

1 tion with respect to which a State has not made the demon-
2 stration required by the preceding sentence shall automati-
3 cally revert to the Secretary who may, in his discretion, make
4 such reverted funds available for the purposes of this sub-
5 section and on the basis of need to any other State requesting
6 such funds and making the requisite demonstration.

7 “(c) Before any funds may be made available to a
8 State pursuant to this section, the State highway department
9 shall enter into an agreement with the Secretary which shall
10 provide (1) for the reimbursement of the costs of such
11 rights-of-way, and (2) for the actual construction of a road
12 on such rights-of-way, both within a period not exceeding
13 seven years following the fiscal year in which such request
14 is made or by the terminal date of the Highway Trust Fund,
15 whichever occurs first.

16 “(d) Federal participation in the cost of right-of-way
17 acquired under subsection (a) of this section shall not ex-
18 ceed the Federal pro rata share applicable to the class of
19 funds from which Federal reimbursement is made except for
20 advance payments that are to be repaid under the provisions
21 of section 124 (c) of this title.”

22 (b) That section 124 of title 23, United States Code.
23 is amended by relettering the first paragraph as subsection
24 “(a)”, substituting the word “subsection” for the word