs under sections 503(b) and 503(e); and

“(B) the programs under sections 512 through 518.

“(3) DISTRIBUTION.—Any transfer of funds and obligation limitation under paragraph (1) shall be divided among the programs referred to in that paragraph in the same proportions as the Secretary originally reserved funding from the programs for the fiscal year under subsection (i).

“(m) DEFINITIONS.—In this section, the following definitions apply:

“(1) ADVANCED TRANSPORTATION TECHNOLOGIES.—The term ‘advanced transportation technologies’ means technologies that improve the efficiency, safety, or state of good repair of surface transportation systems, including intelligent transportation systems.

“(2) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(A) a State or local government or a political subdivision of a State or local government;

“(B) a transit agency;

“(C) a metropolitan planning organization;
“(D) a multijurisdictional group; or

“(E) a consortia of research institutions or academic institutions.

“(3) **MULTIJURISDICTIONAL GROUP.**—The term ‘multijurisdictional group’ means any combination of State governments, local governments, metropolitan planning organizations, transit agencies, or other political subdivisions of a State for which each member of the group—

“(A) has signed a written agreement to implement a project carried out under this section across jurisdictional boundaries; and

“(B) is an eligible entity under this section.

“(4) **SMART GRID.**—The term ‘Smart Grid’ means a system that provides for any of the smart grid functions set forth in section 1306(d) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17386(d)).”.

(b) **CLERICAL AMENDMENT.**—The analysis for chapter 5 of title 23, United States Code, is amended by adding at the end the following new item:

“520. Advanced transportation technologies program.”.

(e) **CONFORMING AMENDMENT.**—Chapter 5 of title 23, United States Code, is amended by striking section 503(e)(4).
SEC. 6002. CONNECTED VEHICLE DEPLOYMENT PILOT PROGRAM.

(a) In General.—Chapter 5 of title 23, United States Code, is further amended by adding at the end the following:

“§ 521. Connected vehicle deployment pilot program

“(a) Establishment.—

“(1) In General.—The Secretary of Transportation shall establish a connected vehicle deployment pilot program to make grants, on a competitive basis, to spur operational deployments to meet the transportation needs of eligible entities through the use of the best available and emerging intelligent transportation systems.

“(2) Goals.—The goals of the program shall be to—

“(A) spur connected vehicle technology deployment through wirelessly connected vehicles that interact with a connected environment, including mobile devices, infrastructure, and other elements;

“(B) realize safety, mobility, and environmental impacts through operational deployments;

“(C) capture and use new forms of connected vehicle and mobile device data to support
improved surface transportation system performance and enhanced performance-based management;

“(D) encourage partnerships of multiple stakeholders (including private companies, State and local agencies, transit agencies, commercial vehicle operators, freight shippers, and transportation network companies);

“(E) deploy applications using data captured from multiple sources (including vehicles, mobile devices, and infrastructure) across all elements of the surface transportation system (including transit, highway, arterial highways, parking facilities, and toll highways); and

“(F) support deployment sites that create foundations for future expanded and enhanced deployments.

“(b) GRANT AMOUNT.—Each grant made under this section shall be in an amount that is at least $10,000,000.

“(c) ELIGIBLE ENTITIES.—The Secretary may make a grant under this section to any of the following entities:

“(1) A State.

“(2) A transit agency.
“(3) A metropolitan planning organization that serves an urbanized area with a population of more than 200,000 individuals.

“(4) A unit of local government.

“(5) A political subdivision of a State or local government.

“(6) A special purpose district or public authority with a transportation function, including a port authority.

“(7) A multijurisdictional group (as defined under section 520).

“(8) A consortia of research institutions or academic institutions.

“(d) ELIGIBLE PROJECTS.—A grant recipient may use funds awarded under this section for a project that deploys connected vehicle applications and technologies, including—

“(1) advanced safety systems, such as systems using cellular technology, vehicle-to-vehicle and vehicle-to-infrastructure communications, technologies associated with autonomous vehicles, and other collision avoidance technologies;

“(2) integration of intelligent transportation systems with the Smart Grid and other energy distribution and charging systems;
“(3) electronic pricing and payment systems;

“(4) advanced mobility and access technologies, such as dynamic ridesharing and information systems to support human services for elderly and disabled individuals; and

“(5) any deployment concept eligible, before the date of enactment of this section, under the connected vehicle pilot deployment program carried out by the Department of Transportation.

“(e) USE OF FUNDS.—Grant amounts received for a project under this section may be used for—

“(1) activities in the development phase, including planning, feasibility analysis, revenue forecasting, environmental review process (as defined under section 139), preliminary engineering and design work, and other preconstruction activities;

“(2) construction, reconstruction, rehabilitation, acquisition of real property (including land related to the project and improvements to the land), environmental mitigation, construction contingencies, acquisition of equipment, and operational improvement directly related to improving system performance;

“(3) providing incentives to attract driver participation; and
“(4) purchasing and installing any connected vehicle equipment (including vehicle applications, roadside units, and back-office equipment).

“(f) APPLICATIONS.—

“(1) IN GENERAL.—To be eligible for a grant under this section, an entity described under subsection (c) shall submit to the Secretary an application in such form, at such time, and containing such information as the Secretary determines is appropriate, including—

“(A) a plan to deploy and provide for the long-term operation and maintenance of connected vehicle technologies to improve safety, efficiency, and system performance;

“(B) objectives to improve and measure system performance in 1 or more of—

“(i) system productivity;

“(ii) mobility, including impact on freight movements;

“(iii) livability and accessibility of goods, services, and activities;

“(iv) environment and fuel use; and

“(v) traveler and system safety, including advising individuals of potentially unsafe conditions and mitigating the im-
pact of events that may cause vehicle accidents; and

“(C) a plan for partnering with private sector entities or public agencies, including multimodal and multijurisdictional entities, research institutions, organizations representing transportation and technology leaders, or other transportation stakeholders.

“(2) CRITERIA.—When evaluating applications under this section, the Secretary may not require that a pilot deployment under the program be based on research carried out or funded by the Department of Transportation.

“(g) GRANT SELECTION.—

“(1) GRANT AWARDS.—Not later than 1 year after the date of enactment of this section, and each fiscal year thereafter, the Secretary shall award grants to not less than 3 and not more than 5 eligible entities described in subsection (c).

“(2) GEOGRAPHIC DIVERSITY.—In awarding a grant under this section, the Secretary shall ensure, to the extent practicable, that grant recipients represent diverse geographic areas of the United States, including urban areas and rural areas.
“(h) GRANT MANAGEMENT.—In carrying out the
grant program under this section, the Secretary shall—
“(1) emphasize project sustainability and long-
term funding goals;
“(2) create a noncompetitive environment and
encourage collaboration among project sites;
“(3) balance the privacy of users and secure op-
erations of pilot projects, while maintaining the abil-
ity to measure performance factors; and
“(4) be wary of technological maturity of con-
nected vehicle applications and impact of long-term
viability of non-deployment ready applications.
“(i) SMART GRID DEFINED.—In this section, the
term ‘Smart Grid’ means a system that provides for any
of the smart grid functions set forth in section 1306(d)
of the Energy Independence and Security Act of 2007 (42
U.S.C. 17386(d)).’’.
(b) CLERICAL AMENDMENT.—The analysis for chap-
ter 5 of title 23, United States Code, is further amended
by adding at the end the following new item:

“521. Connected vehicle deployment pilot program.”.

SEC. 6003. AUTOMATED DRIVING SYSTEM DEMONSTRATION

PROGRAM.

(a) IN GENERAL.—Chapter 5 of title 23, United
States Code, is further amended by adding at the end the
following:
§ 522. Automated driving system demonstration program

(a) Establishment.—

(1) In general.—The Secretary of Transportation shall establish an automated driving system demonstration program to make grants, on a competitive basis, to eligible entities to—

(A) test the safe integration of automated driving system technologies into the on-road transportation system of the United States and demonstrate how challenges to the safe integration of such technologies can be addressed;

(B) ensure significant data gathering and sharing of project data to identify—

(i) a baseline of safety metrics needed to characterize the safety risk of integrating automated driving system technologies into the transportation system; and

(ii) a baseline of roadway characteristics needed for the safe and efficient operation of automated driving system technologies; and

(C) encourage collaboration and partnerships of multiple stakeholders to carry out subparagraphs (A) and (B).
“(b) ELIGIBLE ENTITIES.—The Secretary may make a grant under this section to the following:

“(1) A State.

“(2) A transit agency.

“(3) A metropolitan planning organization that serves an urbanized area with a population of more than 200,000 individuals.

“(4) A unit of local government.

“(5) A political subdivision of a State or local government.

“(6) A special purpose district or public authority with a transportation function, including a port authority.

“(7) A public academic institution, public research institution or a consortia of research institutions or academic institutions.

“(8) A multijurisdictional group (as such term is defined in section 520).

“(c) APPLICATIONS.—To be eligible for a grant under this section, an entity described under subsection (b) shall submit to the Secretary an application in such form, at such time, and containing such information as the Secretary determines is appropriate.

“(d) ELIGIBLE USES.—
“(1) IN GENERAL.—A grant recipient may use funds awarded under this section to demonstrate automated driving system technologies, including—

“(A) advanced safety systems, such as systems using cellular technology, vehicle-to-vehicle and vehicle-to-infrastructure communications, technologies associated with autonomous vehicles, and other collision avoidance technologies;

“(B) innovative mobility solutions that involve deployment of automated vehicles;

“(C) automated driving systems that enhance safety and mobility for elderly and disabled individuals;

“(D) demonstration of shared interoperable fleet of automated vehicles;

“(E) demonstration and validation of exchanges of data that can support the safe, efficient, and secure interoperable integration of automated driving systems;

“(F) any technology associated with automated driving systems; and

“(G) any deployment concept eligible under the automated driving system demonstration grant program carried out by the Department
of Transportation before the date of enactment of this section.

“(2) ADDITIONAL USES.—A grant recipient may use funds awarded under this section for infrastructure needs, including capital expenses and maintenance activities, necessary to the proper and safe operation of the automated driving system technology.

“(e) GRANT SELECTION.—

“(1) GRANT AWARDS.—The Secretary may award grants to not less than 8 and not more than 10 eligible entities described under subsection (b) in a fiscal year.

“(2) GEOGRAPHIC DIVERSITY.—

“(A) IN GENERAL.—In awarding a grant under this section, the Secretary shall ensure, to the maximum extent practicable, that grant recipients represent diverse geographic areas of the United States, including urban areas and rural areas.

