from abroad for temporary exhibition within the United States, are of cultural significance. The objects are imported pursuant to loan agreements with the foreign owners or custodians. I also determine that the exhibition or display of the exhibit objects at The Metropolitan Museum of Art, New York, New York, from on or about March 26, 2007, until on or about July 8, 2007, and at possible additional venues yet to be determined, is in the national interest. Public Notice of these Determinations is ordered to be published in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT: For further information, including a list of the exhibit objects, contact Wolodymyr Sulzynsky, Attorney-Adviser, Office of the Legal Adviser, U.S. Department of State (telephone: (202) 453–8050). The address is U.S. Department of State, SA–44, 301 4th Street, SW., Room 700, Washington, DC 20547–0001.

Dated: December 15, 2006.

C. Miller Crouch,

Principal Deputy Assistant Secretary for Educational and Cultural Affairs, Department of State.

[FR Doc. E6–21964 Filed 12–21–06; 8:45 am]

BILLING CODE 4710–05–P

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Notice To Rescind a Notice of Intent To Prepare an Environmental Impact Statement (EIS); Bannock County, ID

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Rescind Notice of Intent to prepare an EIS.

SUMMARY: The FHWA is issuing this notice to advise the public that the Notice of Intent (NOI) published on May 3, 2006 to prepare an EIS for a proposed highway project in Bannock County, Idaho is being rescinded.

FOR FURTHER INFORMATION CONTACT: Mr. Edwin B. Johnson, Field Operations Engineer, Federal Highway Administration, 3050 Lakeharbor Lane, Suite 126, Boise, Idaho 83703, Telephone: (208) 334–9180, ext. 116, or Mr. Dennis Clark, Environmental Section Manager, Headquarters, Idaho Transportation Department, P.O. Box 7129, Boise, Idaho 83703–1129, Telephone: (208) 334–8203.

SUPPLEMENTARY INFORMATION:

Background

The FHWA, in cooperation with the Idaho Transportation Department (ITD), is rescinding the NOI to prepare an EIS for a project that has been proposed to provide a new access point along Interstate 15 (I–15) in Bannock County, Idaho. The NOI is being rescinded because ITD and FHWA have determined that the project will have no significant impacts and an EIS is not necessary or appropriate for the environmental evaluation.

The I–15 Environmental Study began in June 2004. Initial projects indicated that an Environmental Assessment (EA) would be an appropriate level of documentation for project impacts. Additional environmental scans and screening did not reveal significant impacts to support a change in the level of documentation. Alternatives were developed and advanced into further screening where actual footprints were evaluated for impacts within the project limits. One of the alternatives showed greater impacts than others being evaluated during the continued screening process. In response to that finding it was thought that an EIS would be the best method to discuss impacts from this alternative. Consequently, an NOI was published on May 3, 2006.

A public meeting was held on June 22, 2006 to solicit comments from the public on alternatives being considered. An additional screening analysis was performed in conjunction with the public meeting. Based upon the results of that screening analysis and public comments received on this analysis, some of the alternatives were dropped from further analysis due to potential significant impacts to the built and natural environment as well as to traffic operations. At this point in the project development process, no significant human or natural environmental impacts are evident in the I–15 Environmental Study project that would require an EIS. If, at any point in the EA process, it is determined that the action is likely to have a significant impact on the environment, the preparation of an EIS will be required.

To ensure that the full range of issues related to this proposed action and all significant issues are identified, comments and suggestions are invited from all interested parties regarding this action to rescind the NOI published May 3, 2006 for the highway project in Bannock County, Idaho. Comments or questions concerning this proposed action should be directed to the FHWA or ITD at the addresses provided above.

[Catalog of Federal Domestic Assistance Program Number 20.205, Highway Research, Planning, and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to the program.]

Issued on December 12, 2006.

Stephen A. Moreno,

Division Administrator, Boise, Idaho.

[FR Doc. 06–9779 Filed 12–21–06; 8:45 am]

BILLING CODE 4910–22–M

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Value Pricing Pilot Program Participation, Fiscal Years 2007–2009

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice; solicitation for participation.

SUMMARY: This notice invites State and local governments and other public authorities to apply to participate in the Value Pricing Pilot (VPP) program and presents guidelines for program applications. This notice supersedes two previous notices about the VPP program under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU) published in the **Federal Register** on January 6, 2006 (71 FR 970), and July 17, 2006 (71 FR 40578). The primary purpose of superseding the previous notices with this new notice is to shift the focus on the types of VPP program projects being solicited to achieve consistency with the U.S. Department of Transportation's (DOT) National Strategy to Reduce Congestion on America's Transportation Network (DOT Congestion Initiative), announced on May 16, 2006.[1] This national strategy contains a number of elements that involve pricing, thus warranting a reconsideration of the types of projects solicited for VPP program participation. This solicitation aligns the VPP program with the DOT Congestion Initiative by together seeking to support metropolitan areas in systemically progressing toward implementation of broad congestion pricing strategies in the near term. This notice also describes the statutory basis for the VPP program and specifies all of the steps necessary to apply for funding and, where applicable, tolling authority

