

114TH CONGRESS  
1ST SESSION

# H. R. 2716

To empower States with authority for most taxing and spending for highway programs and mass transit programs, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 10, 2015

Mr. DESANTIS (for himself, Mr. GRAVES of Georgia, Mr. SALMON, Mr. STUTZMAN, Mr. JOLLY, Mr. BUCK, Mr. FLORES, and Mr. AMASH) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committees on Ways and Means, the Budget, and Rules, 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

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## A BILL

To empower States with authority for most taxing and spending for highway programs and mass transit programs, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Transportation Em-  
5 powerment Act”.

6 **SEC. 2. FINDINGS AND PURPOSES.**

7 (a) FINDINGS.—Congress finds that—

1           (1) the objective of the Federal highway pro-  
2           gram has been to facilitate the construction of a  
3           modern freeway system that promotes efficient inter-  
4           state commerce by connecting all States;

5           (2) the objective described in paragraph (1) has  
6           been attained, and the Interstate System connecting  
7           all States is near completion;

8           (3) each State has the responsibility of pro-  
9           viding an efficient transportation network for the  
10          residents of the State;

11          (4) each State has the means to build and oper-  
12          ate a network of transportation systems, including  
13          highways, that best serves the needs of the State;

14          (5) each State is best capable of determining  
15          the needs of the State and acting on those needs;

16          (6) the Federal role in highway transportation  
17          has, over time, usurped the role of the States by tax-  
18          ing motor fuels used in the States and then distrib-  
19          uting the proceeds to the States based on the per-  
20          ceptions of the Federal Government on what is best  
21          for the States;

22          (7) the Federal Government has used the Fed-  
23          eral motor fuels tax revenues to force all States to  
24          take actions that are not necessarily appropriate for  
25          individual States;

1           (8) the Federal distribution, review, and en-  
2           forcement process wastes billions of dollars on un-  
3           productive activities;

4           (9) Federal mandates that apply uniformly to  
5           all 50 States, regardless of the different cir-  
6           cumstances of the States, cause the States to waste  
7           billions of hard-earned tax dollars on projects, pro-  
8           grams, and activities that the States would not oth-  
9           erwise undertake; and

10          (10) Congress has expressed a strong interest  
11          in reducing the role of the Federal Government by  
12          allowing each State to manage its own affairs.

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

14               (1) to provide a new policy blueprint to govern  
15               the Federal role in transportation once existing and  
16               prior financial obligations are met;

17               (2) to return to the individual States maximum  
18               discretionary authority and fiscal responsibility for  
19               all elements of the national surface transportation  
20               systems that are not within the direct purview of the  
21               Federal Government;

22               (3) to preserve Federal responsibility for the  
23               Dwight D. Eisenhower National System of Inter-  
24               state and Defense Highways;

1 (4) to preserve the responsibility of the Depart-  
2 ment of Transportation for—

3 (A) design, construction, and preservation  
4 of transportation facilities on Federal public  
5 land;

6 (B) national programs of transportation  
7 research and development and transportation  
8 safety; and

9 (C) emergency assistance to the States in  
10 response to natural disasters;

11 (5) to eliminate to the maximum extent prac-  
12 ticable Federal obstacles to the ability of each State  
13 to apply innovative solutions to the financing, de-  
14 sign, construction, operation, and preservation of  
15 Federal and State transportation facilities; and

16 (6) with respect to transportation activities car-  
17 ried out by States, local governments, and the pri-  
18 vate sector, to encourage—

19 (A) competition among States, local gov-  
20 ernments, and the private sector; and

21 (B) innovation, energy efficiency, private  
22 sector participation, and productivity.

23 **SEC. 3. FUNDING LIMITATION.**

24 Notwithstanding any other provision of law, if the  
25 Secretary of Transportation determines for any of fiscal

1 years 2016 through 2020 that the aggregate amount re-  
2 quired to carry out transportation programs and projects  
3 under this Act and amendments made by this Act exceeds  
4 the estimated aggregate amount in the Highway Trust  
5 Fund available for those programs and projects for the  
6 fiscal year, each amount made available for that program  
7 or project shall be reduced by the pro rata percentage re-  
8 quired to reduce the aggregate amount required to carry  
9 out those programs and projects to an amount equal to  
10 that available for those programs and projects in the  
11 Highway Trust Fund for the fiscal year.

12 **SEC. 4. FUNDING FOR CORE HIGHWAY PROGRAMS.**

13 (a) IN GENERAL.—

14 (1) AUTHORIZATION OF APPROPRIATIONS.—

15 The following sums are authorized to be appro-  
16 priated out of the Highway Trust Fund (other than  
17 the Mass Transit Account):

18 (A) FEDERAL-AID HIGHWAY PROGRAM,  
19 ETC.—For the national highway performance  
20 program under section 119 of title 23, United  
21 States Code, the surface transportation pro-  
22 gram under section 133 of that title, the high-  
23 way safety improvement program under section  
24 148 of that title, and the congestion mitigation  
25 and air quality improvement program under

1 section 149 of that title, for each of fiscal years  
2 2016 through 2020, an aggregate amount not  
3 to exceed 10 percent of the balance of the  
4 Highway Trust Fund (other than such Mass  
5 Transit Account) as estimated (taking into ac-  
6 count estimated revenues) at the beginning of  
7 each such fiscal year.

8 (B) EMERGENCY RELIEF.—For emergency  
9 relief under section 125 of title 23, United  
10 States Code, \$100,000,000 for each of fiscal  
11 years 2016 through 2020.

