

114TH CONGRESS  
1ST SESSION

# H. R. 199

To authorize the Secretary of Transportation to establish a pedestrian and bicycle infrastructure credit assistance pilot program, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 7, 2015

Mr. SIRES introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

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## A BILL

To authorize the Secretary of Transportation to establish a pedestrian and bicycle infrastructure credit assistance pilot program, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Bicycle and Pedestrian Infrastructure Improvement Act  
6 of 2015”.

7 (b) TABLE OF CONTENTS.—The table of contents for  
8 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Purposes.
- Sec. 3. Authority to provide assistance.

- Sec. 4. Eligible entities.
- Sec. 5. Projects eligible for assistance.
- Sec. 6. Applications.
- Sec. 7. Determination of eligibility and project selection.
- Sec. 8. Secured loans and loan guarantees.
- Sec. 9. Program administration.
- Sec. 10. State and local permits.
- Sec. 11. Definitions.
- Sec. 12. Regulations.
- Sec. 13. Funding.
- Sec. 14. Report to Congress.

1 **SEC. 2. PURPOSES.**

2 The purposes of this Act are as follows:

3 (1) To promote investment in bicycling and  
4 walking infrastructure to create and connect trans-  
5 portation networks.

6 (2) To improve access to employment, business  
7 districts, and transit in communities traditionally  
8 underserved by existing transportation systems by  
9 establishing additional opportunities for financing  
10 nonmotorized infrastructure projects.

11 (3) To attract new investment to business dis-  
12 tricts and neighborhoods in low-income communities.

13 (4) To leverage Federal funds and private in-  
14 vestment in low-income communities and those tra-  
15 ditionally underserved by existing transportation sys-  
16 tems.

17 **SEC. 3. AUTHORITY TO PROVIDE ASSISTANCE.**

18 The Secretary of Transportation may provide finan-  
19 cial assistance under this Act to eligible entities to carry

1 out bicycle and pedestrian infrastructure projects selected  
2 for such assistance under this Act.

3 **SEC. 4. ELIGIBLE ENTITIES.**

4 In this Act, the term “eligible entity” means the fol-  
5 lowing:

6 (1) A corporation.

7 (2) A public/private partnership.

8 (3) A joint venture.

9 (4) A trust.

10 (5) A State infrastructure financing authority.

11 **SEC. 5. PROJECTS ELIGIBLE FOR ASSISTANCE.**

12 Financial assistance may be provided under this Act  
13 only for the following types of projects:

14 (1) A project for the construction, planning,  
15 and design of on-road and off-road pathways for pe-  
16 destrians, bicyclists, and other nonmotorized forms  
17 of transportation to create a comprehensive and con-  
18 nected transportation system, including sidewalks,  
19 bicycling infrastructure and parking, pedestrian and  
20 bicycle signals, traffic calming techniques, lighting  
21 and other safety-related infrastructure, and trans-  
22 portation projects to achieve compliance with the  
23 Americans with Disabilities Act of 1990 (42 U.S.C.  
24 12101 et seq.).

1           (2) A project for the construction, planning,  
2           and design of infrastructure-related projects and  
3           systems that connect existing infrastructure to cre-  
4           ate a network and improve safety and access for  
5           nonmotorized users to transit, schools, and commer-  
6           cial areas.

7           (3) Innovative infrastructure for bicycling and  
8           walking, such as designs included in the National  
9           Association of City Transportation Officials guide  
10          for urban street design, to enhance the ability of  
11          communities to develop solutions to increase non-  
12          motorized travel.

13          (4) A project for the conversion and use of  
14          abandoned railroad corridors for trails for pedes-  
15          trians, bicyclists, or other nonmotorized transpor-  
16          tation users to connect to or expand an existing net-  
17          work of bicycle and pedestrian facilities.

18          (5) A bike share program as a standalone  
19          project or in conjunction with other infrastructure  
20          projects.