[1] Speaking before the National Retail Federation's annual conference on May 16, 2006, in Washington, DC, former U.S. Transportation Secretary Norman Mineta unveiled a new plan to reduce congestion plaguing America's roads, rail, and airports. The National Strategy to Reduce Congestion on America's Transportation Network includes a number of initiatives designed to reduce transportation congestion. The transcript of these remarks is available at the follwoing URL: *http://www.dot.gov./affairs/minetasp051606.htm.*

under the program. A new application deadline is also provided.

A January 6, 2006, notice covering non-grant tolling programs, which was a companion to the original January 6, 2006, VPP program notice, remains in effect. That notice was entitled ''Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU); Opportunities for States and Other Qualifying Agencies to Gain Authority to Toll Facilities Constructed Using Federal Funds'' (71 FR 965). Today's new notice and the previous companion notice are together intended to cover all of the opportunities for States and other qualifying transportation agencies to obtain approval to toll their respective facilities and to secure funding to implement tolling and pricing.

DATES: Applications for tolling authority only may be submitted at any time prior to September 30, 2009. Formal grant applications must be submitted no later than April 30, 2007, for FY 2007 funds.

Application Submission: Beginning in FY 2007, all Federal agencies, including FHWA, are required to use *http://www.grants.gov*, an electronic format for receiving applications. Grants.gov was developed as part of the President's Management Agenda and related E-Government Strategy, which charged Federal grant-making agencies with developing a single electronic system to help prospective applicants find and apply for Federal grant opportunities. Therefore, applicants applying for funding under the VPP program must file their applications online at www.grants.gov. The full announcement for VPP program grants is expected to be available on www.grants.gov no later than January 15, 2007.

FOR FURTHER INFORMATION CONTACT: For questions about this notice, please contact Mr. Wayne Berman, FHWA Office of Operations, (202) 366–4069, or via e-mail at *wayne.berman@dot.gov*. For technical questions related to project development, please contact Mr. Patrick DeCorla-Souza, FHWA Office of Operations, at (202) 366–4076, or via e-mail at *patrick.decorla-souza@dot.gov*. For legal questions, please contact Mr. Michael Harkins, FHWA Office of the Chief Counsel, (202) 366–4928, or via e-mail at *michael.harkins@dot.gov*. Office hours for the FHWA are from 7:45 a.m. to 4:15 p.m., e.t., Monday through Friday, except Federal holidays.

SUPPLEMENTARY INFORMATION:

Electronic Access

An electronic copy of this document may be downloaded from the **Federal Register**'s home page at: *http://www.archives.gov* and the Government Printing Office's database at: *http://www.access.gpo.gov/nara.*

Coordination With Other Congestion Initiative Solicitations

This solicitation is one of three associated solicitations being released under the DOT's Congestion Initiative:

1. Urban Partnership Agreement (UPA)—One of the key elements of the Congestion Initiative is the reduction of urban congestion. On December 8, 2006 (71 FR 71231), the DOT issued a notice in the **Federal Register** seeking applications for the UPA. The UPA solicitation seeks to identify metropolitan areas interested in partnering with the DOT to aggressively implement congestion-reducing strategies in the near-term. Based on the responses to the UPA solicitation the DOT expects to enter into partnership agreements with a small number of metropolitan areas. Identification as an ''urban partner'' will be one of the selection factors considered in awarding grants under the Value Pricing and Intelligent Transportation System programs.

2. Value Pricing Pilot (VPP) program—This solicitation for the VPP program as reauthorized in SAFETEA–LU provides funding to support implementation of a variety of pricing-based approaches for managing congestion on highways. This solicitation aligns the VPP program with the Congestion Initiative and seeks to support metropolitan areas in systematically progressing toward implementation of broad congestion pricing strategies in the near term.

3. Intelligent Transportation System (ITS) Operational Testing to Mitigate Congestion (OTMC) program—The ITS program as reauthorized in SAFETEA–LU supports the research, development and testing of ITS for a variety of purposes, including the reduction of metropolitan congestion. The ITS–OTMC solicitation supports the operational testing and evaluation of advanced technologies to reduce congestion in urban areas.

Applicants should submit pricing-related proposals involving the use of electronic systems for collection, management and enforcement to both the VPP program and ITS–OTMC solicitations. Applicants should submit identical proposals that address all the requirements of both solicitations to both programs. DOT will consider these proposals for funding under both of these programs. Applicants should indicate, in their responses to this solicitation and DOT's solicitation for ITS–OTMC, whether they have applied to become Urban Partners in response to DOT's UPA solicitation.