12 (C) FEDERAL LANDS PROGRAMS.—

13 (i) FEDERAL LANDS TRANSPOR-  
14 TATION PROGRAM.—For the Federal lands  
15 transportation program under section 203  
16 of title 23, United States Code,  
17 \$300,000,000 for each of fiscal years 2016  
18 through 2020, of which \$240,000,000 of  
19 the amount made available for each fiscal  
20 year shall be the amount for the National  
21 Park Service and \$30,000,000 of the  
22 amount made available for each fiscal year  
23 shall be the amount for the United States  
24 Fish and Wildlife Service.

1                   (ii) FEDERAL LANDS ACCESS PRO-  
2                   GRAM.—For the Federal lands access pro-  
3                   gram under section 204 of title 23, United  
4                   States Code, \$250,000,000 for each of fis-  
5                   cal years 2016 through 2020.

6                   (D) ADMINISTRATIVE EXPENSES.—Section  
7                   104(a) of title 23, United States Code, is  
8                   amended by striking paragraph (1) and insert-  
9                   ing the following:

10                  “(1) AUTHORIZATION OF APPROPRIATIONS.—

11                   “(A) IN GENERAL.—There are authorized  
12                   to be appropriated from the Highway Trust  
13                   Fund (other than the Mass Transit Account)  
14                   for each of fiscal years 2016 through 2020, to  
15                   be made available to the Secretary for adminis-  
16                   trative expenses of the Federal Highway Ad-  
17                   ministration, an amount equal to 1 percent of  
18                   the balance of the Highway Trust Fund (other  
19                   than such Mass Transit Account) as estimated  
20                   (taking into account estimated revenues) at the  
21                   beginning of each such fiscal year.

22                   “(B)(i) Notwithstanding any other provi-  
23                   sion of law, it shall not be in order in the Sen-  
24                   ate or the House of Representatives to consider  
25                   any measure that would make available for ex-

1           penditure from the Highway Trust Fund (other  
2           than the Mass Transit Account) for a fiscal  
3           year an amount less than the amount author-  
4           ized under subparagraph (A) for such fiscal  
5           year.

6           “(ii)(I) Clause (i) may be waived or sus-  
7           pended in the Senate only by the affirmative  
8           vote of  $\frac{3}{5}$  of the Members, duly chosen and  
9           sworn.

10           “(II) Debate on appeals in the Senate  
11           from the decisions of the Chair relating to sub-  
12           clause (I) shall be limited to 1 hour, to be  
13           equally divided between, and controlled by, the  
14           mover and the manager of the measure that  
15           would make available for expenditure from the  
16           Fund for a fiscal year an amount less than the  
17           amount described in subparagraph (A). An af-  
18           firmative vote of  $\frac{3}{5}$  of the Members, duly cho-  
19           sen and sworn, shall be required in the Senate  
20           to sustain an appeal of the ruling of the Chair  
21           on a point of order raised in relation to sub-  
22           clause (I).

23           “(iii) This subparagraph is enacted by  
24           Congress—



1           “(I) as an exercise of the rulemaking  
2           power of the House of Representatives and  
3           the Senate, respectively, and as such it is  
4           deemed a part of the rules of each House,  
5           respectively, but applicable only with re-  
6           spect to the procedure to be followed in  
7           that House in the case of a joint resolu-  
8           tion, and it supersedes other rules only to  
9           the extent that it is inconsistent with those  
10          rules; and

11           “(II) with full recognition of the con-  
12          stitutional right of either House to change  
13          the rules (so far as relating to the proce-  
14          dure of that House) at any time, in the  
15          same manner and to the same extent as in  
16          the case of any other rule of that House.”.

17           (2) TRANSFERABILITY OF FUNDS.—Section 104  
18          of title 23, United States Code, is amended by strik-  
19          ing subsection (f) and inserting the following:

20          “(f) TRANSFERABILITY OF FUNDS.—

21           “(1) IN GENERAL.—To the extent that a State  
22          determines that funds made available under this title  
23          to the State for a purpose are in excess of the needs  
24          of the State for that purpose, the State may transfer  
25          the excess funds to, and use the excess funds for,

1 any surface transportation (including mass transit  
2 and rail) purpose in the State.

3 “(2) ENFORCEMENT.—If the Secretary deter-  
4 mines that a State has transferred funds under  
5 paragraph (1) to a purpose that is not a surface  
6 transportation purpose as described in paragraph  
7 (1), the amount of the improperly transferred funds  
8 shall be deducted from any amount the State would  
9 otherwise receive from the Highway Trust Fund for  
10 the fiscal year that begins after the date of the de-  
11 termination.”.

12 (3) FEDERAL-AID SYSTEM.—

13 (A) IN GENERAL.—Section 103(a) of title  
14 23, United States Code, is amended by striking  
15 “the National Highway System, which in-  
16 cludes”.

17 (B) CONFORMING AMENDMENTS.—Chapter  
18 1 of title 23, United States Code, is amended—

19 (i) in section 103 by striking the sec-  
20 tion designation and heading and inserting  
21 the following:

22 “§ 103. Federal-aid system”;

23 and

1 (ii) in the analysis by striking the  
2 item relating to section 103 and inserting  
3 the following:

“103. Federal-aid system.”.

4 (4) CALCULATION OF STATE AMOUNTS.—Sec-  
5 tion 104(c)(2) of title 23, United States Code, is  
6 amended—

7 (A) in the paragraph heading by striking  
8 “FOR FISCAL YEAR 2014” and inserting “SUB-  
9 SEQUENT FISCAL YEARS”; and

10 (B) in subparagraph (A) by striking “fiscal  
11 year 2014” and inserting “fiscal year 2014 and  
12 each subsequent fiscal year”.