21 **SEC. 6. APPLICATIONS.**

22          (a) IN GENERAL.—The Secretary shall provide for el-  
23          igible entities to submit applications for selection of eligi-  
24          ble projects to receive financial assistance under this Act

1 at such time, in such manner, and containing such infor-  
2 mation as the Secretary may require.

3 (b) COMBINED PROJECTS.—The Secretary shall pro-  
4 vide, only in the case of a State infrastructure financing  
5 authority, that such an entity may submit a single applica-  
6 tion for a combination of projects, each of which is an  
7 eligible project under section 8(b).

8 **SEC. 7. DETERMINATION OF ELIGIBILITY AND PROJECT SE-**  
9 **LECTION.**

10 (a) SELECTION OF PROJECTS.—Using the selection  
11 criteria under subsection (d), the Secretary shall select,  
12 from applications submitted pursuant under this Act, eli-  
13 gible projects that meet the criteria under subsections (b)  
14 and (c) for financial assistance under this Act.

15 (b) ACTIVITIES ELIGIBLE FOR ASSISTANCE.—  
16 Amounts from a loan made or guaranteed under this Act  
17 provided for an eligible project may be used to pay the  
18 costs of carrying out such project, including costs of—

19 (1) development-phase activities, including plan-  
20 ning, feasibility analysis, revenue forecasting, envi-  
21 ronmental review, permitting, preliminary engineer-  
22 ing and design work, and other preconstruction ac-  
23 tivities;

24 (2) construction, reconstruction, rehabilitation,  
25 and replacement activities;

1           (3) the acquisition of real property (including  
2 land relating to the project and improvements to  
3 land), environmental mitigation, construction contin-  
4 gencies, and acquisition of equipment;

5           (4) capitalized interest necessary to meet mar-  
6 ket requirements, reasonably required reserve funds,  
7 capital issuance expenses, and other carrying costs  
8 during construction; and

9           (5) refinancing interim construction funding,  
10 long-term project obligations, or a secured loan or  
11 loan guarantee made under this Act.

12       (c) PROJECT REQUIREMENTS.—An eligible project  
13 may not be selected to receive financial assistance under  
14 this Act unless the Secretary determines that the project  
15 meets all of the following criteria:

16           (1) CREDITWORTHINESS.—

17           (A) IN GENERAL.—Subject to subpara-  
18 graph (B), the project shall be creditworthy, as  
19 determined by the Secretary as applicable, to  
20 ensure that any financing for the project has  
21 appropriate security features, such as a rate  
22 covenant, to ensure repayment.

23           (B) PRELIMINARY RATING OPINION LET-  
24 TER.—The Secretary shall require an applicant  
25 for each project to provide, as part of the appli-

1 cation for the project under this section, a pre-  
2 liminary rating opinion letter from at least one  
3 rating agency indicating that the senior project  
4 obligations of the project (which may be the  
5 Federal credit instrument) have the potential to  
6 achieve an investment-grade rating.

7 (C) SPECIAL RULE FOR CERTAIN COM-  
8 BINED PROJECTS.—The Secretary shall develop  
9 a credit evaluation process for a Federal credit  
10 instrument provided to a State infrastructure  
11 financing authority for a project described in  
12 subsection (b), which may include requiring the  
13 provision of a preliminary rating opinion letter  
14 from at least one rating agency.

15 (2) ELIGIBLE PROJECT COSTS.—The costs of  
16 an eligible project shall be reasonably anticipated to  
17 be not less than \$2,000,000.

18 (3) DEDICATED REVENUE SOURCES.—The Fed-  
19 eral credit instrument for the project shall be repay-  
20 able, in whole or in part, from dedicated revenue  
21 sources that also secure the project obligations.

22 (4) PUBLIC SPONSORSHIP OF PRIVATE ENTI-  
23 TIES.—In the case of a project carried out by an en-  
24 tity that is not a State or local government or an

1 agency or instrumentality of a State or local govern-  
2 ment, the project shall be publicly sponsored.