Background

Section 1012(b) of the Intermodal Surface Transportation Efficiency Act (ISTEA) (Pub. L. 102–240; 105 Stat. 1914), as amended by section 1216(a) of the Transportation Equity Act (TEA–21) (Pub. L. 105–178; 112 Stat. 107), and section 1604(a) of Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU) (Pub. L. 109–59; 119 Stat. 1144), authorizes the Secretary of Transportation (the Secretary) to create a Value Pricing Pilot program. Value pricing encompasses a variety of strategies to manage congestion on highways, including tolling of highway facilities, as well as other strategies that do not involve tolls, such as mileage-based vehicle taxes and leasing fees, parking pricing, and car sharing. The value pricing concept of assessing relatively higher prices for travel during peak periods is the same as that used in many other sectors of the economy to respond to peak-use demands. For example, airlines, hotels, and theaters often charge more at peak than at non-peak times.

The FHWA is seeking applications for the FY 2007 VPP program that are consistent with the objectives of the DOT's National Strategy to Reduce Congestion, announced on May 16, 2006, which seeks to dedicate substantial departmental resources toward addressing the growing problem of urban congestion. This national strategy, and its linkage to the VPP program applications that are being solicited by this notice, are discussed in greater detail later in this notice. Because of this new national strategy, the primary objective of the VPP program for fiscal years 2007, 2008, and 2009, will be to facilitate cities in systematically progressing toward implementation of broad congestion (variable) pricing over a brief period of time, preferably 3 years.

According to the statutory requirements of the VPP program, the FHWA may enter into cooperative agreements with up to 15 State or local governments or other public authorities (henceforth referred to only as ''States''), to establish, maintain, and monitor value pricing pilot programs, each including an unlimited number of projects. The FHWA invites interested States to apply to participate in the VPP program for FY 2007. As of the date of this notice, there are already 13 State-led programs currently in the VPP program: California, Colorado, Florida, Georgia, Illinois, Maryland, Minnesota, New Jersey, North Carolina, Oregon, Texas, Virginia, and Washington. Therefore, at this time, only two additional States are eligible to participate. Any value pricing project included under these programs may involve the use of tolls on the Interstate system. This is an exception to the general provisions prohibiting tolls on the Interstate system as contained in 23 U.S.C. 129 and 301.

To comply with the statutory cap on the number of partnering States in a manner that maximizes program participation, the FHWA will only consider an active cooperative agreement sufficient to hold one of the 15 available value pricing slots. An agreement will be considered active by the FHWA under the following two circumstances: (1) During the period encompassing the time between when a cooperative funding agreement for a project or projects has been signed and when the project or projects has or have been completed, and (2) if VPP program tolling authority has been granted and is still needed to toll a new or existing highway. Absent one or both of these conditions being met, an agreement will not be considered active for the purposes of the VPP program. A State that does not maintain an active agreement with FHWA risks being denied the opportunity to participate in the program in the future if no participation slots are left.

A maximum of $12 million is authorized for each of the fiscal years 2007 through 2009 to be made available to carry out the VPP program requirements. A set-aside of $3 million per fiscal year is authorized only for value pricing pilot projects that do not involve highway tolls. The Federal share payable under the program is 80 percent of the cost of the project. Funds allocated by the Secretary to a State under this section shall remain available for obligation by the State for a period of 3 years after the last day of the fiscal year for which funds are authorized. If, on September 30 of any year, the amount of funds made available for the VPP program, but not allocated, exceeds $8 million, the excess amount will, to comply with the statutory requirements of the VPP program, be apportioned to all States as Surface Transportation Program funds.

Funds available for the VPP program can be used to support pre-implementation study activities as well as to pay for pricing-specific implementation costs of value pricing projects. Section 1012(b)(6) of ISTEA provides that a State may permit toll-paying vehicles with fewer than two occupants to operate in high occupancy vehicle (HOV) lanes if the vehicles are part of a local value pricing pilot program under this section. Section 1121 of SAFETEA -LU, ''HOV Facilities,'' among other things, also allows for the conversion of HOV lanes to high occupancy toll (HOT) lanes. Given that, as of the date of this notice, the VPP program has only two slots available under which new program partners may participate and FHWA would like to use a new slot only where necessary, section 1121 authority will generally be used, instead of VPP program authority, for HOV-to-HOT lane conversions if an application comes from a State that is not already in the VPP program. Additionally, since value pricing projects are experimental and section 1121 is not, the FHWA may elect to also use section 1121 authority instead of VPP program authority for HOV-to-HOT lane conversions in current VPP program States depending on the type of project that is proposed.

Potential financial effects of value pricing projects on low-income drivers shall be considered and, where such effects are expected to be significant, possible mitigation measures should be identified, such as providing new or expanded transit service as an integral part of the value pricing project, toll discounts or credits for low-income motorists who do not have viable transit options, or fare or toll credits earned by motorists on regular lanes which can be used to pay for tolls on priced lanes. Mitigation measures can be included as part of the value pricing project implementation costs.