13 (5) FEDERALIZATION AND DEFEDERALIZATION  
14 OF PROJECTS.—Notwithstanding any other provision  
15 of law, beginning on October 1, 2015—

16 (A) a highway construction or improve-  
17 ment project shall not be considered to be a  
18 Federal highway construction or improvement  
19 project unless and until a State expends Fed-  
20 eral funds for the construction portion of the  
21 project;

22 (B) a highway construction or improve-  
23 ment project shall not be considered to be a  
24 Federal highway construction or improvement  
25 project solely by reason of the expenditure of

1 Federal funds by a State before the construc-  
2 tion phase of the project to pay expenses relat-  
3 ing to the project, including for any environ-  
4 mental document or design work required for  
5 the project; and

6 (C)(i) a State may, after having used Fed-  
7 eral funds to pay all or a portion of the costs  
8 of a highway construction or improvement  
9 project, reimburse the Federal Government in  
10 an amount equal to the amount of Federal  
11 funds so expended; and

12 (ii) after completion of a reimbursement  
13 described in clause (i), a highway construction  
14 or improvement project described in that clause  
15 shall no longer be considered to be a Federal  
16 highway construction or improvement project.

17 (6) REPORTING REQUIREMENTS.—No reporting  
18 requirement, other than a reporting requirement in  
19 effect as of the date of enactment of this Act, shall  
20 apply on or after October 1, 2015, to the use of  
21 Federal funds for highway projects by a public-pri-  
22 vate partnership.

23 (b) EXPENDITURES FROM HIGHWAY TRUST  
24 FUND.—

1           (1) EXPENDITURES FOR CORE PROGRAMS.—  
2       Section 9503(c) of the Internal Revenue Code of  
3       1986 is amended—

4           (A) in paragraph (1)—

5               (i) by striking “June 1, 2015” and in-  
6               serting “October 1, 2022”; and

7               (ii) by striking “Highway and Trans-  
8               portation Funding Act of 2014” and in-  
9               serting “Transportation Empowerment  
10              Act”;

11           (B) in paragraph (2), by striking “July 1,  
12       2017” and inserting “July 1, 2022”; and

13           (C) in paragraph (5), by striking “October  
14       1, 2011” and inserting “October 1, 2022”.

15           (2) AMOUNTS AVAILABLE FOR CORE PROGRAM  
16       EXPENDITURES.—Section 9503 of the Internal Rev-  
17       enue Code of 1986 is amended by adding at the end  
18       the following:

19       “(g) CORE PROGRAMS FINANCING RATE.—For pur-  
20       poses of this section—

21           “(1) IN GENERAL.—Except as provided in para-  
22       graph (2)—

23               “(A) in the case of gasoline and special  
24       motor fuels the tax rate of which is the rate

1 specified in section 4081(a)(2)(A)(i), the core  
2 programs financing rate is—

3 “(i) after September 30, 2016, and  
4 before October 1, 2017, 18.3 cents per gal-  
5 lon,

6 “(ii) after September 30, 2017, and  
7 before October 1, 2018, 9.6 cents per gal-  
8 lon,

9 “(iii) after September 30, 2018, and  
10 before October 1, 2019, 6.4 cents per gal-  
11 lon,

12 “(iv) after September 30, 2019, and  
13 before October 1, 2020, 5.0 cents per gal-  
14 lon, and

15 “(v) after September 30, 2020, 3.7  
16 cents per gallon, and

17 “(B) in the case of kerosene, diesel fuel,  
18 and special motor fuels the tax rate of which is  
19 the rate specified in section 4081(a)(2)(A)(iii),  
20 the core programs financing rate is—

21 “(i) after September 30, 2016, and  
22 before October 1, 2017, 24.3 cents per gal-  
23 lon,

1           “(ii) after September 30, 2017, and  
2           before October 1, 2018, 12.7 cents per gal-  
3           lon,

4           “(iii) after September 30, 2018, and  
5           before October 1, 2019, 8.5 cents per gal-  
6           lon,

7           “(iv) after September 30, 2019, and  
8           before October 1, 2020, 6.6 cents per gal-  
9           lon, and

10           “(v) after September 30, 2020, 5.0  
11           cents per gallon.

12           “(2) APPLICATION OF RATE.—In the case of  
13           fuels used as described in paragraphs (3)(C), (4)(B),  
14           and (5) of subsection (c), the core programs financ-  
15           ing rate is zero.”.

16           (c) TERMINATION OF MASS TRANSIT ACCOUNT.—  
17           Section 9503(e) of the Internal Revenue Code of 1986 is  
18           amended—

19           (1) in the first sentence of paragraph (2), by  
20           inserting “, and before October 1, 2016” after  
21           “March 31, 1983”; and

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

23           “(6) TRANSFER TO HIGHWAY ACCOUNT.—On  
24           October 1, 2016, the Secretary shall transfer all

1 amounts in the Mass Transit Account to the High-  
2 way Account.”.

3 (d) EFFECTIVE DATE.—The amendments and re-  
4 peals made by this section shall take effect on October  
5 1, 2016.

6 **SEC. 5. FEDERAL-AID HIGHWAY PROGRAM.**

7 (a) NATIONAL HIGHWAY PERFORMANCE PRO-  
8 GRAM.—

9 (1) IN GENERAL.—Section 119(d)(2) of title  
10 23, United States Code, is amended—

- 11 (A) by striking subparagraph (H);  
12 (B) by striking subparagraph (M);  
13 (C) by striking subparagraph (O); and  
14 (D) by redesignating subparagraphs (I),  
15 (J), (K), (L), (N), and (P) as subparagraphs  
16 (H), (I), (J), (K), (L), and (M), respectively.