“(B) RURAL SET-ASIDE.—Not less than 20 percent of the amounts made available to carry out this section shall be reserved for projects serving rural areas, to the extent there are sufficient eligible applications for such projects.
“(f) DEMONSTRATION REQUIREMENTS.—The Secretary shall ensure that any project carried out with funds provided under this section shall—

“(1) carry out research and development of automated driving system technologies of Level 3 or greater, as such term is defined under subsection (h);

“(2) include physical and fully operational demonstrations;

“(3) include gathering and sharing of all relevant data with the Department of Transportation and the relevant State transportation agencies; and

“(4) address scalability to be applicable across the United States to similar road environments.

“(g) REPORT.—Not later than 1 year after the date on which a grant recipient receives a grant under this section, and annually thereafter until such grant is expended, the recipient shall submit to the Secretary and to the transportation agency of the State in which the project takes place, a report that describes—

“(1) lessons learned and how the demonstration has met project objectives;

“(2) a summary of any complications experienced with the project, including complications re-
lated to pedestrians, infrastructure, and other vehicles;

“(3) how to use the results of the project to help the public interact and better understand the operations of automated driving system technologies; and

“(4) recommendations for improving roadway characteristics needed for the safe and efficient operation of automated driving system technologies within the State or jurisdiction in which the project took place.

“(h) GUIDANCE REQUIRED.—Not later than 120 days after the date of enactment of this section, the Secretary shall issue guidance defining the term ‘Level 3 or greater’ by considering industry best practices and standards, including the definition found within ‘Taxonomy and Definitions for Terms Related to Driving Automation Systems for On-Road Motor Vehicles’ published by SAE International on June 15, 2018 (J3016_201806), or subsequent versions.

“(i) AUTOMATED DRIVING SYSTEM TECHNOLOGIES DEFINED.—In this section, the term ‘automated driving system technologies’ means the hardware and software that are collectively capable of performing the entire dynamic driving task on a sustained basis, regardless of
whether such capability is limited to a specific operational
design domain.”

(b) CLERICAL AMENDMENT.—The analysis for chap-
ter 5 of title 23, United States Code, is further amended
by adding at the end the following new item:
“522. Automated driving system demonstration program.”

(c) PREPARING ROADWAYS FOR AUTOMATED VEHI-
CLES.—Section 133(b) of title 23, United States Code, is
amended by adding at the end the following:
“(16) Capital and maintenance expenses for in-
frastructure improvements to ensure the proper and
safe operation of automated driving system tech-
nologies for which a demonstration project was car-
ried out under section 522.”

SEC. 6004. ACCELERATED IMPLEMENTATION AND DEPLOY-
MENT OF ADVANCED DIGITAL CONSTRU-
TION MANAGEMENT SYSTEMS.

(a) IN GENERAL.—Section 503(c) of title 23, United
States Code, is amended by adding at the end the fol-
lowing:
“(4) ACCELERATED IMPLEMENTATION AND DE-
PLOYMENT OF ADVANCED DIGITAL CONSTRUCTION
MANAGEMENT SYSTEMS.—
“(A) IN GENERAL.—Not later than 6
months after the date of enactment of this
paragraph, the Secretary of Transportation
shall establish and implement an advanced digital construction management system program under the technology and innovation deployment program established under paragraph (1) and implemented pursuant to paragraph (2) to—

“(i) deploy advanced digital construction management systems that enable the use of digital technologies on construction sites by contractors and leverage the use of such technologies, including state-of-the-art automated and connected machinery and optimized routing software that allows individuals to perform tasks faster, safer, more accurately, and with minimal supervision;

“(ii) accelerate State adoption of advanced digital construction management systems applied throughout the design, engineering, construction, and operations phases of a construction project that—

“(I) maximize interoperability with other systems, products, tools, or applications;

“(II) increase productivity;
“(III) manage complexity of a construction project;

“(IV) reduce project delays and cost overruns; and

“(V) enhance safety of individuals involved and quality of a construction project;

“(iii) share information among stakeholders through reduced reliance on paper to manage construction processes and deliverables, including blueprints, design drawings, procurement and supply-chain orders, equipment logs, daily progress reports, and punch lists;

“(iv) develop and deploy best practices for use in advanced digital construction management systems;

“(v) increase the adoption and deployment of technology by States and units of local government that enables entities carrying out construction projects to—

“(I) integrate the adoption of advanced digital construction management systems and technologies in contracts; and
“(II) weigh the cost of digitization and technology in setting project budgets;

“(vi) implement technology training and workforce development to build the capabilities of entities carrying out construction projects that enables States and units of local government to—

“(I) better manage projects using advanced digital construction management technologies; and

“(II) properly measure and reward technology adoption across construction projects carried out by the State or unit of local government;

“(vii) develop guidance to assist States in updating regulations of such States to allow entities carrying out construction projects to—

“(I) report data relating to the project in digital formats; and

“(II) fully capture the efficiencies and benefits of advanced digital construction management systems and related technologies;
“(viii) reduce the environmental footprint of construction projects by using advanced digital construction management systems to eliminate traffic congestion through more efficient projects; and

“(ix) enhance worker and roadway user safety.

“(B) FUNDING.—The Secretary shall obligate for each of fiscal years 2022 through 2026 from funds made available to carry out this subsection such funds as may be necessary to carry out this paragraph.

“(C) PUBLICATION.—

“(i) IN GENERAL.—At least once every 2 years, the Secretary shall issue and make available to the public on the website of the Department of Transportation a report on—

“(I) progress made in the implementation of advanced digital construction management systems by States; and

“(II) the costs and benefits of the deployment of technology and in-
novations resulting from the program established under this paragraph.

“(ii) INCLUSIONS.—The report required under clause (i) may include an analysis of—

“(I) Federal, State, and local cost savings;

“(II) project delivery time improvements;

“(III) traffic congestion impacts; and

“(IV) safety improvements for roadway users and construction workers.

“(D) ADVANCED DIGITAL CONSTRUCTION MANAGEMENT SYSTEMS DEFINED.—In this paragraph, the term ‘advanced digital construction management systems’ means commercially-proven digital technologies and processes for the management of construction and engineering activities, including—

“(i) systems for infrastructure planning, coordination, construction, maintenance, modernization and management; and
“(ii) asset management systems for machines, site equipment, and personnel.”.

(b) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that includes—

(1) a description of—

(A) the status of the program carried out under section 503(c)(4) of title 23, United States Code, and any other use of advanced digital construction management systems in each State; and

(B) the progress of each State toward accelerating the adoption of advanced digital construction management systems; and

(2) an analysis of the savings in project delivery time and project costs that can be achieved through the use of advanced digital construction management systems.

SEC. 6005. INNOVATIVE PROJECT DELIVERY METHODS.

Section 120(c)(3) of title 23, United States Code, is amended—

(1) in subparagraph (B)—
(A) in clause (v) by striking “or” at the end;

(B) in clause (vi) by striking the period and inserting “; or”; and

(C) by inserting at the end the following:

“(vii) advanced digital construction management systems as defined in section 503(c)(4).”; and

(2) in subparagraph (C)(i) by striking “10 percent” and inserting “25 percent”.

SEC. 6006. SURFACE TRANSPORTATION SYSTEM FUNDING ALTERNATIVES.

Section 6020 of the FAST Act (23 U.S.C. 503 note) is amended—

(1) in subsection (a)—

(A) by striking “States” and inserting “States or groups of States”; and

(B) by inserting “to motor fuel and diesel taxes” after “alternative revenue mechanisms”; 

(2) by striking subsection (b) and inserting the following:

“(b) APPLICATION.—

“(1) IN GENERAL.—To be eligible for a grant under this section, a State or group of States shall submit to the Secretary an application in such form
and containing such information as the Secretary shall require, including—

“(A) for any State or group of States that has received a grant to carry out a program under this section, how such State or group of States will use the grant to build on any such program;

“(B) how the State or group of States will collect and analyze data on—

“(i) lowering the administrative cost to collect revenue;

“(ii) user experience with and acceptance of a user-based alternative revenue mechanism;

“(iii) impacts on rural and urban users;

“(iv) potential revenue generation; and

“(v) revenue collection compliance strategies; and

“(C) for any State or group of States that has not received a grant to carry out a program under this section, how the State or group of States—
“(i) will avoid redundancies with any other pilot programs for user-based alternative revenue mechanisms carried out by the applicant; and

“(ii) plans to use best practices from any such pilot programs in structuring the program for which such funds are provided.

“(2) APPLICATION GUIDANCE.—Not later than 30 days after the date of enactment of the STARTER Act 2.0, the Secretary shall publish online guidance on submission of an application for the program.”;

(3) in subsection (e)—

(A) by striking paragraph (1) and inserting the following:

“(1) To test the design, acceptance, equity, and implementation of user-based alternative revenue mechanisms, including among—

“(A) differing income groups;

“(B) various geographic areas;

“(C) rural and urban drivers; and

“(D) unique design requirements for certain motor vehicles, including motorcycles.”;

and
(B) in paragraph (5) by striking “To minimize the administrative cost” and inserting “To quantify and minimize the administrative costs”;

(4) in subsection (d)(1)(B) by inserting “and the safety of data collection” before the semicolon;

(5) in subsection (e) by striking “shall” and inserting “may”;

(6) by striking subsection (g) and inserting the following:

“(g) FEDERAL SHARE.—The Federal share of the cost of an activity carried out under this section may not exceed—

“(1) 80 percent of the total cost of an activity that involves 2 or more States; and

“(2) 80 percent of the total cost of any activity not described in paragraph (1).”;

(7) in subsection (h)(2) by striking “lessons learned” and inserting “recommendations”; and

(8) by striking subsections (j) and (k) and inserting the following:

“(j) FUNDING.—Of the funds authorized to carry out section 503(b) of title 23, United States Code, the Secretary shall reserve such sums as may be necessary to carry out this section.
“(k) PLANNING GRANTS.—

“(1) PLANNING, PREPARATION, DESIGN.—Of the funds authorized to carry out this section, the Secretary may award grants in amounts not to exceed 10 percent of such funds to States or groups of States for the planning, preparation, or design of projects eligible for funding under this section.

“(2) ELIGIBLE USES.—A State or group of States receiving funding under this subsection may use the funds for planning, preparation, or design of an implementable pilot project, as well as the examination of issues related to data and privacy, cybersecurity, and the financial analysis of urban and rural impacts of a project.

“(3) MAXIMUM AMOUNT.—A grant under this subsection shall not exceed $1,000,000.

“(4) ELIGIBILITY REQUIREMENT.—To be eligible to receive funds under this subsection, an State or group of States shall describe to the Secretary how the State or group of States—

“(A) will avoid redundancies with any other pilot programs for user-based alternative revenue mechanisms carried out by the applicant; and
“(B) plans to use best practices from any such pilot programs in structuring the program for which such funds are provided.