3 (5) PUBLIC INVOLVEMENT PROCESS.—The ap-  
4 plicant shall show evidence of having incorporated a  
5 public involvement process in the application, and  
6 plans for continued public involvement through the  
7 implementation of the process. The public involve-  
8 ment processes shall be proactive and provide com-  
9 plete information, timely public notice, full public ac-  
10 cess to key decisions, and opportunities for early and  
11 continuing involvement. The processes shall provide  
12 for—

13 (A) reasonable public access to technical  
14 and policy information used in the development  
15 of the application;

16 (B) adequate public notice of public in-  
17 volvement activities and time for public review  
18 and comment at key decision points;

19 (C) a process for demonstrating explicit  
20 consideration and response to public input dur-  
21 ing the planning and program development  
22 process; and

23 (D) a process for seeking out and consid-  
24 ering the needs of those traditionally under-  
25 served by existing transportation systems, such



1 as low-income and minority households which  
2 may face challenges accessing employment and  
3 other amenities.

4 (d) SELECTION AMONG ELIGIBLE PROJECTS.—

5 (1) ESTABLISHMENT.—The Secretary shall es-  
6 tablish a rolling application process in which projects  
7 that are eligible to receive credit assistance under  
8 subsection (a) shall receive credit assistance on  
9 terms acceptable to the Secretary, if adequate funds  
10 are available to cover the subsidy costs associated  
11 with the Federal credit instrument.

12 (2) ADEQUATE FUNDING NOT AVAILABLE.—If  
13 the Secretary fully obligates funding to eligible  
14 projects in a given fiscal year, and adequate funding  
15 is not available to fund a credit instrument, a  
16 project sponsor of an eligible project may elect to  
17 enter into a master credit agreement and wait until  
18 the following fiscal year or until additional funds are  
19 available to receive credit assistance.

20 (e) LOW-INCOME COMMUNITIES.—The Secretary  
21 shall ensure that not less than 25 percent of funds under  
22 this section are used to support projects in low-income  
23 communities.

1 (f) FEDERAL REQUIREMENTS.—Nothing in this sec-  
2 tion may be construed to alter, affect, or annul the appli-  
3 cability of any other Federal law.

4 **SEC. 8. SECURED LOANS AND LOAN GUARANTEES.**

5 (a) AUTHORITY.—The Secretary may enter into  
6 agreements with eligible entities to make, and may make,  
7 secured loans to such entities as provided under this sec-  
8 tion for eligible projects selected under section 8.

9 (b) USE.—

10 (1) IN GENERAL.—The proceeds of a secured  
11 loan under this section shall be used only—

12 (A) to finance project costs of an eligible  
13 project selected under section 8;

14 (B) subject to paragraph (2), to refinance  
15 interim construction financing of eligible project  
16 costs of an eligible project selected under sec-  
17 tion 8; or

18 (C) to refinance long-term project obliga-  
19 tions or Federal credit instruments, if such refi-  
20 nancing provides additional funding capacity for  
21 the completion, enhancement, or expansion of a  
22 project that—

23 (i) is selected under section 8; or

24 (ii) was originally financed, in whole  
25 or in part, with amounts provided other

1           than under this Act, if the project other-  
2           wise meets the requirements of section 8.

3           (2) LIMITATION ON REFINANCING OF INTERIM  
4           CONSTRUCTION FINANCING.—The proceeds of a se-  
5           cured loan under this section made for an eligible  
6           project may not be used for the purpose under para-  
7           graph (1)(B) after the expiration of the 12-month  
8           period beginning on the date of substantial comple-  
9           tion of the project.

10          (c) RISK ASSESSMENT.—Before entering into an  
11         agreement under this subsection for a secured loan, the  
12         Secretary, in consultation with the Director of the Office  
13         of Management and Budget and each rating agency pro-  
14         viding a preliminary rating opinion letter under section  
15         8(c)(1)(B), shall determine an appropriate capital reserve  
16         subsidy amount for the secured loan, taking into account  
17         each such preliminary rating opinion letter.