17 (2) REPEAL OF ENVIRONMENTAL MITIGATION  
18 PROVISIONS.—Section 119 of title 23, United States  
19 Code, is amended by striking subsection (g).

20 (b) SURFACE TRANSPORTATION PROGRAM.—

21 (1) IN GENERAL.—Section 133(b) of title 23,  
22 United States Code, is amended—

- 23 (A) in paragraph (6), by striking “Carpool  
24 projects, fringe and corridor parking facilities  
25 and programs, including electric vehicle and



1 natural gas infrastructure in accordance with  
2 section 137, bicycle transportation and pedes-  
3 trian walkways in accordance with section 217,  
4 and the” and inserting “Any”;

5 (B) by striking paragraph (11);

6 (C) in paragraph (13), by adding a period  
7 at the end;

8 (D) by striking paragraph (14);

9 (E) by striking paragraph (17);

10 (F) in paragraph (24), by striking “data  
11 collection, maintenance, and integration” and  
12 inserting “the maintenance and integration of  
13 data”; and

14 (G) by redesignating paragraphs (12),  
15 (13), (15), (16), (18), (19), (20), (21), (22),  
16 (23), (24), (25), and (26) as paragraphs (11),  
17 (12), (13), (14), (15), (16), (17), (18), (19),  
18 (20), (21), (22), and (23), respectively.

19 (2) REPEAL OF BRIDGES NOT ON FEDERAL-AID  
20 HIGHWAYS PROVISIONS.—Section 133 of title 23,  
21 United States Code, is amended—

22 (A) by striking subsection (g); and

23 (B) by redesignating subsection (h) as sub-  
24 section (g).

25 (3) CONFORMING AMENDMENTS.—

1 (A) Section 101(a)(29)(F)(i) of title 23,  
2 United States Code, is amended by striking  
3 “133(b)(11), 328(a),” and inserting “328(a)”.

4 (B) Section 133(c) of title 23, United  
5 States Code, is amended—

6 (i) by striking paragraph (1);

7 (ii) in paragraph (2), by striking  
8 “(11), (20), (25), and (26)” and inserting  
9 “(17), (22), and (23)”; and

10 (iii) by redesignating paragraphs (2)  
11 and (3) as paragraphs (1) and (2), respec-  
12 tively.

13 (C) Section 165(c)(7) of title 23, United  
14 States Code, is amended by striking “(14), and  
15 (19)” and inserting “and (16)”.

16 (c) METROPOLITAN TRANSPORTATION PLANNING.—

17 (1) IN GENERAL.—Section 134 of title 23,  
18 United States Code, is repealed.

19 (2) CONFORMING AMENDMENTS.—

20 (A) The chapter analysis for chapter 1 of  
21 title 23, United States Code, is amended by  
22 striking the item relating to section 134.

23 (B) Section 2864(d)(2) of title 10, United  
24 States Code, is amended by inserting “(as in ef-  
25 fect on the day before the date of enactment of

1 the Transportation Empowerment Act)” after  
2 “title 23”.

3 (C) Section 103(b)(3) of title 23, United  
4 States Code, is amended by striking subpara-  
5 graph (B) and inserting the following:

6 “(B) COOPERATION.—In proposing a  
7 modification under this paragraph, a State shall  
8 cooperate with local and regional officials.”.

9 (D) Section 104 of title 23, United States  
10 Code, is amended—

11 (i) in subsection (b)—

12 (I) in the matter preceding para-  
13 graph (1), by striking “, and to carry  
14 out section 134”; and

15 (II) by striking paragraph (5);

16 (ii) in subsection (d)(1)—

17 (I) by striking subparagraph (B);

18 (II) by striking “(A) USE.—”;

19 (III) by redesignating clauses (i)

20 and (ii) as subparagraphs (A) and

21 (B), respectively, and indenting appro-

22 priately;

23 (IV) in subparagraph (A) (as so  
24 redesignated), by striking “clause (ii)”

1 and inserting “subparagraph (B)”;  
2 and

3 (V) in subparagraphs (A) and  
4 (B) (as so redesignated), by inserting  
5 “(as in effect on the day before the  
6 date of enactment of the Transpor-  
7 tation Empowerment Act)” after  
8 “subsection (b)(5)” each place it ap-  
9 pears; and

10 (iii) in subsection (d)(2)—

11 (I) by striking “STATES.—” and  
12 all that follows through “The distribu-  
13 tion” in subparagraph (A), in the  
14 matter preceding clause (i), and in-  
15 serting “STATES.—The distribution”;

16 (II) in clause (ii), by striking “to  
17 carry out section 134 and”;

18 (III) by striking subparagraph  
19 (B); and

20 (IV) by redesignating clauses (i)  
21 and (ii) as subparagraphs (A) and  
22 (B), respectively, and indenting appro-  
23 priately.

24 (E) Section 106(h)(3)(C) of title 23,  
25 United States Code, is amended by striking

1 “sections 134 and 135” and inserting “section  
2 135”.

3 (F) Section 108(d)(5)(A) of title 23,  
4 United States Code, is amended by striking  
5 “sections 134 and 135” and inserting “section  
6 135”.

7 (G) Section 119(d)(1)(B) of title 23,  
8 United States Code, is amended by striking  
9 “sections 134 and 135” and inserting “section  
10 135”.

11 (H) Section 133(d) of title 23, United  
12 States Code, is amended—

13 (i) by striking paragraph (2);

14 (ii) in paragraph (5), by striking “sec-  
15 tions 134 and 135” and inserting “section  
16 135”; and

17 (iii) by redesignating paragraphs (3),  
18 (4), and (5) as paragraphs (2), (3), and  
19 (4), respectively.