“(l) GRANT FLEXIBILITY.—

“(1) IN GENERAL.—If there are not enough grant applications that meet the requirements of this section for a fiscal year, the Secretary may transfer to the program under section 503(b) of title 23, United States Code, to remain available until expended—

“(A) any of the funds reserved for the fiscal year under subsection (j) that the Secretary has not yet awarded under this section; and

“(B) an amount of obligation limitation equal to the amount of funds that the Secretary transfers under this subsection.

“(2) NOTIFICATION.—If, by August 1 of each fiscal year, the Secretary determines that there are not enough grant applications that meet the requirements of this section for a fiscal year, the Secretary shall submit a written notification of the intent to transfer funds under this subsection to the Committee on Appropriations and the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Appropria-
tions and the Committee on Environment and Public Works of the Senate.

“(3) AUTHORIZATION OF TRANSFER.—The Sec-
retary shall carry out the transfer described in para-
graph (1) if the committees described in paragraph
(2) provide written authorization to the Secretary
for such transfer not later than 30 days after receiv-
ing a notification under paragraph (2).”.

SEC. 6007. SURFACE TRANSPORTATION SYSTEM ROAD
USAGE CHARGE NATIONAL PILOT PROGRAM.

(a) Establishment.—Not later than 60 days after
the date of enactment of this Act, the Secretary of Trans-
portation, in consultation with the Secretary of the Treas-
ury, shall establish a pilot program (referred to in this
section as the “Pilot Program”) to demonstrate implemen-
tation of a national per-mile road usage charge.

(b) Objectives.—In establishing the Pilot Program,
the Secretary of Transportation and the Secretary of the
Treasury shall carry out the following objectives:

(1) Test the design, acceptance, implementa-
tion, and financial sustainability of a national per-
mile road usage charge.

(2) Collect and report data on the differential
effects of a national per-mile road usage charge and
the Federal motor fuels tax between urban and rural
drivers.

(3) Collect and report data on the interoper-
ability of road usage charge collection between
States.

(4) Create and implement a national public
awareness campaign to increase public awareness re-
garding a national per-mile user fee, including dis-
tributing information related to the pilot program
carried out under this section and information from
the State surface transportation system funding
pilot program under section 6020 of the FAST Act
(23 U.S.C. 503 note).

(5) Address the need for additional revenue for
surface transportation infrastructure and a national
per-mile user fee.

(6) Provide recommendations regarding adop-
tion and implementation of a national per-mile road
usage charge and a recommendation for the amount
of the national per-mile road usage charge.

(c) SURFACE TRANSPORTATION SYSTEM ROAD
USAGE CHARGE ADVISORY BOARD.—

(1) IN GENERAL.—In carrying out the Pilot
Program, the Secretary of Transportation shall es-
establish a surface transportation system road usage charge advisory board to—

(A) advance and implement the objectives under subsection (b); and

(B) develop the recommendations and report under subsection (j)(1).

(2) MEMBERS.—The advisory board established under paragraph (1) shall, at a minimum, be composed of a total of 15 representatives of the following entities, to be appointed by the Secretary:

(A) State departments of transportation or State transportation commissions.

(B) Local transportation agencies located within a transportation management area (as identified or designated under section 134(k) of title 23, United States Code).

(C) Any public or nonprofit entity that carried out a surface transportation system funding alternatives pilot project under section 6020 of the FAST Act (23 U.S.C. 503 note).

(D) Owners and operators of toll facilities.

(E) Fleet operators of commercial motor vehicles.

(F) Academic experts on surface transportation.
(G) Private sector technology companies.

(H) Automobile manufacturers.

(I) Other members as designated by the Secretary.

(3) APPLICATION OF LAW.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory board established under paragraph (1).

(d) PROGRAM REQUIREMENTS.—In carrying out the Pilot Program, the Secretary of Transportation, in consultation with the Secretary of the Treasury, shall—

(1) establish appropriate methods for reporting vehicle miles traveled under the program;

(2) solicit volunteer participants from all 50 states and the District of Columbia;

(3) ensure an appropriate geographic distribution by population among volunteer participants;

(4) enter into agreements, as practicable, with owners of passenger and commercial motor vehicle fleets or law enforcement motorcycle fleets for the collection and sharing of anonymized data throughout the pilot program;

(5) enter into agreements with entities of the passenger motor vehicle industry, motorcycle industry, and commercial vehicle industry to develop a
technology standard for onboard units used to report vehicle miles traveled; and

(6) use components of and information from the State pilots under section 6020 of the FAST Act (23 U.S.C. 503 note), as applicable.

(e) METHODS.—In establishing a method for collecting information on vehicle miles traveled under the Pilot Program, the Secretary of Transportation shall consider the following:

(1) Third-party on-board diagnostic system-II devices.

(2) Smart phone applications.

(3) Solicitation of voluntary reporting by volunteer participants.

(4) Solicitation of voluntary reporting by car insurance companies.

(5) Solicitation of voluntary reporting through State departments of motor vehicles.

(6) Any other method that the Secretary of Transportation considers appropriate.

(f) PRIVACY OF PARTICIPANTS.—Not later than 30 days after establishing the Pilot Program, the Secretary of Transportation, in consultation with the Secretary of the Treasury, shall issue policies to—
(1) protect the privacy and security of volunteer participants and their vehicles; and

(2) secure the data provided by volunteer participants.

(g) **Calculation of Per-Mile Road Usage Charge.**—For the purposes of the Pilot Program, the Secretary of the Treasury shall establish on an annual basis—

(1) for motor vehicles that are not commercial motor vehicles, a per mile road usage charge that is equivalent to the annual gas tax revenues collected pursuant to section 4081 of the Internal Revenue Code of 1986 divided by the total vehicle miles traveled by such motor vehicles; and

(2) for commercial motor vehicles, a per mile road usage charge equivalent to the annual diesel tax revenues collected pursuant to section 4041 of the Internal Revenue Code of 1986 divided by the total vehicle miles traveled by medium and heavy-duty trucks.

(h) **Revenue Collection.**—

(1) **In General.**—The Secretary of the Treasury, in coordination with the Secretary of Transportation, may establish a mechanism to collect a per-
mile road usage charge from volunteer participants under the Pilot Program that—

(A) may be adjusted as needed to address technical challenges; and

(B) may allow third-party vendors to collect the payments and submit such payments to the Secretary of the Treasury.

(2) LIMITATION ON REVENUE COLLECTED.—Any revenue collected under this section shall not be considered a toll under section 301 of title 23, United States Code.

(3) HIGHWAY TRUST FUND.—Notwithstanding any other provision of law, the Secretary of the Treasury shall ensure that any revenue collected under this section is deposited into the Highway Trust Fund.

(i) REFUND.—The Secretary of the Treasury shall annually calculate and issue an equivalent refund to volunteer participants for any otherwise applicable Federal motor fuel taxes under sections 4041 and 4081 of the Internal Revenue Code of 1986.

(j) REPORTS.—

(1) ADVISORY BOARD.—Not later than 1 year after the date on which the surface transportation system road usage charge advisory board is estab-
lished under subsection (c), such board shall submit
to the Secretary of Transportation a report on the
progress of the Pilot Program in meeting the objec-
tives described in subsection (b).

(2) REPORT TO CONGRESS.—Not later than 1
year after the date on which volunteer participants
begin participating in the Pilot Program, and each
year thereafter, the Secretary of Transportation and
the Secretary of the Treasury shall submit to the
Committee on Transportation and Infrastructure
and the Committee on Ways and Means of the
House of Representatives and the Committee on En-
vironment and Public Works and the Committee on
Finance of the Senate a report on the Pilot Pro-
gram, including the report and recommendations
submitted to the Secretary under paragraph (1).

(k) DEFINITIONS.—In this section:

(1) COMMERCIAL MOTOR VEHICLE.—The term
“commercial motor vehicle” has the meaning given
the term in section 31101 of title 49, United States
Code.

(2) HIGHWAY TRUST FUND.—The term “High-
way Trust Fund” means the Highway Trust Fund
established under section 9503 of the Internal Rev-
(3) VOLUNTEER PARTICIPANT.—The term “volunteer participant” means—

(A) the individual owner of a passenger motor vehicle or commercial motor vehicle who volunteers to participate in the Pilot Program; and

(B) the owner of a fleet of commercial motor vehicles or passenger motor vehicles who volunteers to participate in the Pilot Program.

SEC. 6008. IMPLEMENTATION OF PER-MILE ROAD USAGE CHARGE FOR FEDERAL VEHICLES.

Not later than October 1, 2026, the Secretary of Transportation shall issue such regulations as are necessary to—

(1) establish and implement a per-mile road charge for all vehicles owned and operated by the Federal Government, at a rate determined by the Secretary; and

(2) provide for reimbursement for annual gas tax revenues paid on behalf of such vehicles.
TITLE VII—RESILIENCY

SEC. 7001. PROMOTING RESILIENT OPERATIONS FOR TRANSFORMATIVE, EFFICIENT, AND COST-SAVING TRANSPORTATION (PROTECT) GRANT PROGRAM.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code, as amended by this Act, is further amended by adding at the end the following:

“§ 173. Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) grant program

“(a) DEFINITIONS.—In this section:

“(1) EMERGENCY EVENT.—The term ‘emergency event’ means—

“(A) a natural disaster or catastrophic failure or an imminent natural disaster or catastrophic failure resulting in an emergency declared by the Governor of the State in which the disaster or failure occurred or will occur; or

“(B) an event for which the President declares a major disaster or emergency under section 401 or 501, respectively, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170 and 5191).
“(2) EVACUATION ROUTE.—The term ‘evacuation route’ means a transportation route or system that—

“(A) is owned, operated, or maintained by a Federal, State, Indian Tribe, or local government or a private entity;

“(B) is used—

“(i) to transport the public away from emergency events; or

“(ii) to transport emergency responders and recovery resources; and

“(C) is designated by the eligible entity with jurisdiction over the area in which the route is located for the purposes described in subparagraph (B).

“(3) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given such term in section 207(m)(1).

“(4) PROGRAM.—The term ‘program’ means the grant program established under subsection (b)(1).

“(5) RESILIENCE IMPROVEMENT.—The term ‘resilience improvement’ means the use of materials or structural or nonstructural techniques, including natural infrastructure—
“(A) that allow a project—

“(i) to better anticipate, prepare for, and adapt to changing conditions and to withstand and respond to disruptions; or

“(ii) to be better able to continue to serve the primary function of the project during and after emergency events for the expected life of the project; or

“(B) that—

“(i) reduce the cost, magnitude, and duration of the effects of emergency events on a project; or

“(ii) have the absorptive capacity, adaptive capacity, and recoverability to decrease project vulnerability to emergency events.

“(b) ESTABLISHMENT.—

“(1) IN GENERAL.—The Secretary shall establish a grant program, to be known as the ‘Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation grant program’ or the ‘PROTECT grant program’.

