

112TH CONGRESS
1ST SESSION

H. R. 526

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

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 8, 2011

Mr. CALVERT (for himself and Mr. JACKSON of Illinois) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committees on Ways and Means and Foreign Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

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

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Our Nation’s Trade,
3 Infrastructure, Mobility, and Efficiency Act” or the “ON
4 TIME Act”.

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

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

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

12 (2) United States freight gateways handled
13 more than \$3.4 trillion of international merchandise
14 trade in 2008, an increase of 9 percent from 2007.

15 (3) From 1990 to 2008, the value of United
16 States international merchandise trade grew from
17 \$889 billion to \$3.4 trillion, increasing at an average
18 annual rate of 8 percent per year.

19 (4) Since 1990, the value of United States land
20 trade with Canada and Mexico has grown at an av-
21 erage annual rate of 8.1 percent per year.

22 (5) Existing trade agreements, in addition to
23 potential future agreements, foreshadow an even
24 greater increase in international trade and further
25 increases of freight shipments congestion.

1 (6) In addition to being a member of the World
2 Trade Organization, the United States has agreed to
3 11 free trade agreements and is in various stages of
4 negotiation with 4 different countries and multi-lat-
5 eral organizations with regards to other potential
6 free trade agreements.

7 (7) In 2009, traffic congestion caused Ameri-
8 cans to travel an additional 4.8 billion hours and to
9 purchase an extra 3.9 billion gallons of fuel for a
10 congestion cost of \$115 billion according to the
11 Texas Transportation Institute’s 2010 Urban Mobil-
12 ity Study.

13 (8) The average cost of traffic congestion per
14 commuter was \$808 in 2009 compared to an infla-
15 tion-adjusted \$351 per commuter in 1982.

16 (9) Traffic congestion in 2009 resulted in \$33
17 billion in additional costs to trucks carrying our Na-
18 tion’s goods to suppliers, manufacturers, and mar-
19 kets.

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

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

23 (2) reduce freight congestion along current and
24 future trade corridors and provide congestion miti-
25 gation along surface transportation routes that are

1 or will be congested as a result of current or future
2 growth in international trade; and

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

6 **SEC. 3. ESTABLISHMENT AND COLLECTION OF NATIONAL**
7 **TRADE GATEWAY CORRIDOR FEE.**

8 (a) IMPORT FEE.—

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

15 (2) AMOUNT.—

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

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

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

8 (4) DEPOSIT.—Amounts received by the United
9 States in the form of the fee shall be deposited in
10 the account established by subsection (c).

11 (5) TERMINATION OF FEE.—The fee estab-
12 lished under this subsection shall not apply after the
13 expiration of fiscal year 2022.

14 (b) EXPORT FEE.—

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

21 (2) AMOUNT.—

22 (A) IN GENERAL.—The amount of the fee
23 on each article that is exported from the United
24 States in commerce shall be equal to .075 per-

1 cent of the export value of the article that is
2 subject to the fee or \$500, whichever is less.

3 (B) EXPORT VALUE DEFINED.—For pur-
4 poses of subparagraph (A), the term “export
5 value” has the meaning given the term in sec-
6 tion 30.1 of title 15, Code of Federal Regula-
7 tions.

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

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

18 (5) TERMINATION OF FEE.—The fee estab-
19 lished under this subsection shall not apply after the
20 expiration of fiscal year 2022.

21 (c) ACCOUNT.—

22 (1) ESTABLISHMENT.—There is established in
23 the Treasury a separate account for the deposit of
24 fees under this section, which shall be known as the
25 “National Trade Gateway Corridor Fund”.

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

4 (3) USE.—Amounts in the account shall be
5 available to the Secretary of Transportation, as pro-
6 vided in appropriations Acts enacted after the date
7 of the enactment of this Act, for making expendi-
8 tures before October 1, 2021, to meet the obligations
9 of the United States to carry out this Act.