Since the Secretary is required to report to Congress every 2 years on the effects of all value pricing pilot programs, project partners will be expected to assist the FHWA by providing data on its programs for use in these reports.

The VPP program is a continuation of the Congestion Pricing Pilot Program authorized by section 1012(b) of the ISTEA and amended by section 1216 (a) of TEA–21. To obtain up-to-date information on the status of current projects, please go to: *http://www.ops.fhwa.dot.gov/tolling_pricing/index.htm*.

In addition to the VPP program, SAFETEA-LU offers States broader authority to use tolling to finance highway construction and reconstruction, promote efficiency in the use of highways, and support congestion reduction by providing expanded flexibility under the following programs: HOV facilities; Interstate System Reconstruction and Rehabilitation Pilot; Interstate System Construction Toll Pilot; Express Lanes Demonstration Program; and Section 129 toll agreements. For more information on these programs, please refer to the companion notice in the January 6, 2006, **Federal Register** entitled, ''Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU); Opportunities for State and Other Qualifying Agencies to Gain Authority to Toll Facilities Constructed Using Federal Funds'' (71 FR 965).

Applicable Terms

''Value pricing,'' ''congestion pricing,'' ''peak-period pricing,'' ''variable pricing,'' and ''variable tolling'' are all terms used to refer to direct non-constant charges for road use, possibly varying by location, time of day, severity of congestion, vehicle occupancy, or type of facility. By shifting some trips to off-peak periods, to mass transit or other higher-occupancy vehicles, to non-motorized modes, or to routes away from congested facilities, or by encouraging consolidation of trips, value pricing charges are intended to promote economic efficiency both generally and within the commercial freight sector. They also achieve congestion reduction, improved air quality, energy conservation, and transit productivity goals.

A ''value pricing project'' means any implementation of value pricing concepts or techniques discussed in the ''Potential Project Types'' section of this notice and included under a State or local ''value pricing pilot program.'' A State is considered to have a value pricing pilot program if it has one or more approved value pricing projects. While the distinction between ''project'' and ''program'' may appear to be merely a technical one, it is significant in that, as described in the ''Background'' section of this notice, the number of total VPP programs is statutorily limited to 15, while there is no limit to the number of VPP projects allowed under each VPP program.

''Cooperative agreement'' means the agreement signed between the FHWA and a State to establish and implement value pricing pilot programs. ''Toll agreement'' means the agreement signed between the FHWA and a State to grant the authority to collect tolls.

Program Objective

The overall objective of the VPP program is to support efforts by State and local governments or other public authorities to establish local value pricing pilot programs, to provide for the monitoring and evaluation of value pricing projects included in such programs, and to report on these effects. The VPP program's primary focus is on value pricing with road tolls, with a secondary focus on other market-based approaches for congestion relief that do not involve road tolls, such as mileage-based vehicle taxes and leasing fees, parking pricing, and car sharing.

The FHWA is seeking applications for funding and/or tolling authority to use value pricing to reduce congestion, improve system performance, and promote mobility in a manner consistent with the DOT's National Strategy to Reduce Congestion on America's Transportation Network, issued in May 2006. This strategy consists of a six-point plan, designed to both reduce congestion in the short-term and to build the foundation for successful longer-term congestion reduction efforts. The six-point plan consists of the following: (1) Establish a ''Corridors of the Future'' competition; (2) Relieve urban congestion; (3) Unleash private sector investment resources; (4) Promote operational and technological improvements; (5) Target major freight bottlenecks and expand freight policy outreach; and (6) Accelerate major aviation capacity projects and provide a future funding framework for the aviation system. The VPP program is part of the, ''relieve urban congestion'' element under which ''[t]he Department will seek to enter Urban Partnership Agreements with model cities, pursuant to which the cities and Department will commit to * * * implementing a broad congestion pricing or variable toll demonstration * * *'' Consistent with this objective, all proposals should incorporate significant pricing mechanisms intended to reduce the level of congestion.

Potential Project Types

To help meet the objectives of DOT's National Strategy to Reduce Congestion on America's Transportation Network, the FHWA is interested in projects that have the greatest potential to lead to significant, broad, and near-term congestion relief. The FHWA will consider applications that show that a project seeking grant funds will achieve at least one of the following: (1) Build public support and a technical foundation for near term congestion pricing; (2) develop a pricing program with detailed plans and specifications leading to near-term implementation; and/or (3) implement broad-based pricing and evaluate its effectiveness. Implementation projects should bring about new pricing while pre-implementation projects should demonstrate that near-term implementation is likely, most preferably by January 2009, especially for FY 2007 applications. For pre-implementation projects, applicants should demonstrate that there is already sufficient political support for implementation, or that the project is well designed to bring about such support. Additionally, projects should rely wholly or at least primarily on existing facilities and/or facilities that will be completed in a very short time frame (*e.g.*, within 12 to 18 months), since near-term implementation would otherwise be impossible.