“(2) PURPOSE.—The purpose of the program is to provide grants for resilience improvements through—
“(A) formula funding distributed to States;

“(B) competitive planning grants to enable communities to assess vulnerabilities to emergency events, and plan infrastructure improvements and emergency response strategies to address such vulnerabilities; and

“(C) competitive resilience improvement grants to protect—

“(i) infrastructure assets by making the assets more resilient to current and future weather events and natural disasters, including severe storms, flooding, tornados, drought, levee and dam failures, wildfire, landslides, sea level rise, extreme weather (including extreme temperature), and earthquakes;

“(ii) communities through resilience improvements and strategies that allow for the continued operation or rapid recovery of surface transportation systems that—

“(I) serve critical local, regional, and national needs, including evacuation routes; and

“(II) provide access or service to hospitals and other medical or emer-
gency service facilities, major employers, critical manufacturing centers, ports and intermodal facilities, utilities, and Federal facilities;

“(iii) coastal infrastructure, such as a tide gate, that is at long-term risk to sea level rise; and

“(iv) natural infrastructure that protects and enhances surface transportation assets while improving ecosystem conditions, including culverts that ensure adequate flows in rivers and estuarine systems.

“(c) FORMULA AWARDS.—

“(1) DISTRIBUTION OF FUNDS TO STATES.—

“(A) IN GENERAL.—For each fiscal year, the Secretary shall distribute among the States the amounts made available to carry out this subsection for that fiscal year in accordance with subparagraph (B).

“(B) DISTRIBUTION.—The amount for each State shall be determined by multiplying the total amount made available to carry out this subsection for the applicable fiscal year by the ratio that—
“(i) the total base apportionment for
the State under section 104(e); bears to
“(ii) the total base apportionments for
all States under section 104(e).
“(2) ELIGIBLE ACTIVITIES.—
“(A) IN GENERAL.—Except as provided in
subsection (d)(4).
“(B) PLANNING SET-ASIDE.—Of the
amounts made available to each State under
paragraph (1) for each fiscal year, not less than
2 percent shall be for activities described in
subsection (d)(3).
“(3) REQUIREMENTS.—
“(A) PROJECTS IN CERTAIN AREAS.—If a
project under this subsection is carried out, in
whole or in part, within a base floodplain, the
State shall—
“(i) identify the base floodplain in
which the project is to be located and dis-
close that information to the Secretary;
“(ii) indicate to the Secretary whether the State plans to implement 1 or more components of the risk mitigation plan under section 322 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5165) with respect to the area.

“(B) ELIGIBILITIES.—A State shall use funds made available under paragraph (1) for—

“(i) a highway project eligible for assistance under this title;

“(ii) a public transportation facility or service eligible for assistance under chapter 53 of title 49; or

“(iii) a facility or service for intercity rail passenger transportation (as defined in section 24102 of title 49).

“(C) SYSTEM RESILIENCE.—A project carried out by a State with funds made available under this subsection may include, consistent with State hazard mitigation plans, the use of natural infrastructure or the construction or modification of storm surge, flood protection, or aquatic ecosystem restoration elements that are
functionally connected to a transportation improvement, such as—

“(i) increasing marsh health and total area adjacent to a highway right-of-way to promote additional flood storage;

“(ii) upgrades to and installation of culverts designed to withstand 100-year flood events;

“(iii) upgrades to and installation of tide gates to protect highways; and

“(iv) upgrades to and installation of flood gates to protect tunnel entrances.

“(D) FEDERAL COST SHARE.—

“(i) IN GENERAL.—Except as provided in subsection (f)(1), the Federal share of the cost of a project carried out using funds made available under paragraph (1) shall not exceed 80 percent of the total cost of the project.

“(ii) NON-FEDERAL SHARE.—A State may use Federal funds other than Federal funds made available under this subsection to meet the non-Federal cost share requirement for a project under this subsection.
“(E) ELIGIBLE PROJECT COSTS.—

“(i) IN GENERAL.—Except as provided in clause (ii), eligible project costs for activities carried out by a State with funds made available under paragraph (1) may include the costs of—

“(I) development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other preconstruction activities; and

“(II) construction, reconstruction, rehabilitation, and acquisition of real property (including land related to the project and improvements to land), environmental mitigation, construction contingencies, acquisition of equipment directly related to improving system performance, and operational improvements.

“(ii) ELIGIBLE PLANNING COSTS.—In the case of a planning activity described in subsection (d)(3) that is carried out by a State with funds made available under
paragraph (1), eligible costs may include development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, other preconstruction activities, and other activities consistent with carrying out the purposes of subsection (d)(3).

“(F) LIMITATIONS.—In carrying out this subsection, a State—

“(i) may use not more than 25 percent of the amounts made available under this subsection for the construction of new capacity so long as such inclusion is cost-effective and is directly related to the underlying project; and

“(ii) may use not more than 10 percent of the amounts made available under this subsection for activities described in subparagraph (E)(i)(I).

“(d) COMPETITIVE AWARDS.—

“(1) IN GENERAL.—In addition to funds distributed to States under subsection (c)(1), the Secretary shall provide grants on a competitive basis
under this subsection to eligible entities described in paragraph (2).

“(2) ELIGIBLE ENTITIES.—The Secretary may make a grant under this subsection to any of the following:

“(A) A State or political subdivision of a State.

“(B) A metropolitan planning organization.

“(C) A unit of local government.

“(D) A special purpose district or public authority with a transportation function, including a port authority.

“(E) An Indian tribe.

“(F) A Federal land management agency that applies jointly with a State or group of States.

“(G) A multi-State or multijurisdictional group of entities described in subparagraphs (A) through (F).

“(3) PLANNING GRANTS.—Using funds made available for purposes under this subsection, the Secretary shall provide planning grants to eligible entities for the purpose of—
“(A) in the case of a State or metropolitan planning organization, developing a resilience improvement plan under subsection (f)(2);

“(B) resilience planning, predesign, design, or the development of data tools to simulate transportation disruption scenarios, including vulnerability assessments;

“(C) technical capacity building by the eligible entity to facilitate the ability of the eligible entity to assess the vulnerabilities of the infrastructure assets and community response strategies of the eligible entity under current conditions and a range of potential future conditions; or

“(D) evacuation planning and preparation.

“(4) RESILIENCE GRANTS.—

“(A) RESILIENCE IMPROVEMENT GRANTS.—

“(i) IN GENERAL.—Using funds made available for purposes under this subsection, the Secretary shall provide resilience improvement grants to eligible entities to carry out 1 or more eligible activities under clause (ii).

“(ii) ELIGIBLE ACTIVITIES.—
“(I) IN GENERAL.—An eligible entity may use a resilience improvement grant under this subparagraph for 1 or more construction activities to enable an existing surface transportation infrastructure asset to withstand or reduce the costs and impact of 1 or more elements of an emergency event, or to increase the resilience of surface transportation infrastructure from the costs and impacts of changing conditions, such as sea level rise, flooding, extreme weather events, and other natural disasters.

“(II) INCLUSIONS.—An activity eligible to be carried out under this subparagraph includes—

“(aa) resurfacing, restoration, rehabilitation, reconstruction, replacement, improvement, or realignment of an existing surface transportation facility eligible for assistance under this title;

“(bb) the incorporation of natural infrastructure;
“(cc) the upgrade of an existing surface transportation facility to meet or exceed Federal Highway Administration approved design standards;

“(dd) the installation of mitigation measures that prevent the intrusion of floodwaters into surface transportation systems;

“(ee) strengthening systems that remove rainwater from surface transportation facilities;

“(ff) a resilience project that addresses identified vulnerabilities described in the resilience improvement plan of the eligible entity, if applicable;

“(gg) relocating roadways in a base floodplain to higher ground above projected flood elevation levels, or away from slide prone areas;

“(hh) stabilizing slide areas or slopes;

“(ii) installing riprap;
“(jj) lengthening or raising bridges to increase waterway openings, including to respond to extreme weather;

“(kk) deepening channels to prevent flooding;

“(ll) increasing the size or number of drainage structures;

“(mm) installing seismic retrofits on bridges;

“(nn) adding scour protection at bridges;

“(oo) adding scour, stream stability, coastal, and other hydraulic countermeasures, including spur dikes; and

“(pp) any other protective features, including natural infrastructure, as determined by the Secretary.

“(iii) PRIORITY.—The Secretary shall prioritize a resilience improvement grant to an eligible entity if—

“(I) the Secretary determines—
“(aa) the benefits of the eligible activity proposed to be carried out by the eligible entity exceed the costs of the activity; and

“(bb) there is a need to address the vulnerabilities of infrastructure assets of the eligible entity with a high risk of, and impacts associated with, failure due to the impacts of emergency events or changing conditions, such as sea level rise and increased flood risk; or

“(II) the eligible activity proposed to be carried out by the eligible entity is included in the applicable resilience improvement plan under subsection (f)(2).

“(B) COMMUNITY RESILIENCE AND EVACUATION ROUTE GRANTS.—

“(i) IN GENERAL.—Using funds made available for purposes under this subsection, the Secretary shall provide community resilience and evacuation route
grants to eligible entities to carry out 1 or more eligible activities under clause (ii).

“(ii) ELIGIBLE ACTIVITIES.—An eligible entity may use a community resilience and evacuation route grant under this subparagraph for 1 or more projects that strengthen and protect evacuation routes that are essential for providing and supporting evacuations caused by emergency events, including a project that—

“(I) is an eligible activity under subparagraph (A)(ii), if such eligible activity will improve an evacuation route;

“(II) ensures the ability of the evacuation route to provide safe passage during an evacuation and reduces the risk of damage to evacuation routes as a result of future emergency events, including restoring or replacing existing evacuation routes that are in poor condition or not designed to meet the anticipated demand during an emergency event, and
including steps to protect routes from mud, rock, or other debris slides;

“(III) if the Secretary determines that existing evacuation routes are not sufficient to adequately facilitate evacuations, including the transportation of emergency responders and recovery resources, expands the capacity of evacuation routes to swiftly and safely accommodate evacuations, including installation of—

“(aa) communications and intelligent transportation system equipment and infrastructure;

“(bb) counterflow measures;

or

“(cc) shoulders;

“(IV) is for the construction of—

“(aa) new or redundant evacuation routes, if the Secretary determines that existing evacuation routes are not sufficient to adequately facilitate evacuations, including the trans-
portation of emergency responders and recovery resources; or

“(bb) sheltering facilities that are functionally connected to an eligible project;

“(V) is for the acquisition of evacuation route or traffic incident management equipment, vehicles, or signage; or

“(VI) will ensure access or service to critical destinations, including hospitals and other medical or emergency service facilities, major employers, critical manufacturing centers, ports and intermodal facilities, utilities, and Federal facilities.