18          (d) INVESTMENT-GRADE RATING REQUIREMENT FOR  
19         SENIOR OBLIGATIONS.—The execution of a secured loan  
20         under this section shall be contingent on receipt by the  
21         senior obligations of the project of an investment-grade  
22         rating.

23          (e) TERMS AND LIMITATIONS.—

1           (1) MAXIMUM AMOUNT.—The amount of a se-  
2           cured loan under this section shall not exceed the  
3           lesser of—

4                   (A) an amount equal to 49 percent of the  
5                   reasonably anticipated eligible project costs; or

6                   (B) if the secured loan does not receive an  
7                   investment-grade rating, the amount of the sen-  
8                   ior project obligations of the project.

9           (2) PAYMENT.—A secured loan under this sec-  
10          tion—

11                   (A) shall be payable, in whole or in part,  
12                   from State or local taxes, user fees, or other  
13                   dedicated revenue sources that also secure the  
14                   senior project obligations of the relevant  
15                   project;

16                   (B) shall include a rate covenant, coverage  
17                   requirement, or similar security feature sup-  
18                   porting the project obligations; and

19                   (C) may have a lien on revenues described  
20                   in subparagraph (A), subject to any lien secur-  
21                   ing project obligations.

22          (3) INTEREST RATE.—The interest rate on a  
23          secured loan under this section shall be—

24                   (A) equal to the yield on marketable  
25                   United States Treasury securities of a similar

1 maturity to the maturity of the secured loan on  
2 the date of execution of the loan agreement;  
3 and

4 (B) fixed for the term of the loan.

5 (4) MATURITY DATE.—

6 (A) IN GENERAL.—Except as provided in  
7 subparagraph (B), the final maturity date of a  
8 secured loan under this section for an eligible  
9 project shall be not later than 35 years after  
10 the date of substantial completion of the  
11 project.

12 (B) SPECIAL RULE FOR STATE INFRA-  
13 STRUCTURE FINANCING AUTHORITIES.—The  
14 final maturity date of a secured loan under this  
15 section made to a State infrastructure financing  
16 authority shall be not later than 35 years after  
17 the date on which loan amounts are first dis-  
18 bursed.

19 (5) NONSUBORDINATION.—A secured loan  
20 under this section shall not be subordinated to the  
21 claims of any holder of project obligations in the  
22 event of bankruptcy, insolvency, or liquidation of the  
23 obligor.

24 (6) FEES.—The Secretary may establish fees in  
25 connection with a secured loan under this section, in

1 amounts sufficient to cover all or a portion of the  
2 costs to the Federal Government of secured loans  
3 under this section.

4 (7) USE OF PROCEEDS FOR PAYMENT OF NON-  
5 FEDERAL SHARE.—The proceeds of a secured loan  
6 under this section may be used to pay any non-Fed-  
7 eral share required with respect to other funding ob-  
8 tained for project costs, but only if such secured  
9 loan is repaid using non-Federal funds.

10 (8) MAXIMUM FEDERAL INVOLVEMENT.—For  
11 any project for which assistance is provided under  
12 this Act, the total amount of Federal assistance  
13 from all sources, including this Act, shall not exceed  
14 80 percent of the total project cost.

15 (9) OTHER TERMS AND CONDITIONS.—A se-  
16 cured loan provided for a project under this section  
17 shall be subject to such other terms and conditions,  
18 and contain such covenants, representations, war-  
19 ranties, and requirements (including requirements  
20 for audits), as the Secretary determines to be appro-  
21 priate.

22 (f) REPAYMENT.—

23 (1) SCHEDULE.—The Secretary shall establish  
24 a repayment schedule for each secured loan provided

1 under this section, based on the projected cash flow  
2 from project revenues and other repayment sources.