20 (I) Section 135 of title 23, United States  
21 Code, is amended—

22 (i) in subsection (a)—

23 (I) in paragraph (1)—

1 (aa) by striking “Subject to  
2 section 134, to” and inserting  
3 “To”; and

4 (bb) by inserting “(as in ef-  
5 fect on the day before the date of  
6 enactment of the Transportation  
7 Empowerment Act)” after “sec-  
8 tion 134(a)”; and

9 (II) in paragraph (3), by insert-  
10 ing “(as in effect on the day before  
11 the date of enactment of the Trans-  
12 portation Empowerment Act)” after  
13 “section 134(a)”; and

14 (ii) in subsection (b)(1), by striking  
15 “with the transportation planning activities  
16 carried out under section 134 for metro-  
17 politan areas of the State and”;

18 (iii) in subsection (f)(2)—

19 (I) by striking subparagraph (A);  
20 and

21 (II) by redesignating subpara-  
22 graphs (B), (C), and (D) as subpara-  
23 graphs (A), (B), and (C), respectively;

24 (iv) in subsection (g)—

25 (I) in paragraph (2)—

1 (aa) by striking subpara-  
2 graph (A); and

3 (bb) by redesignating sub-  
4 paragraphs (B) and (C) as sub-  
5 paragraphs (A) and (B), respec-  
6 tively; and

7 (II) in paragraph (8), by striking  
8 “and section 134”; and

9 (v) in subsection (j), by striking “and  
10 section 134” each place it appears.

11 (J) Section 137 of title 23, United States  
12 Code, is amended—

13 (i) by striking subsection (e); and

14 (ii) by redesignating subsections (f)  
15 and (g) as subsections (e) and (f), respec-  
16 tively.

17 (K) Section 142 of title 23, United States  
18 Code, is amended—

19 (i) by striking subsection (d); and

20 (ii) by redesignating subsections (e)  
21 through (i) as subsections (d) through (h),  
22 respectively.

23 (L) Section 168(a)(2)(A) of title 23,  
24 United States Code, is amended by striking “or

1 a transportation plan developed under section  
2 134”.

3 (M) Section 201(c)(1) of title 23, United  
4 States Code, is amended by striking “sections  
5 134 and 135” and inserting “section 135”.

6 (N) Section 217(g)(1) of title 23, United  
7 States Code, is amended in the first sentence by  
8 striking “metropolitan planning organization  
9 and State in accordance with section 134 and  
10 135, respectively” and inserting “State in ac-  
11 cordance with section 135”.

12 (O) Section 327(a)(2)(B) of title 23,  
13 United States Code, is amended—

14 (i) in clause (iii), by striking “42  
15 U.S.C. 13” and inserting “42 U.S.C.”; and

16 (ii) in clause (iv)(I), by striking “134  
17 or”.

18 (P) Section 505 of title 23, United States  
19 Code, is amended—

20 (i) in subsection (a)(2)—

21 (I) by striking “metropolitan  
22 and”; and

23 (II) by striking “sections 134  
24 and 135” and inserting “section  
25 135”; and



1 (ii) in subsection (b)(2), by striking  
2 “sections 134 and 135” and inserting  
3 “section 135”.

4 (Q) Section 602(a)(3) of title 23, United  
5 States Code, is amended by striking “sections  
6 134 and 135” and inserting “section 135”.

7 (R) Section 610(d)(5) of title 23, United  
8 States Code, is amended by striking “section  
9 133(d)(3)” and inserting “section 133(d)(2)”.

10 (S) Section 174 of the Clean Air Act (42  
11 U.S.C. 7504) is amended—

12 (i) in the fourth sentence of sub-  
13 section (a), by striking “the metropolitan  
14 planning organization designated to con-  
15 duct the continuing, cooperative and com-  
16 prehensive transportation planning process  
17 for the area under section 134 of title 23,  
18 United States Code,”;

19 (ii) by striking subsection (b); and

20 (iii) by redesignating subsection (c) as  
21 subsection (b).

22 (T) Section 176(c) of the Clean Air Act  
23 (42 U.S.C. 7506(c)) is amended—

24 (i) in paragraph (7)(A), in the matter  
25 preceding clause (i), by striking “section

1 134(i) of title 23, United States Code, or”;  
2 and

3 (ii) in paragraph (9), by striking “sec-  
4 tion 134(i) of title 23, United States Code,  
5 or”.

6 (U) Section 182(c)(5) of the Clean Air Act  
7 (42 U.S.C. 7511a(c)(5)) is amended—

8 (i) by striking “(A) Beginning” and  
9 inserting “Beginning”; and

10 (ii) in the last sentence by striking  
11 “and with the requirements of section  
12 174(b)”.

13 (V) Section 5304(i) of title 49, United  
14 States Code, is amended—

15 (i) by striking “sections 134 and 135”  
16 each place it appears and inserting “sec-  
17 tion 135”; and

18 (ii) by striking “this this” and insert-  
19 ing “this”.

20 (d) NATIONAL BRIDGE AND TUNNEL INVENTORY  
21 AND INSPECTION STANDARDS.—

22 (1) IN GENERAL.—Section 144 of title 23,  
23 United States Code, is amended—

1 (A) in subsection (e)(1) by inserting “on  
2 the Federal-aid system” after “any bridge”;  
3 and

4 (B) in subsection (f)(1) by inserting “on  
5 the Federal-aid system” after “construct any  
6 bridge”.

7 (2) REPEAL OF HISTORIC BRIDGES PROVI-  
8 SIONS.—Section 144(g) of title 23, United States  
9 Code, is repealed.