“(iii) PRIORITY.—The Secretary shall prioritize community resilience and evacuation route grants under this subparagraph for eligible activities that are cost-effective, as determined by the Secretary, taking into account—

“(I) current and future vulnerabilities to an evacuation route due to future occurrence or recurrence
of emergency events that are likely to occur in the geographic area in which
the evacuation route is located; and

“(II) projected changes in development patterns, demographics, and
extreme weather events based on the best available evidence and analysis.

“(iv) CONSULTATION.—In providing grants for community resilience and evacuation routes under this subparagraph, the Secretary shall consult with the Administrator of the Federal Emergency Management Agency, who shall provide technical assistance to the Secretary and to eligible entities.

“(C) AT-RISK COASTAL INFRASTRUCTURE GRANTS.—

“(i) DEFINITION OF COASTAL STATE.—In this subparagraph, the term ‘coastal State’ means—

“(I) a State in, or bordering on, the Atlantic, Pacific, or Arctic Ocean, the Gulf of Mexico, the Long Island Sound, or 1 or more of the Great Lakes;
“(II) the United States Virgin Islands;

“(III) Guam;

“(IV) American Samoa;

“(V) the Commonwealth of the Northern Mariana Islands; and

“(VI) Puerto Rico.

“(ii) GRANTS.—Using funds made available for purposes under this sub-
section, the Secretary shall provide at-risk coastal infrastructure grants to eligible en-
tities in coastal States to carry out 1 or more eligible activities under clause (iii).

“(iii) ELIGIBLE ACTIVITIES.—An eli-
gible entity may use an at-risk coastal in-
frastructure grant under this subpara-
graph for strengthening, stabilizing, hard-
ening, elevating, relocating, or otherwise enhancing the resilience of highway and non-rail infrastructure, including bridges, roads, pedestrian walkways, and bicycle lanes, and associated infrastructure (such as culverts and tide gates) that are subject to, or face increased long-term future risks of, an emergency event or changing condi-
tions, including coastal flooding, coastal erosion, wave action, storm surge, or sea level rise, in order to improve transportation and public safety and to reduce costs by avoiding larger future maintenance or rebuilding costs.

“(iv) CRITERIA.—The Secretary shall provide at-risk coastal infrastructure grants under this subparagraph for a project—

“(I) that addresses the risks from a current or future weather event or natural disaster, including coastal flooding, coastal erosion, wave action, storm surge, or sea level rise; and

“(II) that reduces long-term infrastructure costs by avoiding larger future maintenance or rebuilding costs.

“(v) COASTAL BENEFITS.—In addition to the criteria under clause (iv), for the purpose of providing at-risk coastal infrastructure grants under this subpara-
graph, the Secretary shall evaluate the extent to which a project will provide—

“(I) access to coastal homes, businesses, communities, and other critical infrastructure, including access by first responders and other emergency personnel; or

“(II) access to a designated evacuation route.

“(5) GRANT REQUIREMENTS.—

“(A) SOLICITATIONS FOR GRANTS.—In providing grants under this subsection, the Secretary shall conduct a transparent and competitive national solicitation process to select eligible projects to receive grants under paragraph (3) and subparagraphs (A), (B), and (C) of paragraph (4).

“(B) APPLICATIONS.—

“(i) IN GENERAL.—To be eligible to receive a grant under paragraph (3) or subparagraph (A), (B), or (C) of paragraph (4), an eligible entity shall submit to the Secretary an application in such form, at such time, and containing such informa-
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tion as the Secretary determines to be nec-
essary.

“(ii) PROJECTS IN CERTAIN AREAS.—
If a project is proposed to be carried out
by the eligible entity, in whole or in part,
within a base floodplain, the eligible entity
shall—

“(I) as part of the application,
identify the floodplain in which the
project is to be located and disclose
that information to the Secretary; and

“(II) indicate in the application
whether, if selected, the eligible entity
will implement 1 or more components
of the risk mitigation plan under sec-
tion 322 of the Robert T. Stafford
Disaster Relief and Emergency Assist-
ance Act (42 U.S.C. 5165) with re-
spect to the area.

“(C) ELIGIBILITIES.—The Secretary may
make a grant under paragraph (3) or subpara-
graph (A), (B), or (C) of paragraph (4) only
for—

“(i) a highway project eligible for as-
sistance under this title;
“(ii) a public transportation facility or service eligible for assistance under chapter 53 of title 49; or

“(iii) a facility or service for intercity rail passenger transportation (as defined in section 24102 of title 49).

“(D) SYSTEM RESILIENCE.—A project for which a grant is provided under paragraph (3) or subparagraph (A), (B), or (C) of paragraph (4) may include the use of natural infrastructure or the construction or modification of storm surge, flood protection, or aquatic ecosystem restoration elements that the Secretary determines are functionally connected to a transportation improvement, such as—

“(i) increasing marsh health and total area adjacent to a highway right-of-way to promote additional flood storage;

“(ii) upgrades to and installation of culverts designed to withstand 100-year flood events;

“(iii) upgrades to and installation of tide gates to protect highways; and

“(iv) upgrades to and installation of flood gates to protect tunnel entrances.
“(E) FEDERAL COST SHARE.—

“(i) PLANNING GRANT.—The Federal share of the cost of a planning activity carried out using a planning grant under paragraph (3) shall be 100 percent.

“(ii) RESILIENCE GRANTS.—

“(I) IN GENERAL.—Except as provided in subclause (II) and subsection (f)(1), the Federal share of the cost of a project carried out using a grant under subparagraph (A), (B), or (C) of paragraph (4) shall not exceed 80 percent of the total cost of the project.

“(II) TRIBAL PROJECTS.—On the determination of the Secretary, the Federal share of the cost of a project carried out using a grant under subparagraph (A), (B), or (C) of paragraph (4) by an Indian tribe may be up to 100 percent.

“(iii) NON-FEDERAL SHARE.—The eligible entity may use Federal funds other than Federal funds provided under this subsection to meet the non-Federal cost
share requirement for a project carried out with a grant under this subsection.

“(F) ELIGIBLE PROJECT COSTS.—

“(i) RESILIENCE GRANT PROJECTS.— Eligible project costs for activities funded with a grant under subparagraph (A), (B), or (C) of paragraph (4) may include the costs of—

“(I) development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other preconstruction activities; and

“(II) construction, reconstruction, rehabilitation, and acquisition of real property (including land related to the project and improvements to land), environmental mitigation, construction contingencies, acquisition of equipment directly related to improving system performance, and operational improvements.

“(ii) PLANNING GRANTS.—Eligible project costs for activities funded with a
grant under paragraph (3) may include the costs of development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, other preconstruction activities, and other activities consistent with carrying out the purposes of that paragraph.

“(G) LIMITATIONS.—An eligible entity that receives a grant under subparagraph (A), (B), or (C) of paragraph (4)—

“(i) may use not more than 25 percent of the amount of the grant for the construction of new capacity so long as such inclusion is cost-effective and is directly related to the underlying project; and

“(ii) may use not more than 10 percent of the amount of the grant for activities described in subparagraph (F)(i)(I).

“(H) DISTRIBUTION OF GRANTS.—

“(i) IN GENERAL.—Subject to the availability of funds, an eligible entity may request and the Secretary may distribute funds for a grant under this subsection on
a multi-year basis, as the Secretary determines to be necessary.

“(ii) Rural set-aside.—Of the amounts made available to carry out this subsection for each fiscal year, the Secretary shall use not less than 25 percent for grants for projects located in areas that are outside an urbanized area with a population of over 200,000.

“(iii) Tribal set-aside.—Of the amounts made available to carry out this subsection for each fiscal year, the Secretary shall use not less than 2 percent for grants to Indian tribes.

“(iv) Reallocation.—For any fiscal year, if the Secretary determines that the amount described in clause (ii) or (iii) will not be fully utilized for the grant described in that clause, the Secretary may reallocate the unutilized funds to provide grants to other eligible entities under this subsection.

“(e) Consultation.—In carrying out the program, the Secretary shall—

“(1) consult with the Assistant Secretary of the Army for Civil Works, the Administrator of the En-
environental Protection Agency, the Secretary of the Interior, and the Secretary of Commerce; and

“(2) solicit technical support from the Administrator of the Federal Emergency Management Agency.

“(f) RESILIENCE IMPROVEMENT PLAN AND LOWER NON-FEDERAL SHARE.—

“(1) FEDERAL SHARE REDUCTIONS.—

“(A) IN GENERAL.—A State that receives funds under subsection (c) or an eligible entity that receives a grant under subsection (d) shall have the non-Federal share of a project carried out with the funds or grant, as applicable, reduced by an amount described in subparagraph (B) if the State or eligible entity meets the applicable requirements under that subparagraph.

“(B) AMOUNT OF REDUCTIONS.—

“(i) RESILIENCE IMPROVEMENT PLAN.—Subject to clause (iii), the amount of the non-Federal share of the costs of a project carried out with funds under subsection (c) or a grant under subsection (d) shall be reduced by 7 percentage points if—
“(I) in the case of a State or an eligible entity that is a State or a metropolitan planning organization, the State or eligible entity has—

“(aa) developed a resilience improvement plan in accordance with this subsection; and

“(bb) prioritized the project on that resilience improvement plan; and

“(II) in the case of an eligible entity not described in subclause (I), the eligible entity is located in a State or an area served by a metropolitan planning organization that has—

“(aa) developed a resilience improvement plan in accordance with this subsection; and

“(bb) prioritized the project on that resilience improvement plan.

“(ii) INCORPORATION OF RESILIENCE IMPROVEMENT PLAN IN OTHER PLANNING.—Subject to clause (iii), the amount of the non-Federal share of the cost of a
project carried out with funds under sub-
section (c) or a grant under subsection (d) 
shall be reduced by 3 percentage points 
if—

“(I) in the case of a State or an 
eligible entity that is a State or a 
metropolitan planning organization, 
the resilience improvement plan de-
veloped in accordance with this sub-
section has been incorporated into the 
metropolitan transportation plan 
under section 134 or the long-range 
statewide transportation plan under 
section 135, as applicable; and

“(II) in the case of an eligible en-
tity not described in subclause (I), the 
eligible entity is located in a State or 
an area served by a metropolitan 
planning organization that incor-
porated a resilience improvement plan 
into the metropolitan transportation 
plan under section 134 or the long-
range statewide transportation plan 
under section 135, as applicable.

“(iii) LIMITATIONS.—
“(I) Maximum Reduction.—A State or eligible entity may not receive a reduction under this paragraph of more than 10 percentage points for any single project carried out with funds under subsection (c) or a grant under subsection (d).

“(II) No Negative Non-Federal Share.—A reduction under this paragraph shall not reduce the non-Federal share of the costs of a project carried out with funds under subsection (c) or a grant under subsection (d) to an amount that is less than zero.