3 (2) COMMENCEMENT.—

4 (A) IN GENERAL.—Except as provided in  
5 subparagraph (B), scheduled loan repayments  
6 of principal or interest on a secured loan under  
7 this section for an eligible project shall com-  
8 mence not later than 5 years after the date of  
9 substantial completion of the project.

10 (B) SPECIAL RULE FOR STATE INFRA-  
11 STRUCTURE FINANCING AUTHORITIES.—Sched-  
12 uled loan repayments of principal or interest on  
13 a secured loan made under this section to a  
14 State infrastructure financing authority shall  
15 commence not later than 5 years after the date  
16 on which amounts are first disbursed.

17 (3) DEFERRED PAYMENTS.—

18 (A) IN GENERAL.—If, at any time after  
19 the date of substantial completion of a project  
20 for which a secured loan is provided under this  
21 section, the project is unable to generate suffi-  
22 cient revenues to pay the scheduled loan repay-  
23 ments of principal and interest on the loan, the  
24 Secretary may, subject to subparagraph (C),  
25 allow the obligor to add unpaid principal and

1 interest to the outstanding balance of the se-  
2 cured loan.

3 (B) INTEREST.—Any payment deferred  
4 pursuant to subparagraph (A) shall—

5 (i) continue to accrue interest in ac-  
6 cordance with subsection (e)(3) until fully  
7 repaid; and

8 (ii) be amortized over the remaining  
9 term of the secured loan.

10 (C) CRITERIA.—Any payment deferral pur-  
11 suant to subparagraph (A) shall be contingent  
12 on the project meeting—

13 (i) standards for reasonable assurance  
14 of repayment, as the Secretary shall estab-  
15 lish; and

16 (ii) such other criteria as the Sec-  
17 retary may establish.

18 (4) PREPAYMENT.—

19 (A) USE OF EXCESS REVENUES.—Any ex-  
20 cess revenues from an eligible project that re-  
21 main after satisfying scheduled debt service re-  
22 quirements on the project obligations and se-  
23 cured loan and all deposit requirements under  
24 the terms of any trust agreement, bond resolu-  
25 tion, or similar agreement securing project obli-



1           gations may be applied annually to prepay a se-  
2           cured loan under this section without penalty.

3                   (B) USE OF PROCEEDS OF REFI-  
4           NANCING.—A secured loan under this section  
5           may be prepaid at any time, without penalty,  
6           from the proceeds of refinancing from non-Fed-  
7           eral funding sources.

8           (g) SALE OF SECURED LOANS.—

9                   (1) IN GENERAL.—Subject to paragraph (2), if  
10          the Secretary determines that the sale or reoffering  
11          of a secured loan under this section for an eligible  
12          project can be made on favorable terms, the Sec-  
13          retary may sell the loan to another entity or reoffer  
14          the loan into the capital markets as soon as prac-  
15          ticable after the date of substantial completion of a  
16          project and after providing notice to the obligor.

17                   (2) CONSENT OF OBLIGOR.—In making a sale  
18          or reoffering under paragraph (1), the Secretary  
19          may not change the original terms and conditions of  
20          the secured loan without the written consent of the  
21          obligor.

22           (h) LOAN GUARANTEES.—

23                   (1) IN GENERAL.—In lieu of making a secured  
24          loan under this section for an eligible project, the  
25          Secretary may provide a loan guarantee for a project

1 obligation for a project funded by a qualified lender  
2 (as such term is defined in section 12), but only if  
3 the Secretary determines that the cost as such term  
4 is defined in section 502 of the Federal Credit Re-  
5 form Act of 1990 (2 U.S.C. 661a) of the loan guar-  
6 antee is substantially the same as or less than that  
7 of making a secured loan.

8 (2) TERMS.—The terms of a loan guarantee  
9 provided under this subsection shall be consistent  
10 with the terms established in this section for a se-  
11 cured loan, except that the interest rate on the guar-  
12 anteed loan and any prepayment features shall be  
13 negotiated between the obligor and the qualified  
14 lender, subject to the consent of the Secretary.