10 **SEC. 4. APPORTIONMENT OF FUNDS.**

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

17 (b) APPORTIONMENT.—

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

1 trade corridors for the Customs ports of entry with
2 respect to which fees were collected under section 3
3 in the preceding fiscal year in the ratio that—

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

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

10 (2) CORRIDOR TO MORE THAN ONE STATE.—If
11 a transportation trade corridor is within the bound-
12 aries of more than one State, the Secretary shall ap-
13 portion the funds apportioned under paragraph (1)
14 for carrying out eligible projects in such corridor
15 among such States as follows:

16 (A) Fifty percent of the apportionment in
17 the ratio that—

18 (i) the total lane miles of Federal-aid
19 highways in the transportation trade cor-
20 ridor in each of such States; bears to

21 (ii) the total lane miles of Federal-aid
22 highways in the transportation trade cor-
23 ridor in all of such States.

24 (B) Fifty percent of the apportionments in
25 the ratio that—

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

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

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

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

22 (a) SELECTION PROCESS GUIDELINES.—Not later
23 than 180 days after the date of enactment of this Act,
24 the Secretary of Transportation shall issue project selec-
25 tion guidelines for a State department of transportation

1 to follow in selecting eligible projects for which grants may
2 be made under this Act.

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

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

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

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

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

23 (5) clearly identify the basis for rating projects
24 under the ratings process the State department of
25 transportation developed under paragraph (4).

1 **SEC. 6. GRANT PROGRAM.**

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

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

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

15 (d) FEDERAL SHARE.—

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

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

25 (e) PREVAILING RATE OF WAGE.—Section 113 of
26 title 23, United States Code, shall apply to an eligible

1 project being carried out with assistance provided under
2 this section in the same manner and to the same extent
3 as such would apply if such project was being carried out
4 with assistance provided under chapter 1 of such title.

5 **SEC. 7. TRANSPORTATION TRADE CORRIDORS.**

6 (a) ESTABLISHMENT.—The Secretary of Transpor-
7 tation, in consultation with the Secretary of Commerce,
8 shall establish—

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

13 (2) the boundaries of the transportation trade
14 corridor for such port of entry.

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

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

19 (2) may not extend more than 300 miles from
20 the Customs port of entry for which it is established;
21 and

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

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

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

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

18 (f) DEADLINE FOR ESTABLISHMENT OF FINAL COR-
19 RIDORS.—Not later than one year after date of enactment
20 of this Act, the Secretary of Transportation shall publish
21 in the Federal Register the boundaries of the transpor-
22 tation trade corridors the Secretary is establishing under
23 this section.

24 (g) PERIODIC REVIEWS AND MODIFICATIONS.—Dur-
25 ing 60-day period ending on September 30 before each fis-

1 cal year after the first fiscal year for which funds are au-
2 thorized to be appropriated to carry out this Act, the Sec-
3 retary of Transportation may conduct such reviews, hold
4 such hearings, and take such other actions as may be nec-
5 essary to ensure that—

6 (1) there is a transportation trade corridor for
7 each Customs port of entry for which fees were col-
8 lected under section 3 in the preceding fiscal year;
9 and

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

12 **SEC. 8. REGULATIONS.**

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

16 **SEC. 9. AUTHORIZATION OF APPROPRIATIONS.**

17 (a) **IN GENERAL.**—There is authorized to be appro-
18 priated from the National Trade Gateway Corridor Fund
19 established by section 3 to carry out this Act for each of
20 fiscal years 2012 through 2021 such sums as were depos-
21 ited in the Fund during the preceding fiscal year under
22 section 3.

23 (b) **DATE AVAILABLE FOR OBLIGATION.**—Authoriza-
24 tions from the separate account to carry out this Act shall

1 be available for obligation on October 1 of the fiscal year
2 for which they are authorized.

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

8 **SEC. 10. DEFINITIONS.**

9 In this Act, the following definitions apply:

10 (1) ELIGIBLE PROJECT.—The term “eligible
11 project” means—

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

15 (B) a project for construction of or im-
16 provements to a publicly owned intermodal
17 freight transfer facility, for providing access to
18 such a facility, or for making operational im-
19 provements to such a facility (including capital
20 investment for an intelligent transportation sys-
21 tem); except that a project located within the
22 boundaries of a port terminal shall only include
23 the surface transportation infrastructure modi-
24 fications necessary to facilitate direct inter-

1 modal interchange, transfer, and access into
2 and out of the port.

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

6 (3) STATE.—The term “State” means any of
7 the 50 States, the District of Columbia, and Puerto
8 Rico.

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

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

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