“(2) Plan Contents.—A resilience improvement plan referred to in paragraph (1)—

“(A) shall be for the immediate and long-range planning activities and investments of the State or metropolitan planning organization with respect to resilience;

“(B) shall demonstrate a systemic approach to transportation system resilience and be consistent with and complementary of the State and local mitigation plans required under
section 322 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5165);

“(C) shall—

“(i) include a risk-based assessment of vulnerabilities of transportation assets and systems to current and future extreme weather events and natural disasters, including severe storms, flooding, tornados, drought, levee and dam failures, wildfire, landslides, sea level rise, extreme weather events, including extreme temperatures, and earthquakes;

“(ii) designate evacuation routes and strategies, including multimodal facilities, designated with consideration for individuals without access to personal vehicles;

“(iii) plan for response to anticipated emergency events, including plans for the mobility of—

“(I) emergency response personnel and equipment; and

“(II) access to emergency services, including for vulnerable or disadvantaged populations;
“(iv) describe the resilience improvement policies, including strategies, land-use and zoning changes, investments in natural infrastructure, or performance measures that will inform the transportation investment decisions of the State or metropolitan planning organization with the goal of increasing resilience;

“(v) include an investment plan that—

“(I) includes a list of priority projects; and

“(II) describes how funds provided by a grant under the program would be invested and matched, which shall not be subject to fiscal constraint requirements; and

“(vi) use science and data and indicate the source of data and methodologies; and

“(D) shall, as appropriate—

“(i) include a description of how the plan will improve the ability of the State or metropolitan planning organization—
“(I) to respond promptly to the impacts of weather events and natural disasters; and

“(II) to be prepared for changing conditions, such as sea level rise and increased flood risk;

“(ii) describe the codes, standards, and regulatory framework, if any, adopted and enforced to ensure resilience improvements within the impacted area of proposed projects included in the resilience improvement plan;

“(iii) consider the benefits of combining hard infrastructure assets, and natural infrastructure, through coordinated efforts by the Federal Government and the States;

“(iv) assess the resilience of other community assets, including buildings and housing, emergency management assets, and energy, water, and communication infrastructure;

“(v) use a long-term planning period; and
“(vi) include such other information as the eligible entity considers appropriate.

“(3) NO NEW PLANNING REQUIREMENTS.—Nothing in this section requires a metropolitan planning organization or a State to develop a resilience improvement plan or to include a resilience improvement plan under the metropolitan transportation plan under section 134 or the long-range statewide transportation plan under section 135, as applicable, of the metropolitan planning organization or State.

“(g) MONITORING.—

“(1) IN GENERAL.—Not later than 18 months after the date of enactment of this section, the Secretary, in consultation with the officials described in subsection (e), shall—

“(A) establish, for the purpose of evaluating the effectiveness and impacts of projects carried out under the program—

“(i) subject to paragraph (2), transportation and any other metrics as the Secretary determines to be necessary; and

“(ii) procedures for monitoring and evaluating projects based on those metrics; and
“(B) select a representative sample of projects to evaluate based on the metrics and procedures established under subparagraph (A).

“(2) NOTICE.—Before adopting any metrics described in paragraph (1), the Secretary shall—

“(A) publish the proposed metrics in the Federal Register; and

“(B) provide to the public an opportunity for comment on the proposed metrics.

“(h) REPORTS.—

“(1) REPORTS FROM ELIGIBLE ENTITIES.—Not later than 1 year after the date on which a project carried out under the program is completed, the entity that carried out the project shall submit to the Secretary a report on the results of the project and the use of the funds received under the program.

“(2) REPORTS TO CONGRESS.—

“(A) ANNUAL REPORTS.—The Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate, and publish on the website of the Department of Transportation, an annual report that describes the
implementation of the program during the preceding calendar year, including—

“(i) each project for which a grant was provided under the program;

“(ii) information relating to project applications received;

“(iii) the manner in which the consultation requirements were implemented under this section;

“(iv) recommendations to improve the administration of the program, including whether assistance from additional or fewer agencies to carry out the program is appropriate;

“(v) the period required to disburse grant funds to recipients based on applicable Federal coordination requirements; and

“(vi) a list of facilities that repeatedly require repair or reconstruction due to emergency events.

“(B) FINAL REPORT.—Not later than 5 years after the date of enactment of the STARTER Act 2.0, the Secretary shall submit to Congress a report that includes the results of the reports submitted under subparagraph (A).
The Secretary shall use not more than 5 percent of the amounts made available to carry out the program for each fiscal year for the costs of administering the program, including monitoring and evaluation under subsection (g).

“(C) CONSULTATION.—In developing guidance and regulations, and in providing grants for under this section, the Secretary shall consult with the Administrator of the Federal Emergency Management Agency, who shall provide technical assistance to the Secretary and to eligible entities.”.

(b) Clerical Amendment.—The analysis for chapter 1 of title 23, United States Code, as amended by this Act, is further amended by adding at the end the following:


SEC. 7002. NATIONAL HIGHWAY PERFORMANCE PROGRAM.

Section 119 of title 23, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (2) by striking “and” at the end;

(B) in paragraph (3) by striking the period at the end and inserting “; and”; and
(C) by adding at the end the following:

“(4) to provide support for measures to increase the resiliency of Federal-aid highways and bridges on and off the National Highway System to mitigate the impacts of sea level rise, extreme weather events, flooding, or other natural disasters.”; and

(2) by adding at the end the following:

“(k) PROTECTIVE FEATURES.—

“(1) In general.—A State may use not more than 15 percent of the funds apportioned to the State under section 104(b)(1) for each fiscal year for 1 or more protective features on a Federal-aid highway or bridge off the National Highway System, if the protective feature is designed to mitigate the risk of recurring damage, or the cost of future repairs, from extreme weather events, flooding, or other natural disasters.

“(2) Protective features described.—A protective feature referred to in paragraph (1) may include—

“(A) raising roadway grades;

“(B) relocating roadways in a base floodplain to higher ground above projected flood elevation levels or away from slide prone areas;

“(C) stabilizing slide areas;
“(D) stabilizing slopes;
“(E) installing riprap;
“(F) lengthening or raising bridges to increase waterway openings;
“(G) deepening channels to prevent flooding;
“(H) increasing the size or number of drainage structures;
“(I) replacing culverts with bridges or upsizing culverts;
“(J) repairing or maintaining tide gates;
“(K) installing seismic retrofits on bridges;
“(L) adding scour protection at bridges;
“(M) adding scour, stream stability, coastal, or other hydraulic countermeasures, including spur dikes;
“(N) the use of natural infrastructure to mitigate the risk of recurring damage or the cost of future repair from extreme weather events, flooding, or other natural disasters; and
“(O) any other features that mitigate the risk of recurring damage or the cost of future repair as a result of extreme weather events, flooding, or other natural disasters, as determined by the Secretary.
“(3) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed to limit the ability of a State to carry out a project otherwise eligible under subsection (d) using funds apportioned under section 104(b)(1).”.

SEC. 7003. RESILIENCE IN FEDERAL-AID HIGHWAY PROGRAMS.

(a) DEFINITIONS.—Section 101(a) of title 23, United States Code, is amended—

(1) by redesignating paragraphs (17) through (22) as paragraphs (18) through (23), respectively;

(2) by redesigning paragraphs (23) through (34) as paragraphs (25) through (36), respectively;

(3) by inserting after paragraph (16) the following:

“(17) NATURAL INFRASTRUCTURE.—

“(A) IN GENERAL.—The term ‘natural infrastructure’ means infrastructure that uses, restores, or emulates natural ecological processes and—

“(i) is created through the action of natural physical, geological, biological, and chemical processes over time;
“(ii) is created by human design, engineering, and construction to emulate or act in concert with natural processes; or

“(iii) involves the use of plants, soils, and other natural features, including through the creation, restoration, or preservation of vegetated areas using materials appropriate to the region to manage stormwater and runoff, to attenuate flooding and storm surges, and for other related purposes.

“(B) INCLUSION.—The term ‘natural infrastructure’ includes green infrastructure and nature-based solutions.”; and

(4) by inserting after paragraph (23), as so redesignated, the following:

“(24) RESILIENCE.—The term ‘resilience’, with respect to a project, means a project with the ability to anticipate, prepare for, or adapt to conditions or withstand, respond to, or recover rapidly from disruptions, including the ability—

“(A) to—

“(i) resist hazards or withstand impacts from weather events and natural disasters; or
“(ii) reduce the magnitude or duration of impacts of a disruptive weather event or natural disaster on a project; and “(B) to have the absorptive capacity, adaptive capacity, and recoverability to decrease project vulnerability to weather events or other natural disasters.”.

(b) National Highway Performance Program.—Section 119(d)(2) of title 23, United States Code, is amended by adding at the end the following:

“(Q) Improving the resilience of projects funded under this section, including through the use of natural infrastructure.”

(e) Surface Transportation Block Grant Program.—Section 133(b) of title 23, United States Code, is amended by adding at the end the following:

“(16) Projects to improve the resilience of a transportation facility, including through the use of natural infrastructure, otherwise eligible for assistance under this section.”.

(d) Tribal Transportation Program.—Section 202(a)(1)(A) of title 23, United States Code, is amended—

(1) in clause (vii) by striking “; and” and inserting a semicolon;
(2) by redesignating clause (viii) as clause (ix);

and

(3) by inserting after clause (vii) the following:

“(viii) projects to improve the resilience of a tribal transportation facility, including through the use of natural infrastructure; and”.

(c) Federal Lands Transportation Program.—

Section 203(a)(1)(A) of title 23, United States Code, is amended—

(1) in clause (vi) by striking “; and” and inserting a semicolon;

(2) by redesignating clause (vii) as clause (viii);

and

(3) by inserting after clause (vi) the following:

“(vii) projects to improve the resilience of a tribal transportation facility, including through the use of natural infrastructure; and”.

(f) Federal Lands Access Program.—Section

204(a)(1)(A) of title 23, United States Code, is amend-
ed—

(1) in clause (v) by striking “; and” and inserting a semicolon;
(2) by redesignating clause (vi) as clause (vii); and

(3) by inserting after clause (v) the following:
“(vi) projects to improve the resilience of a tribal transportation facility, including through the use of natural infrastructure; and”.

SEC. 7004. RESILIENCY IN TRANSIT.

Section 5324 of title 49, United States Code, is amended by—

(1) striking “and” at the end of subsection (b)(1);

(2) striking the period at the end of subsection (b)(2)(B) and inserting “; and”; and

(3) by adding at the end of subsection (b) the following new paragraph:
“(3) mitigation projects and activities that the Secretary determines are cost effective and which substantially reduce the risk of, or increase resilience to, future damage, hardship, or loss, related to equipment and facilities of a public transportation system operating in the United States or on an Indian reservation that the Secretary determines is in danger of suffering serious damage, or has suffered serious damage, as a result of an emergency.”.
SEC. 7005. HIGHWAY EMERGENCY RELIEF AND RESILIENCE.