10 (e) HIGHWAY SAFETY IMPROVEMENT PROGRAM.—

11 (1) IN GENERAL.—Section 148 of title 23,  
12 United States Code, is amended—

13 (A) in subsection (a)—

14 (i) in paragraph (4)(B)—

15 (I) by striking clause (v); and

16 (II) by redesignating clauses (vi)  
17 through (xxiv) as clauses (v) through  
18 (xxiii), respectively;

19 (ii) in paragraph (8), by striking “bi-  
20 cyclist,”; and

21 (iii) by striking paragraphs (11)  
22 through (13);

23 (B) by striking subsections (b), (c), (d),  
24 (e), (f), (g), (h), and (i); and

1 (C) by redesignating subsection (j) as sub-  
2 section (b).

3 (2) CONFORMING AMENDMENTS.—

4 (A) Section 101(a)(27) of title 23, United  
5 States Code, is amended by inserting “(as in ef-  
6 fect on the day before the date of enactment of  
7 the Transportation Empowerment Act)” after  
8 “section 148(a)”.

9 (B) Section 402(b)(1)(F)(v) of title 23,  
10 United States Code, is amended by inserting  
11 “(as in effect on the day before the date of en-  
12 actment of the Transportation Empowerment  
13 Act)” after “section 148(a)”.

14 (f) REPEAL OF CONGESTION MITIGATION AND AIR  
15 QUALITY IMPROVEMENT PROGRAM.—

16 (1) IN GENERAL.—Section 149 of title 23,  
17 United States Code, is repealed.

18 (2) CONFORMING AMENDMENTS.—

19 (A) The chapter analysis for chapter 1 of  
20 title 23, United States Code, is amended by  
21 striking the item relating to section 149.

22 (B) Section 106(d) of title 23, United  
23 States Code, is amended in the matter pre-  
24 ceding paragraph (1), by striking “section, sec-

1           tion 133, or section 149” and inserting “section  
2           or section 133”.

3           (C) Section 150 of title 23, United States  
4           Code, is amended—

5                   (i) in subsection (c)—

6                           (I) by striking paragraph (5);

7                           and

8                           (II) by redesignating paragraph

9                           (6) as paragraph (5); and

10                   (ii) in subsection (d), by striking “(5),

11                   and (6)” and inserting “and (5)”.

12           (D) Section 322(h)(3) of title 23, United  
13           States Code, is amended by striking “and the  
14           congestion mitigation and air quality improve-  
15           ment program under section 149”.

16           (E) Section 505(a)(3) of title 23, United  
17           States Code, is amended by striking “149,”.

18           (g) REPEAL OF TRANSPORTATION ALTERNATIVES  
19           PROGRAM.—The following provisions are repealed:

20                   (1) Section 213 of title 23, United States Code.

21                   (2) The item relating to section 213 in the  
22           analysis for chapter 1 of title 23, United States  
23           Code.

24           (h) NATIONAL DEFENSE HIGHWAYS.—Section 311  
25           of title 23, United States Code, is amended—

1           (1) in the first sentence, by striking “under  
2           subsection (a) of section 104 of this title” and in-  
3           serting “to carry out this section”; and

4           (2) by striking the second sentence.

5 **SEC. 6. FUNDING FOR HIGHWAY RESEARCH AND DEVELOP-**  
6 **MENT PROGRAM.**

7           (a) AUTHORIZATION OF APPROPRIATIONS.—There is  
8 authorized to be appropriated out of the Highway Trust  
9 Fund (other than the Mass Transit Account) to carry out  
10 section 503(b) of title 23, United States Code,  
11 \$115,000,000 for each of fiscal years 2016 through 2020.

12           (b) APPLICABILITY OF TITLE 23, UNITED STATES  
13 CODE.—Funds authorized to be appropriated by sub-  
14 section (a) shall—

15           (1) be available for obligation in the same man-  
16 ner as if those funds were apportioned under chap-  
17 ter 1 of title 23, United States Code, except that the  
18 Federal share of the cost of a project or activity car-  
19 ried out using those funds shall be 80 percent, un-  
20 less otherwise expressly provided by this Act (includ-  
21 ing the amendments by this Act) or otherwise deter-  
22 mined by the Secretary; and

23           (2) remain available until expended and not be  
24 transferable.

1 **SEC. 7. RETURN OF EXCESS TAX RECEIPTS TO STATES.**

2 (a) IN GENERAL.—Section 9503(c) of the Internal  
3 Revenue Code of 1986 is amended by adding at the end  
4 the following:

5 “(6) RETURN OF EXCESS TAX RECEIPTS TO  
6 STATES FOR SURFACE TRANSPORTATION PUR-  
7 POSES.—

8 “(A) IN GENERAL.—On the first day of  
9 each of fiscal years 2016, 2017, 2018, and  
10 2019, the Secretary, in consultation with the  
11 Secretary of Transportation, shall—

12 “(i) determine the excess (if any) of—

13 “(I) the amounts appropriated in  
14 such fiscal year to the Highway Trust  
15 Fund under subsection (b) which are  
16 attributable to the taxes described in  
17 paragraphs (1) and (2) thereof (after  
18 the application of paragraph (4)  
19 thereof) over the sum of—

20 “(II) the amounts so appro-  
21 priated which are equivalent to—

22 “(aa) such amounts attrib-  
23 utable to the core programs fi-  
24 nancing rate for such year, plus

1                   “(bb) the taxes described in  
2                   paragraphs (3)(C), (4)(B), and  
3                   (5) of subsection (c), and

4                   “(ii) allocate the amount determined  
5                   under clause (i) among the States (as de-  
6                   fined in section 101(a) of title 23, United  
7                   States Code) for surface transportation  
8                   (including mass transit and rail) purposes  
9                   so that—

10                   “(I) the percentage of that  
11                   amount allocated to each State, is  
12                   equal to

13                   “(II) the percentage of the  
14                   amount determined under clause (i)(I)  
15                   paid into the Highway Trust Fund in  
16                   the latest fiscal year for which such  
17                   data are available which is attrib-  
18                   utable to highway users in the State.