Value pricing charges need to be targeted at a sizable number of vehicles that are causing congestion, and prices should be set at levels significant enough to encourage drivers to use alternative times, routes, modes, or trip patterns or to telecommute during congested periods. Value pricing concepts that have become mainstream and have been adopted as common practice, such as HOV-to-HOT lane conversions, will not be funded.

The FHWA is seeking VPP program applications from public entities that are willing to engage in discussions about entering into comprehensive Urban Partnership Agreements that include substantial actions on their part to advance broad congestion pricing approaches, which should be specified in their VPP project applications. Unlike previous VPP program solicitation notices which sought a wide variety of project applications, the FHWA is now only seeking projects to study or implement pricing that is broad in nature and will no longer entertain applications for studying or implementing single-facility projects. Such applications should cover a significantly-sized geographical area and include multiple roadway facilities that are priced, an interconnected managed lane network, or cordon pricing, where, as in London, cars are charged a substantial fee to drive in a congested area on weekdays. Variable pricing of currently free and tolled facilities, pricing of multiple facilities or corridors, and/or combinations of road pricing and parking pricing will generally be required. Area-wide pricing applications that use technologies that provide travelers (including drivers and transit riders) with pre-trip and real-time congestion and pricing information on alternative travel modes and routes are especially encouraged to assist travelers in making efficient travel destination, mode and route choices.

Tests of new, innovative value pricing approaches are encouraged, but only within the context of a broad, area-wide application. Such auxiliary or complementary elements to broad pricing applications might include pricing at key traffic bottlenecks, shifting from fixed to variable toll schedules on existing toll facilities (*i.e.*, combinations of peak-period surcharges and off-peak discounts), and pricing of queue jumps, where paying motorists can bypass motorists who choose not to pay, typically by using special lanes with priority signals at freeway entrance ramps.

Projects should be designed to reflect the needs of low-income or other transportation-disadvantaged groups. Mitigation strategies to address equity concerns may include bus rapid transit or other enhancements of transportation alternatives for peak-period travelers, ''life-line'' toll rates aimed at low-income travelers, limited monetary credits to all or just to low-income travelers that can be used to pay for tolls or transit fares (thereby allowing a limited amount of free travel before having to pay full fees as with some cellular phone service plans), and credit-based tolling programs such as toll credits earned by motorists in regular lanes or by transit users in the corridor which can later be used to pay tolls on priced lanes or for free transit trips.

The FHWA is also interested in grant applications for projects that do not involve highway tolls. As discussed earlier, SAFETEA–LU sets aside at least $3 million per fiscal year for such projects. The FHWA encourages applicants to design such projects, to the extent possible, to complement or offer the potential for ''broad'' pricing as called for in the DOT's National Strategy to Reduce Congestion on America's Transportation Network. The FHWA intends to be more flexible when evaluating projects that do not involve tolls than when evaluating projects that do, given that many types of facility-based toll projects have already been funded by the VPP program in the past, while the program has had less experience using non-toll pricing strategies to reduce congestion.

The FHWA seeks tests of innovative parking pricing strategies, including time-of-day pricing and charges reflective of congested conditions, provided the level and coverage of proposed parking charges is sufficient to reduce congestion. Among the strategies that could be considered innovative include: surcharges for entering or exiting parking facilities during or near peak periods; citywide, on-street parking pricing that varies by demand; and a range of parking cash-out policies, where cash is offered to employees in lieu of subsidized parking, parking operators reimburse monthly patrons for unused parking days, or renters or purchasers in multi-family housing developments are provided direct financial saving for not availing of car parking spaces. The FHWA also seeks tests of pay-as-you-drive pricing, including innovative car ownership, leasing, and usage arrangements that reduce fixed costs and increase variable usage costs. An example of such pricing might be car leases with a reduced fixed-priced monthly charge coupled with a substantial per-mile charge.

Pre-Implementation Studies

The VPP program funds may also be used to assist States in carrying out pre-implementation study activities designed to lead to implementation of a value pricing project in the near-term, consistent with the objectives of the DOT's National Strategy to Reduce Congestion on America's Transportation Network. The intent of the pre-implementation study phase is to support efforts to identify and evaluate value pricing project alternatives, and to prepare the necessary groundwork for near-term implementation. So as to focus VPP program resources in a manner consistent with the DOT Congestion Initiative, FHWA will not fund purely academic studies of value pricing or studies that involve major expansions of existing facilities (not designed to lead to near-term project implementation) or area-wide planning studies covering many topics besides pricing and incorporating value pricing only as one of a number of options. Such studies may be funded with regular Federal-aid highway or transit planning funds. Applications for pre-implementation studies will be evaluated based on the likelihood that they will lead to near-term implementation of broad value pricing conforming to the objectives described in the previous section.