(a) In General.—Section 125 of title 23, United States Code, is amended—

(1) in subsection (a)(1), by inserting “wildfire, sea level rise,” after “severe storm”;

(2) by striking subsection (b) and inserting the following:

“(b) Restriction on Eligibility.—Funds under this section shall not be used for the repair or reconstruction of a bridge that has been permanently closed to all vehicular traffic by a Federal, State, Tribal, or local official because of imminent danger of collapse due to a structural deficiency or physical deterioration.”; and

(3) in subsection (d)—

(A) in paragraph (2)(A)—

(i) by striking the period at the end and inserting “; and”;

(ii) by striking “a facility that meets the current” and inserting the following:

“a facility that—

“(i) meets the current”; and

(iii) by adding at the end the following:

“(ii) incorporates economically justifiable improvements designed and dem-
onstrated to mitigate and reduce the risk of recurring damage from extreme weather events, flooding, or other natural disasters.”;

(B) by redesignating paragraphs (3) through (5) as paragraphs (4) through (6), respectively; and

(C) by inserting after paragraph (2) the following:

“(3) PROTECTIVE FEATURES.—

“(A) IN GENERAL.—The cost of an improvement that is part of a project under this section shall be an eligible expense under this section if the improvement is a protective feature that is designed and demonstrated to mitigate and reduce the risk of recurring damage, or the cost of future repair, from extreme weather events, flooding, or other natural disasters.

“(B) PROTECTIVE FEATURES DESCRIBED.—A protective feature referred to in subparagraph (A) may include—

“(i) raising roadway grades;

“(ii) relocating roadways in a base floodplain to higher ground above projected
flood elevation levels or away from slide prone areas;

“(iii) stabilizing slide areas;

“(iv) stabilizing slopes;

“(v) installing riprap;

“(vi) lengthening or raising bridges to increase waterway openings;

“(vii) deepening channels to prevent flooding;

“(viii) increasing the size or number of drainage structures;

“(ix) replacing culverts with bridges or upsizing culverts;

“(x) repairing or maintaining tide gates;

“(xi) installing seismic retrofits on bridges;

“(xii) adding scour protection at bridges;

“(xiii) adding scour, stream stability, coastal, and other hydraulic counter-measures, including spur dikes;

“(xiv) the use of natural infrastructure to mitigate the risk of recurring damage or the cost of future repair from ex-
treme weather events, flooding, or other natural disasters; and

“(xv) any other features that mitigate the risk of recurring damage or the cost of future repair as a result of extreme weather events, flooding, or other natural disasters, as determined by the Secretary.”.

(b) **Emergency Relief Projects.**—

(1) **Definition of emergency relief project.**—In this section, the term “emergency relief project” means a project carried out under the emergency relief program under section 125 of title 23, United States Code.

(2) **Improving the emergency relief program.**—Not later than 90 days after the date of enactment of this Act, the Secretary shall—

(A) revise the emergency relief manual of the Federal Highway Administration—

(i) to include and reflect the definition of the term “resilience” (as defined in section 101(a) of title 23, United States Code);

(ii) to ensure resilience measures are cost effective and substantially reduce the risk of, or increase resilience to, future
damage, hardship, loss, or suffering in any area affected by a major disaster or emergency declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170);

(iii) to identify procedures that States may use to incorporate resilience into emergency relief projects; and

(iv) to encourage the use of Complete Streets design principles and consideration of access for moderate and low-income families impacted by a major disaster or emergency declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170);

(B) develop best practices for improving the use of resilience in—

(i) the emergency relief program under section 125 of title 23, United States Code; and

(ii) emergency relief efforts;

(C) provide to division offices of the Federal Highway Administration and State depart-
ments of transportation information on the best practices developed under paragraph (2); and

(D) develop and implement a process to track—

(i) the consideration of resilience as part of the emergency relief program under section 125 of title 23, United States Code; and

(ii) the measurement of risk reduction and costs of emergency relief projects.

(3) CONSULTATION.—In carrying out actions pursuant to paragraph (2), the Secretary shall consult with the Administrator of the Federal Emergency Management Agency to ensure resiliency guidance and activities are consistent with and do not conflict with other resiliency and mitigation activities and priorities.

SEC. 7006. HIGHWAY RESILIENCY INCENTIVES.

Section 120(c) of title 23, United States Code, is amended by adding at the end the following:

“(4) PROTECTIVE FEATURES.—

“(A) IN GENERAL.—Notwithstanding any other provision of law, the Federal share payable for the cost of a protective feature on a Federal-aid highway or bridge project under
this title may be up to 100 percent, at the discretion of the State, if the protective feature is an improvement designed and demonstrated to mitigate and reduce the risk of recurring damage, or the cost of future repair, from extreme weather events, flooding, or other natural disasters.

“(B) Protective features described.—A protective feature referred to in subparagraph (A) may include—

“(i) raising roadway grades;

“(ii) relocating roadways in a base floodplain to higher ground above projected flood elevation levels or away from slide prone areas;

“(iii) stabilizing slide areas;

“(iv) stabilizing slopes;

“(v) installing riprap;

“(vi) lengthening or raising bridges to increase waterway openings;

“(vii) deepening channels to prevent flooding;

“(viii) increasing the size or number of drainage structures;
“(ix) replacing culverts with bridges or upsizing culverts;

“(x) repairing or maintaining tide gates;

“(xi) installing seismic retrofits on bridges;

“(xii) adding scour protection at bridges;

“(xiii) adding scour, stream stability, coastal, and other hydraulic counter-measures, including spur dikes;

“(xiv) the use of natural infrastructure to mitigate and reduce the risk of recurring damage or the cost of future repair from extreme weather events, flooding, or other natural disasters; and

“(xv) any other features that mitigate and reduce the risk of recurring damage or the cost of future repair as a result of extreme weather events, flooding, or other natural disasters, as determined by the Secretary.”.
SEC. 7007. GUIDANCE ON INUNDATED AND SUBMERGED ROADS.

Upon the issuance of guidance pursuant to section 1228 of the Disaster Recovery Reform Act of 2018 (Public Law 115–254), the Administrator of the Federal Highway Administration, in consultation with the Administrator of the Federal Emergency Management Agency, shall review such guidance and issue guidance regarding repair, restoration, and replacement of inundated and submerged roads damaged or destroyed by a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) with respect to roads eligible for assistance under Federal Highway Administration programs.

SEC. 7008. GUIDANCE ON EVACUATION ROUTES.

(a) IN GENERAL.—

(1) GUIDANCE.—The Administrator of the Federal Highway Administration, in coordination with the Administrator of the Federal Emergency Management Agency and consistent with guidance issued by the Federal Emergency Management Agency pursuant to section 1209 of the Disaster Recovery Reform Act of 2018 (Public Law 115–254), shall revise existing guidance or issue new guidance as appropriate for State, local, and Indian Tribal govern-
ments regarding the design, construction, maintenance, and repair of evacuation routes.

(2) CONSIDERATIONS.—In revising or issuing guidance under subsection (a)(1), the Administrator of the Federal Highway Administration shall consider—

(A) methods that assist evacuation routes to—

(i) withstand likely risks to viability, including flammability and hydrostatic forces;

(ii) improve durability, strength (including the ability to withstand tensile stresses and compressive stresses), and sustainability; and

(iii) provide for long-term cost savings;

(B) the ability of evacuation routes to effectively manage contraflow operations;

(C) for evacuation routes on public lands, the viewpoints of the applicable Federal land management agency regarding emergency operations, sustainability, and resource protection; and
(D) such other items the Administrator of the Federal Highway Administration considers appropriate.

(3) REPORT.—In the case in which the Administrator of the Federal Highway Administration, in consultation with the Administrator of the Federal Emergency Management Agency, concludes existing guidance addresses the considerations in paragraph (2), the Administrator of the Federal Highway Administration shall submit to the Committee on Transportation and Infrastructure of the House of Representatives, the Committee on Environment and Public Works of the Senate, and the Committee on Commerce, Science, and Transportation of the Senate a detailed report describing how existing guidance addresses such considerations.

(b) STUDY.—The Administrator of the Federal Highway Administration, in coordination with the Administrator of the Federal Emergency Management Agency and State, local, territorial, and Indian Tribal governments, shall—

(1) conduct a study of the adequacy of available evacuation routes to accommodate the flow of evacuees; and
(2) submit recommendations to Congress on how to help with anticipated evacuation route flow, based on the study conducted under paragraph (1).

SEC. 7009. DEFINITIONS.

Section 101(a) of title 23, United States Code, is amended—

(1) in paragraph (4)(A) by inserting “assessing resilience,” after “surveying,”; and

(2) by adding at the end the following:

“(35) RESILIENCE.—Unless otherwise specified, the term ‘resilience’, with respect to a project, means a project with the ability to anticipate, prepare for, or adapt to conditions or mitigate against, withstand, respond to, or recover rapidly from, disruptions, including the ability—

“(A) to resist hazards, mitigate against, reduce costs associated with, or withstand impacts from, weather events and natural disasters; or

“(B) to have the absorptive capacity, adaptive capacity, and recoverability to decrease project vulnerability to weather events or other natural disasters.”.
SEC. 7010. UNIVERSITY TRANSPORTATION CENTERS.

Section 5505 of title 49, United States Code, is amended—

(1) in subsection (a)(2)—

(A) in subparagraph (B) by striking “and” at the end;

(B) in subparagraph (C) by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(D) to consider the ability to anticipate, prepare for, or adapt to conditions or withstand, increase resiliency to, reduce costs related to, respond to, or recover rapidly from, disruptions resulting from extreme weather events and natural disasters.”;

(2) in subsection (b)(4)(A) by striking “research priorities identified in chapter 65.” and inserting the following: “following research priorities:

“(i) Improving the mobility of people and goods.

“(ii) Reducing congestion.

“(iii) Promoting safety.

“(iv) Improving the durability and extending the life of transportation infrastructure and the existing transportation system.
“(v) Improving the ability to anticipate, prepare for, or adapt to conditions or withstand, respond to, or recover rapidly from, disruptions resulting from extreme weather events and natural disasters.”;

and

(3) in subsection (e)(4)—

(A) in subparagraph (C) by adding at the end the following: “In awarding grants under this section, the Secretary shall also select not less than 1 grant recipient with each of the following focus areas:

“(i) Improving the ability to anticipate, prepare for, or adapt to conditions or withstand, increase resiliency to, reduce costs related to, respond to, or recover rapidly from disruptions resulting from extreme weather events and natural disasters.