19                   “(B) ENFORCEMENT.—If the Secretary  
20                   determines that a State has used amounts  
21                   under subparagraph (A) for a purpose which is  
22                   not a surface transportation purpose as de-  
23                   scribed in subparagraph (A), the improperly  
24                   used amounts shall be deducted from any  
25                   amount the State would otherwise receive from



1           the Highway Trust Fund for the fiscal year  
2           which begins after the date of the determina-  
3           tion.”.

4           (b) EFFECTIVE DATE.—The amendment made by  
5 this section shall take effect on October 1, 2015.

6 **SEC. 8. REDUCTION IN TAXES ON GASOLINE, DIESEL FUEL,**  
7           **KEROSENE, AND SPECIAL FUELS FUNDING**  
8           **HIGHWAY TRUST FUND.**

9           (a) REDUCTION IN TAX RATE.—

10           (1) IN GENERAL.—Section 4081(a)(2)(A) of the  
11 Internal Revenue Code of 1986 is amended—

12           (A) in clause (i), by striking “18.3 cents”  
13 and inserting “3.7 cents”; and

14           (B) in clause (iii), by striking “24.3 cents”  
15 and inserting “5.0 cents”.

16           (2) CONFORMING AMENDMENTS.—

17           (A) Section 4081(a)(2)(D) of such Code is  
18 amended—

19           (i) by striking “19.7 cents” and in-  
20 sserting “4.1 cents”, and

21           (ii) by striking “24.3 cents” and in-  
22 sserting “5.0 cents”.

23           (B) Section 6427(b)(2)(A) of such Code is  
24 amended by striking “7.4 cents” and inserting  
25 “1.5 cents”.

1 (b) ADDITIONAL CONFORMING AMENDMENTS.—

2 (1) Section 4041(a)(1)(C)(iii)(I) of the Internal  
3 Revenue Code of 1986 is amended by striking “7.3  
4 cents per gallon (4.3 cents per gallon after Sep-  
5 tember 30, 2016)” and inserting “1.4 cents per gal-  
6 lon (zero after September 30, 2021)”.

7 (2) Section 4041(a)(2)(B)(ii) of such Code is  
8 amended by striking “24.3 cents” and inserting “5.0  
9 cents”.

10 (3) Section 4041(a)(3)(A) of such Code is  
11 amended by striking “18.3 cents” and inserting “3.7  
12 cents”.

13 (4) Section 4041(m)(1) of such Code is amend-  
14 ed—

15 (A) in subparagraph (A), by striking  
16 “2016” and inserting “2021,”;

17 (B) in subparagraph (A)(i), by striking  
18 “9.15 cents” and inserting “1.8 cents”;

19 (C) in subparagraph (A)(ii), by striking  
20 “11.3 cents” and inserting “2.3 cents”; and

21 (D) by striking subparagraph (B) and in-  
22 serting the following:

23 “(B) zero after September 30, 2021.”.

24 (5) Section 4081(d)(1) of such Code is amend-  
25 ed by striking “4.3 cents per gallon after September

1 30, 2016” and inserting “zero after September 30,  
2 2021”.

3 (6) Section 9503(b) of such Code is amended—

4 (A) in paragraphs (1) and (2), by striking  
5 “October 1, 2016” both places it appears and  
6 inserting “October 1, 2021”;

7 (B) in the heading of paragraph (2), by  
8 striking “OCTOBER 1, 2016” and inserting “OC-  
9 TOBER 1, 2021”;

10 (C) in paragraph (2), by striking “after  
11 September 30, 2016, and before July 1, 2017”  
12 and inserting “after September 30, 2021, and  
13 before July 1, 2022”; and

14 (D) in paragraph (6)(B), by striking  
15 “June 1, 2015” and inserting “October 1,  
16 2021”.

17 (c) FLOOR STOCK REFUNDS.—

18 (1) IN GENERAL.—If—

19 (A) before October 1, 2020, tax has been  
20 imposed under section 4081 of the Internal  
21 Revenue Code of 1986 on any liquid; and

22 (B) on such date such liquid is held by a  
23 dealer and has not been used and is intended  
24 for sale;

1       there shall be credited or refunded (without interest)  
2       to the person who paid such tax (in this subsection  
3       referred to as the “taxpayer”) an amount equal to  
4       the excess of the tax paid by the taxpayer over the  
5       amount of such tax which would be imposed on such  
6       liquid had the taxable event occurred on such date.

7               (2) TIME FOR FILING CLAIMS.—No credit or re-  
8       fund shall be allowed or made under this subsection  
9       unless—

10               (A) claim therefor is filed with the Sec-  
11       retary of the Treasury before April 1, 2021;  
12       and

13               (B) in any case where liquid is held by a  
14       dealer (other than the taxpayer) on October 1,  
15       2020—

16               (i) the dealer submits a request for re-  
17       fund or credit to the taxpayer before Janu-  
18       ary 1, 2021; and

19               (ii) the taxpayer has repaid or agreed  
20       to repay the amount so claimed to such  
21       dealer or has obtained the written consent  
22       of such dealer to the allowance of the cred-  
23       it or the making of the refund.