Project Costs Eligible for Grant Funding

The FHWA will provide up to the statutorily allowable 80 percent share of the estimated costs of an approved project. Funds available for the VPP program can be used to support pre-implementation study activities and also to pay for implementation costs of value pricing projects. Costs of planning for, setting up, managing, operating, monitoring, evaluating, and reporting on local value pricing pilot projects are eligible for reimbursement, but neither pre-implementation study costs nor implementation costs may be reimbursed for longer than three years. The 3-year funding limitation will begin on the date of the first disbursement of Federal funds for project activities. Examples of specific pre-implementation and implementation costs eligible for reimbursement include the following:

1. Pre-Implementation Study Costs—Covered activities include those undertaken to advance two key priority focus areas: foundation building and program development.

a. Foundation building activities may be reimbursed, such as public participation, consensus building, marketing, modeling, and technology assessments; and

b. Program development activities are also eligible for reimbursement, including project and financial planning, project design, creating project specifications, and activities required to meet Federal or State environmental or other planning requirements.

2. Implementation Costs—Allowable costs for reimbursement under this priority focus area include those for setting up, managing, operating, evaluating, and reporting on a value pricing project, including:

a. Necessary salaries and expenses, or other administrative and operational costs, such as installation of equipment for operation of a pilot project (*e.g.*, Electronic Toll Collection (ETC) technology, video equipment for traffic monitoring, and other instrumentation), enforcement costs, costs of monitoring and evaluating project operations, and costs of continuing public relations activities during the period of implementation;

b. "mitigation measures to deal with any potential adverse financial effects on low-income drivers[,]" per section 1012(b)(7) of ISTEA as amended, including costs of providing transportation alternatives, such as new or expanded transit or ridesharing services provided as an integral part of the value pricing project. Funds are not available to replace existing sources of support for these services.

Project implementation costs can be supported until such time that sufficient revenues are being generated by the project to fund such activities without Federal support, but in no case for longer than three years. Each implementation project included in a value pricing pilot program will be considered separately for this purpose.

Funds may not be used to pay for activities conducted prior to approval for VPP program participation. Also, funds made available through the VPP program may not be used to construct new highway lanes or bridges, even if those facilities are to be priced, but toll ramps or minor pavement additions needed to facilitate toll collection or enforcement are eligible. Complementary actions, such as lane construction, the implementation of traffic control systems, or transit projects can be funded through other highway and transit programs under SAFETEA–LU and from new revenues raised as a result of a pilot. VPP program applicants are encouraged to explore opportunities for combining VPP program funds with other funds. Federal funds may not, however, be used to match VPP program funds unless there is specific statutory authority to do so.

Eligible Uses of Revenues

Section 1012(b)(2) of ISTEA provides that revenues generated by any value pricing pilot project must be applied first to pay for pilot project operating costs. Any project revenues in excess of pilot project operating costs may, according to section 1012(b)(3) of ISTEA, be used for any projects eligible under Title 23, U.S. Code. A project's operating costs include any costs necessary for a project's execution; mitigation measures to deal with adverse financial effects on low-income drivers; the proper maintenance of the facility; any construction (including reconstruction, rehabilitation, restoration, or resurfacing) of the facility; any debt service incurred in implementing the project; and a reasonable return on investment by any private entity financing the project. Uses of revenue are encouraged which will support the goals of the VPP program, particularly uses designed to provide benefits to those traveling in the corridor where the project is being implemented.

For VPP toll projects, the FHWA and the public authority (including the State transportation department) having jurisdiction over a facility must enter into a toll agreement concerning the use of toll revenue to be generated under a value pricing project. The toll agreement will provide that the public authority use the revenues in accordance with the applicable statutory requirements. The execution of a toll agreement will facilitate oversight of a State's compliance with revenue use requirements of the VPP program.

Who is Eligible to Apply?

Qualified applicants for either tolling authority or grants (or both) include State or local governments or public authorities, such as tolling agencies. Although project agreements must be with the aforementioned public entities, and preferably with State Departments of Transportation in order to preserve participation slots, a VPP program partnership may also include private tolling authorities, for-profit companies, and non-profit organizations.

The Value Pricing Pilot Program Applications

Formal applications should be submitted online directly by the State Department of Transportation to *http://www.grants.gov*.

There is no particular format that is required for tolling authority applications or grant applications, although specific information is requested. Applications should include the following background information:

(a) The name, title, e-mail address, and phone number of the person who will act as the point of contact on behalf of the requesting agency, authority, or authorities;

(b) A description of the agency, authority, or authorities requesting funding and/or tolling authority;

(c) A statement as to whether only funding, both funding and tolling authority, or only tolling authority via the VPP program is being sought to support either pre-implementation or implementation activities as permitted;

(d) A description of the public agency or agencies that will be responsible for operating, maintaining, and enforcing the tolling program, if applicable; and

(e) A statement as to whether the applicant has or intends to become an Urban Partner and execute an Urban Partnership Agreement with the DOT that would commit the region to take broad and aggressive action to reduce congestion.