“(ii) Developing innovative road designs, materials, and restoration strategies to better enhance the durability and structural integrity of roads and subgrade soils that may become inundated during extreme weather events.
“(iii) Enhancing the viability and durability of evacuation routes, including ways to effectively manage contraflow operations to minimize casualties.”; and

(B) by adding at the end the following:

“(D) CONSIDERATIONS FOR SELECTED INSTITUTIONS.—

“(i) IN GENERAL.—Tier 1 transportation centers awarded a grant under this paragraph with a focus area described in subparagraph (C) shall consider the following areas for research:

“(I) Developing new materials and improving the performance and resiliency of existing materials for the construction of roads, bridges, rail, and related transportation infrastructure.

“(II) Reducing local, State, Federal, and Tribal costs associated with natural disasters and severe weather.

“(III) Innovative technologies and approaches to pre-mitigate against severe weather.
“(IV) The durability of roadways and subgrade with respect to flammability and hydrostatic forces.

“(V) Strategies to mitigate the costs associated with vulnerabilities in Federal evacuation routes, with respect to overcrowding and inundation.

“(ii) ACTIVITIES.—A tier 1 transportation center receiving a grant under this section with a focus area described in subparagraph (C) may—

“(I) establish best practices;

“(II) develop modeling tools; and

“(III) carry out other activities and develop technology that addresses the planning considerations described in clause (i).”.

SEC. 7011. PRE-DISASTER HAZARD MITIGATION PILOT PROGRAM.

(a) In General.—Section 125 of title 23, United States Code, is amended by adding at the end the following:

“(h) PRE-DISASTER HAZARD MITIGATION PILOT PROGRAM.—
“(1) IN GENERAL.—The Secretary shall establish a pre-disaster mitigation program for the purpose of mitigating future hazards posed to Federal-aid highways.

“(2) DISTRIBUTION OF FUNDS.—Every 6 months, the Secretary shall total the amount of funds made available to each State, territory, Tribe, or other eligible entity under the emergency relief program during the preceding 6 months and remit an additional 5 percent from the Highway Trust Fund to such State, territory, Tribe, or other eligible entity for eligible activities described in paragraph (3).

“(3) ELIGIBLE ACTIVITIES.—Funds made available under paragraph (2) shall be used for mitigation projects and activities that the Secretary determines are cost effective and which substantially reduce the risk of, or increase resilience to, future damage as a result of natural disasters, such as by flood, hurricane, tidal wave, earthquake, wildfire, severe storm, or landslide by upgrading existing assets to meet or exceed design standards adopted by the Federal Highway Administration by means of the following:

“(A) Relocating or elevating roadways.
“(B) Increasing the size or number of drainage structures, including culverts.

“(C) Installing mitigation measures to prevent the impairment of transportation assets as a result of the intrusion of floodwaters.

“(D) Improving bridges to expand water capacity and prevent flooding.

“(E) Deepening channels to prevent asset inundation and improve drainage.

“(F) Improving strength of natural features adjacent to highway right-of-way to promote additional flood storage.

“(G) Installing or upgrading tide gates and flood gates.

“(H) Stabilizing slide areas or slopes.

“(I) Installing seismic retrofits for bridges.

“(J) Adding scour protection at bridges.

“(K) Adding scour, stream stability, coastal, or other hydraulic countermeasures, including riprap.

“(L) Installing intelligent transportation system equipment to monitor infrastructure quality.

“(M) Any other protective features as determined by the Secretary.
“(4) REPORT.—The Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives, the Committee on Environment and Public Works of the Senate, and the Committee on Commerce, Science, and Transportation of the Senate an annual report detailing—

“(A) a description of the activities carried out under the pilot program;

“(B) an evaluation of the effectiveness of the pilot program in meeting purposes described in paragraph (1); and

“(C) policy recommendations to improve the effectiveness of the pre-disaster mitigation pilot program.”.

(b) SUNSET.—The amendments made by this section shall be repealed on the date that is 5 years after the date of enactment of this Act.

TITLE VIII—FREIGHT RAIL MANUFACTURING

SEC. 8001. SHORT TITLE.

This title may be cited as the “A Future for Freight Rail Manufacturing Act of 2021” or the “AFFRM Act of 2021”.
SEC. 8002. REQUIREMENTS FOR RAILROAD FREIGHT CARS
ENTERING SERVICE IN THE UNITED STATES.

(a) In General.—Not later than 1 year after the date of enactment of this Act, any Association of American Railroads (in this title referred to as “AAR”) approved railroad freight car manufactured on or after such date may operate on the United States rail interchange system only if—

(1) the railroad freight car is manufactured or assembled or substantially transformed by a qualified builder in a qualified facility;

(2) none of the sensitive technology located on the railroad freight car, including components necessary to the functionality of the sensitive technology, originates or is sourced from a country specified in section 8004 or a State-Owned Enterprise; and

(3) none of the content of the railroad freight car that originates from a country specified in section 8004 or a State-Owned Enterprise has been determined by a recognized court or administrative agency of competent jurisdiction and legal authority to have violated or infringed valid U.S. intellectual property rights of another including such a finding by a Federal district court under the Patent Act or

(b) CONTENT.—

(1) IN GENERAL.—Any Railroad Freight Car Manufacturer and AAR approved railroad freight car manufactured on or after such date may operate on the United States rail interchange system only if the railroad freight car has a content percentage that originates from a country specified in section 8004 or a State-Owned Enterprise of—

(A) beginning on the date of enactment of this Act, not more than 20 percent; and

(B) beginning on the date that is 24 months after the date of enactment of this Act, not more than 15 percent.

(2) APPLICATION OF LAW.—The content percentages specified in this section apply notwithstanding any conflict with the provisions of chapter 4 of the Agreement between the United States of American, the United Mexican States, and Canada (Dec. 13, 2019).

SEC. 8003. REGULATIONS; PENALTIES.

(a) REGULATIONS REQUIRED.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall issue such regulations as are nec-
necessary to carry out this Act, including for the monitoring, enforcement, and sensitive technology requirements of this title.

(b) COMPLIANCE.—A Railroad Freight Car Manufacturer will certify such manufacturer is meeting the requirements of this Act and noncompliant railroad freight cars may not be registered under the AAR Umler system.

c) CIVIL PENALTIES.—Any railroad freight car manufacturer that has manufactured a railroad freight car for the North American Interchange system that the Secretary of Transportation determines, after written notice and an opportunity for a hearing, has violated this Act is liable to the United States Government for a civil penalty of at least $150,000 but not more than $500,000 for each violation for each such railroad freight car and thereafter barred from release of such railroad freight car for operation on the North American Interchange system. The noncompliant railroad freight car may re-enter service upon re-certification from the railroad freight car manufacturer after paying the civil penalty and meeting compliance of this title.

SEC. 8004. COUNTRY SPECIFIED.

A country specified in this section is a country that—

(1) is identified by the Department of Commerce as a nonmarket economy country (as defined
in section 771(18) of the Tariff Act of 1930 (19 U.S.C. 1677(18))) as of the date of enactment of this Act; and

(2)(A) was identified by the United States Trade Representative in the most recent report required by section 182 of the Trade Act of 1974 (19 U.S.C. 2242) as a priority watch country or watch country; or

(B) is subject to monitoring by the Trade Representative under section 306 of the Trade Act of 1974 (19 U.S.C. 2416).

SEC. 8005. DEFINITIONS.

In this title:

(1) CONTENT.—The term “content” means the net cost of the railroad freight car less the cost of sensitive technology.

(2) CONTROL.—The term “control” means the power, whether direct or indirect and whether or not exercised, through the ownership of a majority or a dominant minority of the total outstanding voting interest in an entity, representation on the board of directors of an entity, proxy voting on the board of directors of an entity, a special share in the entity, a contractual arrangement with the entity, a formal or informal arrangement to act in concert with an
entity, or any other means, to determine, direct, make decisions, or cause decisions to be made for the entity.

(3) Cost of sensitive technology.—The term “cost of sensitive technology” means the aggregate cost of the sensitive technology located on the railroad freight car.

(4) Net cost.—The term “net cost” means the net cost as defined in chapter 4 of the United States–Mexico–Canada Free Trade Agreement or any subsequent free trade agreement between the United States, Mexico, and Canada.

(5) Originate; originating.—The terms “originate” and “originating” mean the country or origin of a part, component, subassembly or finished product as defined in chapter 4 of the United States-Mexico-Canada Free Trade Agreement or any subsequent free trade agreement between the United States, Mexico, and Canada.

(6) Qualified facility.—The term “qualified facility” means a facility that is not under the control of a State-Owned Enterprise.

(7) Qualified railroad freight car builder.—The term “qualified railroad freight rail car
builder” means a builder that is not under the control of a State-Owned Enterprise.

(8) RAILCAR COMPONENT SUPPLIER.—The term “railcar component supplier” means an enterprise that supplies railroad freight car components for the manufacturing of railroad freight cars.

(9) RAILROAD FREIGHT CAR.—The term “railroad freight car” means a car designed to carry freight, or railroad personnel, by rail and includes—

(A) box car;
(B) refrigerator car;
(C) ventilator car;
(D) stack car or intermodal well;
(E) gondola car;
(F) hopper car;
(G) auto rack car;
(H) flat car;
(I) special car;
(J) caboose car;
(K) tank car; and
(L) yard car.

(10) RAILROAD FREIGHT CAR MANUFACTURER.—The term “railroad freight rail car manufacturer” is defined as a builder of railroad freight
rail cars as defined in the definition of railroad freight car.

(11) SENSITIVE TECHNOLOGY.—The term “sensitive technology” means any device embedded with electronics, software, sensors, or other connectivity, except those freight rail parts as defined as “safety-critical” in section 236.903 of title 49, Code of Federal Regulations, or any successor regulations, that enables the device to connect, collect, or exchange data, including—

(A) onboard telematics;
(B) remote monitoring software;
(C) firmware;
(D) analytics;
(E) GPS satellite and cellular location tracking systems;
(F) event status sensors;
(G) predictive component condition and performance monitoring sensors; and
(H) similar sensitive technologies embedded into freight railcar components and subassemblies.

(12) STATE-OWNED ENTERPRISE.—The term “state-owned enterprise” means—
(A) an entity that is owned by or under the control of a national, provincial, or local government of a country or an agency of such government of a country as described in section 8004; or

(B) an individual acting under the direction or control of a government or agency described in subparagraph (A).

(13) Substantially transformed.—The term “substantially transformed” means a component undergoes an applicable change in tariff classification as a result of the manufacturing process as outlined in chapter 4 and related Annexes of the United States-Mexico-Canada Free Trade Agreement or any subsequent free trade agreement between the United States, Mexico, and Canada.