15 **SEC. 9. PROGRAM ADMINISTRATION.**

16 (a) REQUIREMENT.—The Secretary shall establish a  
17 uniform system to service the Federal credit instruments  
18 made available under this Act.

19 (b) SERVICER.—

20 (1) IN GENERAL.—The Secretary may appoint  
21 a financial entity to assist the Secretary in servicing  
22 Federal credit instruments provided under this Act.

23 (2) DUTIES.—A servicer appointed under para-  
24 graph (1) shall act as the agent for the Secretary.

1           (c) ASSISTANCE FROM EXPERTS.—The Secretary  
2 may retain the services, including counsel, of organizations  
3 and entities with expertise in the field of municipal and  
4 project finance to assist in the underwriting and servicing  
5 of Federal credit instruments provided under this Act.

6 **SEC. 10. STATE AND LOCAL PERMITS.**

7           The provision of financial assistance under this Act  
8 for an eligible project shall not—

9           (1) relieve any recipient of such assistance of  
10 any obligation to obtain any required State or local  
11 permit or approval with respect to the project;

12           (2) limit the right of any unit of State or local  
13 government to approve or regulate any rate of re-  
14 turn on private equity invested in the project; or

15           (3) otherwise supersede any State or local law  
16 or regulation applicable to the construction or oper-  
17 ation of the project.

18 **SEC. 11. DEFINITIONS.**

19           In this Act, the following definitions shall apply:

20           (1) ELIGIBLE ENTITY.—The term “eligible enti-  
21 ty” means an entity listed in section 5 to receive fi-  
22 nancial assistance under this Act.

23           (2) ELIGIBLE PROJECT.—The term “eligible  
24 project” means a project described in section 6.

1           (3) ELIGIBLE PROJECT COSTS.—The term “eli-  
2           gible project costs” means, with respect to an eligi-  
3           ble project, any costs of the project eligible under  
4           section 8 to be paid with amounts from a loan made  
5           or guaranteed under this Act.

6           (4) FEDERAL CREDIT INSTRUMENT.—The term  
7           “Federal credit instrument” means a secured loan  
8           made, or loan guarantee provided, under section 9.

9           (5) INVESTMENT-GRADE RATING.—The term  
10          “investment-grade rating” means, with respect to  
11          project obligations, a rating of BBB minus, Baa3,  
12          bbb minus, BBB (low), or higher as assigned by a  
13          rating agency.

14          (6) LOAN GUARANTEE.—The term “loan guar-  
15          antee” means any guarantee or other pledge by the  
16          Secretary to pay all or part of the principal of, and  
17          interest on, a loan or other debt obligation.

18          (7) OBLIGOR.—The term “obligor” means—

19                (A) with respect to a Federal credit instru-  
20                ment that is a secured loan under section 9, the  
21                eligible entity that is primarily liable for pay-  
22                ment of the principal of, or interest on, the  
23                loan; and

24                (B) with respect to a Federal credit instru-  
25                ment that is a loan guarantee under section

1           9(h), the eligible entity that is primarily liable  
2           for payment of the loan or other debt obligation  
3           repayment of which is guaranteed pursuant to  
4           such section.

5           (8) PROJECT OBLIGATION.—The term “project  
6           obligation” means, with respect to an eligible  
7           project, any note, bond, debenture, or other debt ob-  
8           ligation issued by an obligor in connection with the  
9           financing of the project. Such term does not include  
10          a Federal credit instrument.

11          (9) QUALIFIED LENDER.—

12           (A) IN GENERAL.—The term “qualified  
13           lender” means any non-Federal qualified insti-  
14           tutional buyer, as such term is defined in sec-  
15           tion 230.144A(a) of title 17, Code of Federal  
16           Regulations (or any successor regulation),  
17           known as Rule 144A(a) of the Securities and  
18           Exchange Commission and issued under the Se-  
19           curities Act of 1933 (15 U.S.C. 77a et seq.).