The core of the application should include the following:

1. A description of the congestion problem being addressed (current and projected);

2. A description of the proposed pricing program and its goals;

3. An identification of the facilities that will be covered, including whether any of the subject facilities is an Interstate facility, whether any HOV lanes currently exist on any of the facilities, and whether any construction related activities would be needed to implement the project and, if so, whether this is new construction, expansion, rehabilitation, reconstruction, or other;

4. Where applicable, a plan for implementing or modifying tolls, and a related timetable. Where known, the range of anticipated tolls and the strategies to vary toll rates (*i.e.*, the formulas for variable pricing), the technology to be used, enforcement programs, and operating details;

5. Anticipated effects of the pricing program on reducing congestion, altering travel behavior, and encouraging the use of other transportation modes;

6. Preliminary estimates of the social and economic effects of the pricing program, including potential equity impacts, and a plan or methodology for further refining such estimates;

7. The role of alternative transportation modes in the project;

8. A description of the tasks to be carried out as part of each phase of the project;

9. A detailed project timeline broken down by tasks and phases;

10. An itemized budget broken down by task and funding year (*i.e.*, Year 1, Year 2, etc.), which is only required for grant applications;

11. Plans for monitoring and evaluating implementation projects, including plans for collection and analysis, before and after assessment, and long term monitoring and documenting of project effects;

12. A detailed finance and revenue plan, including (for implementation projects) a budget for capital and operating costs; a description of all funding sources, planned expenditures, and proposed uses of revenues; and a plan for projects to become financially self-sustaining (without Federal support) within 3 years of implementation, all of which is only required for grant applications.

13. A discussion of previous public involvement, including public meetings, in the development of the proposed pricing program. Any expressions or declarations of support from State or local government officials or the public. Future plans for involving key affected parties, coalition building, and media relations, and more broadly for ensuring adequate public involvement prior to implementation;

14. Plans for meeting all Federal, State and local legal and administrative requirements for project implementation, including relevant Federal-aid planning and environmental requirements;

15. A description of how, if at all, any private entities are involved in the project either in the up-front costs to enact tolling, or the cost sharing or debt retirement associated with revenues; and

16. An explanation about how electronic toll collection (ETC) project components will be compatible with other ETC systems in the region.

If some of these items are not available or fully developed at the time the formal application is submitted, applications will still be considered for grant funding support or for tolling authority if they meet the interests of the FHWA, as described earlier in the section entitled ''Potential Project Types,'' (except for applicants for tolling authority only), and if there is a strong indication that these items will be completed within a short time.

VPP Program Process

A. Requests for Funding

To ensure that all projects receive fair and equal consideration for the limited available funds, the FHWA requires formal grant applications to be submitted no later than April 30, 2007, for FY 2007 funds to *http://www.grants.gov.*

B. Projects for Which No Funds Are Requested

Although most projects under the VPP program involve requests for value pricing funds, some projects do not, and instead only seek tolling authority under the program. In such cases, and especially where a State is not already part of the VPP program, the FHWA recommends that the public authority investigate the other opportunities to gain authority to toll that are listed in the companion notice in the January 6, 2006, **Federal Register**, entitled ''Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU); Opportunities for State and Other Qualifying Agencies to Gain Authority to Toll Facilities Constructed Using Federal Funds'' (71 FR 965).

Post-Selection Process

If approved, a formal cooperative agreement will be prepared between the FHWA and the State. The cooperative agreement will include a refined scope of work developed from the original funding application and subsequent discussions with FHWA. Federal statutes will govern the cooperative agreement. Regulations cited in the agreement, and 49 CFR Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, will also apply. As a practical matter, each VPP program project should have a separate cooperative agreement. Although, in the past, the FHWA has allowed some States to have a master cooperative agreement that is subsequently amended for each approved project, in the future the FHWA will execute a separate agreement for each project. For value pricing projects that involve only toll authority and that do not involve requests for Federal funds, a cooperative agreement must still be executed.

Subsequent to the signing of the cooperative agreement for a tolling project, and after all environmental requirements have been met and the project is ready to proceed to construction and/or implementation, a toll agreement will then be executed with the FHWA that addresses the use of revenues from the operation of the toll facility. As discussed previously, revenues must generally first be used to cover debt service, provide reasonable return on private party investments, and operate and maintain the facility. Any remaining revenues may then be used for other title 23 U.S.C. eligible purposes.

Other Requirements

Prior to the FHWA approval of pricing project implementation, value-pricing programs must be shown to be consistent with Federal metropolitan and statewide planning requirements (23 U.S.C. 134 and 135; and, if applicable, 49 U.S.C. 5303 and 5304).