24               (3) EXCEPTION FOR FUEL HELD IN RETAIL  
25       STOCKS.—No credit or refund shall be allowed under

1 this subsection with respect to any liquid in retail  
2 stocks held at the place where intended to be sold  
3 at retail.

4 (4) DEFINITIONS.—For purposes of this sub-  
5 section, the terms “dealer” and “held by a dealer”  
6 have the respective meanings given to such terms by  
7 section 6412 of such Code; except that the term  
8 “dealer” includes a producer.

9 (5) CERTAIN RULES TO APPLY.—Rules similar  
10 to the rules of subsections (b) and (c) of section  
11 6412 and sections 6206 and 6675 of such Code shall  
12 apply for purposes of this subsection.

13 (d) EFFECTIVE DATES.—

14 (1) IN GENERAL.—Except as provided in para-  
15 graphs (2) and (3), the amendments made by this  
16 section shall apply to fuel removed after September  
17 30, 2020.

18 (2) CERTAIN CONFORMING AMENDMENTS.—

19 (A) The amendments made by subsection  
20 (b)(4) shall apply to fuel removed after Sep-  
21 tember 30, 2016.

22 (B) The amendments made by subpara-  
23 graphs (A), (B), and (C) of subsection (b)(6)  
24 shall take effect on October 1, 2016.

1 (C) The amendment made by subsection  
2 (b)(6)(D) shall take effect on June 1, 2015.

3 **SEC. 9. REPORT TO CONGRESS.**

4 Not later than 180 days after the date of enactment  
5 of this Act, after consultation with the appropriate com-  
6 mittees of Congress, the Secretary of Transportation shall  
7 submit a report to Congress describing such technical and  
8 conforming amendments to titles 23 and 49, United States  
9 Code, and such technical and conforming amendments to  
10 other laws, as are necessary to bring those titles and other  
11 laws into conformity with the policy embodied in this Act  
12 and the amendments made by this Act.

13 **SEC. 10. EFFECTIVE DATE CONTINGENT ON CERTIFI-**  
14 **CATION OF DEFICIT NEUTRALITY.**

15 (a) PURPOSE.—The purpose of this section is to en-  
16 sure that—

17 (1) this Act will become effective only if the Di-  
18 rector of the Office of Management and Budget cer-  
19 tifies that this Act is deficit neutral;

20 (2) discretionary spending limits are reduced to  
21 capture the savings realized in devolving transpor-  
22 tation functions to the State level pursuant to this  
23 Act; and

1           (3) the tax reduction made by this Act is not  
2           scored under pay-as-you-go and does not inadvert-  
3           ently trigger a sequestration.

4           (b) EFFECTIVE DATE CONTINGENCY.—Notwith-  
5           standing any other provision of this Act, this Act and the  
6           amendments made by this Act shall take effect only if—

7           (1) the Director of the Office of Management  
8           and Budget (referred to in this section as the “Di-  
9           rector”) submits the report as required in subsection  
10          (c); and

11          (2) the report contains a certification by the Di-  
12          rector that, based on the required estimates, the re-  
13          duction in discretionary outlays resulting from the  
14          reduction in contract authority is at least as great  
15          as the reduction in revenues for each fiscal year  
16          through fiscal year 2020.

17          (c) OMB ESTIMATES AND REPORT.—

18          (1) REQUIREMENTS.—Not later than 5 cal-  
19          endar days after the date of enactment of this Act,  
20          the Director shall—

21                  (A) estimate the net change in revenues re-  
22                  sulting from this Act for each fiscal year  
23                  through fiscal year 2020;

24                  (B) estimate the net change in discre-  
25                  tionary outlays resulting from the reduction in

1 contract authority under this Act for each fiscal  
2 year through fiscal year 2020;

3 (C) determine, based on those estimates,  
4 whether the reduction in discretionary outlays  
5 is at least as great as the reduction in revenues  
6 for each fiscal year through fiscal year 2020;  
7 and

8 (D) submit to Congress a report setting  
9 forth the estimates and determination.

10 (2) APPLICABLE ASSUMPTIONS AND GUIDE-  
11 LINES.—

12 (A) REVENUE ESTIMATES.—The revenue  
13 estimates required under paragraph (1)(A)  
14 shall be predicated on the same economic and  
15 technical assumptions and score keeping guide-  
16 lines that would be used for estimates made  
17 pursuant to section 252(d) of the Balanced  
18 Budget and Emergency Deficit Control Act of  
19 1985 (2 U.S.C. 902(d)).

20 (B) OUTLAY ESTIMATES.—The outlay esti-  
21 mates required under paragraph (1)(B) shall be  
22 determined by comparing the level of discre-  
23 tionary outlays resulting from this Act with the  
24 corresponding level of discretionary outlays pro-  
25 jected in the baseline under section 257 of the



1           Balanced Budget and Emergency Deficit Con-  
2           trol Act of 1985 (2 U.S.C. 907).

3           (d) CONFORMING ADJUSTMENT TO DISCRETIONARY  
4 SPENDING LIMITS.—On compliance with the requirements  
5 specified in subsection (b), the Director shall adjust the  
6 adjusted discretionary spending limits for each fiscal year  
7 through fiscal year 2020 under section 601(a)(2) of the  
8 Congressional Budget Act of 1974 (2 U.S.C. 665(a)(2))  
9 by the estimated reductions in discretionary outlays under  
10 subsection (c)(1)(B).

11          (e) PAYGO INTERACTION.—On compliance with the  
12 requirements specified in subsection (b), no changes in  
13 revenues estimated to result from the enactment of this  
14 Act shall be counted for the purposes of section 252(d)  
15 of the Balanced Budget and Emergency Deficit Control  
16 Act of 1985 (2 U.S.C. 902(d)).

○