20           (B) INCLUSIONS.—Such term includes—

21           (i) a qualified retirement plan (as de-  
22           fined in section 4974(c) of the Internal  
23           Revenue Code of 1986) that is a qualified  
24           institutional buyer; and

1                   (ii) a governmental plan (as defined in  
2                   section 414(d) of the Internal Revenue  
3                   Code of 1986) that is a qualified institu-  
4                   tional buyer.

5                   (10) RATING AGENCY.—The term “rating agen-  
6                   cy” means a credit rating agency registered with the  
7                   Securities and Exchange Commission as a nationally  
8                   recognized statistical rating organization (as defined  
9                   in section 3(a) of the Securities Exchange Act of  
10                  1934 (15 U.S.C. 78c(a))).

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

13                  (12) SECURED LOAN.—The term “secured  
14                  loan” means a direct loan or other debt obligation  
15                  issued by an obligor and funded by the Secretary  
16                  pursuant to section 9.

17                  (13) STATE.—The term “State” means a State,  
18                  the District of Columbia, the Commonwealth of  
19                  Puerto Rico, and any other territory or possession of  
20                  the United States.

21                  (14) STATE INFRASTRUCTURE FINANCING AU-  
22                  THORITY.—The term “State infrastructure financing  
23                  authority” means the State entity established or des-  
24                  ignated by the Governor of a State to receive assist-  
25                  ance under this Act.

1           (15) **SUBSIDY AMOUNT.**—The term “subsidy  
2           amount” means, with respect to a Federal credit in-  
3           strument, the amount of budget authority sufficient  
4           to cover the estimated long-term cost to the Federal  
5           Government of the Federal credit instrument, as cal-  
6           culated on a net present value basis, excluding ad-  
7           ministrative costs and any incidental effects on gov-  
8           ernmental receipts or outlays in accordance with the  
9           Federal Credit Reform Act of 1990 (2 U.S.C. 661  
10          et seq.).

11          (16) **SUBSTANTIAL COMPLETION.**—The term  
12          “substantial completion” means, with respect to a  
13          project, the earliest date on which a project is con-  
14          sidered capable of performing the functions for  
15          which the project is designed.

16 **SEC. 12. REGULATIONS.**

17          The Secretary may issue such regulations as the Sec-  
18          retary considers appropriate to carry out this Act.

19 **SEC. 13. FUNDING.**

20          Section 608(a) of title 23, United States Code, is  
21          amended—

22                 (1) by redesignating paragraphs (4) through  
23                 (6) as paragraphs (5) through (7), respectively; and

24                 (2) by inserting after paragraph (3) the fol-  
25          lowing:

1           “(4) SET ASIDES.—Of the total amount of  
2 funds made available to carry out this chapter for  
3 each fiscal year—

4                   “(A) \$11,000,000 shall be set aside for pe-  
5 destrian and bicycle infrastructure projects de-  
6 scribed in the Bicycle and Pedestrian Infra-  
7 structure Improvement Act of 2015 unless and  
8 until the pilot program established by that Act  
9 is terminated; and

10                   “(B) \$1,000,000 shall be set aside for ad-  
11 ministrative costs of the program.”.

12 **SEC. 14. REPORT TO CONGRESS.**

13           Not later than 2 years after the date of enactment  
14 of this Act, the Secretary shall submit to Congress a re-  
15 port summarizing the financial performance of the  
16 projects that are receiving, or have received, assistance  
17 under this Act, including a recommendation as to whether  
18 the objectives of this Act are best served—

19                   (1) by continuing the program under the au-  
20 thority of the Secretary; and

21                   (2) by phasing out the program and relying on  
22 the capital markets to fund the types of infrastruc-  
23 ture investments assisted by this Act without Fed-  
24 eral participation.

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