Implementation projects involving tolls outside metropolitan areas must be included in the approved statewide transportation improvement program and be selected in accordance with the requirements set forth in section 1204(f)(3) of the TEA–21.

Implementation projects involving tolls in metropolitan areas must be: (a) Included in, or consistent with, the approved metropolitan transportation plan (if the area is in nonattainment for a transportation related pollutant, the metropolitan plan must be in conformance with the State air quality implementation plan); (b) included in the approved metropolitan and statewide transportation improvement programs (if the metropolitan area is in a nonattainment area for a transportation related pollutant, the metropolitan transportation improvement program must be in conformance with the State air quality implementation plan); (c) selected in accordance with the requirements in section 1203(h)(5) or (i)(2) of TEA–21; and (d) consistent with any existing congestion management system in Transportation Management Areas, developed pursuant to 23 U.S.C. 134(i)(3).

(Authority: 23 U.S.C. 315; sec. 1216(a), Pub. L. 105–178, 112 Stat. 107; Pub. L. 109–59; 117 Stat. 1144 49 CFR 1.48)

Issued on: December 18, 2006.

J. Richard Capka,

Federal Highway Administrator.

[FR Doc. E6–21912 Filed 12–21–06; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Motor Carrier Safety Administration

[Docket No. FMCSA–2006–25756]

Commercial Driver's License Standards; Application for Exemption; Volvo Trucks North America, Inc

AGENCY: Federal Motor Carrier Safety Administration (FMCSA), DOT.

ACTION: Notice of application for exemption; request for comments.

SUMMARY: The FMCSA announces that Volvo Trucks North America, Inc. (Volvo) has applied for an exemption from the Federal requirement that drivers of commercial motor vehicles (CMVs) have a commercial driver's license (CDL). Volvo requests that the exemption cover three Swedish engineers who will test-drive CMVs for Volvo within the United States. Each of the three Volvo employees currently holds a Swedish CDL. Volvo states that it requests the exemption to support Volvo field tests on future air-quality standards and to evaluate the performance of Volvo vehicles in ''real world'' environments.

DATES: Comments must be received on or before January 22, 2007.

ADDRESSES: Your comments may be submitted by any of the following methods:

- *Docket Management System (DMS) Web site* at *http://dmses.dot.gov/submit,* under the last five digits of Docket No. FMCSA–2006–25756, and following the online instructions for submitting comments;
- *Fax:* 1–202–493–2251;
- *Mail:* Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL–401,Washington, DC 20590–0001;
- *Hand Delivery:* Room PL–401 on the plaza level, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays; or
- *Federal eRulemaking Portal* at *http://www.regulations.gov* following the online instructions for submitting comments.

Docket: To read background documents or comments received, go to *http://dms.dot.gov* at any time or Room PL–401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The DMS is available 24 hours each day, 365 days each year. If you want to be notified that we received your comments by mail or hand delivery, please include a self-addressed, stamped envelope or postcard. If you submit comments on line, you will be provided an opportunity to print an acknowledgement page.

Privacy Act: Anyone may view or download comments submitted in any of DOT's dockets by searching under the name of the commenter or name of the person signing the comment (if submitted on behalf of an association, business, labor union, or other entity). You may view DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000, at 65 FR 19477. It is also available at *http://dms.dot.gov.*

FOR FURTHER INFORMATION CONTACT: Mr. Thomas Yager, Chief, Driver and Carrier Operations Division, Office of Bus and Truck Standards and Operations, MC–PSD, Federal Motor Carrier Safety Administration, DOT, 400 Seventh Street, SW., Washington, DC 20590; Telephone: 202–366–4009. E-mail: *MCPSD@dot.gov.*

SUPPLEMENTARY INFORMATION:

Background

The Federal Motor Carrier Safety Administration (FMCSA) may grant exemptions from its safety regulations based on 49 U.S.C. Chapter 313 and 31136. The Agency has published procedures for submission and handling of requests for exemption (49 CFR Part 381). Upon receipt of a request, FMCSA must publish a notice of it in the **Federal Register**. This provides the public an opportunity to inspect the information relevant to the application, including any safety analyses that have been conducted, and to comment on the request for exemption.

The Agency must review the safety analyses and the public comments and determine whether granting the exemption would likely achieve a level of safety equivalent to, or greater than, the level that would be achieved by the current regulation (49 CFR 381.305). If this standard is not satisfied, we cannot grant the request. The FMCSA must publish the Agency's decision in the **Federal Register** (49 CFR 381.315(b)). If the Agency denies the request, we must state the reason for doing so. If the Agency grants the exemption, we must specify the person or class of persons receiving the exemption, the regulatory provision or provisions from which exemption is being granted, the effective period of the exemption (up to 2 years), and the terms and conditions of the exemption. An exemption may be renewed (49 CFR 381.300(b)).