

118TH CONGRESS
1ST SESSION

H. R. 4052

To facilitate efficient investments and financing of infrastructure projects and new job creation through the establishment of a National Infrastructure Bank, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 13, 2023

Mr. DAVIS of Illinois introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Transportation and Infrastructure, Financial Services, Education and the Workforce, Natural Resources, and the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To facilitate efficient investments and financing of infrastructure projects and new job creation through the establishment of a National Infrastructure Bank, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **IN GENERAL.**—This Act may be cited as the “National Infrastructure Bank Act of 2023”.

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

[Sec. 1. Short title; table of contents.](#)

[Sec. 2. Findings.](#)[TITLE I—REVENUE PROVISIONS](#)[Sec. 101. Treatment of National Infrastructure Bank as a Government corporation exempt from tax.](#)[Sec. 102. Treatment of contributions to the National Infrastructure Bank as charitable contributions.](#)[Sec. 103. Preferred dividends of National Infrastructure Bank excludible from gross income.](#)[TITLE II—ESTABLISHMENT OF NATIONAL INFRASTRUCTURE BANK](#)[Sec. 201. Definitions.](#)[Sec. 202. Establishment of National Infrastructure Bank.](#)[Sec. 203. Purposes and authorizations.](#)[Sec. 204. Formation of regional economic accelerator planning groups.](#)[Sec. 205. Eligibility criteria for assistance from the bank.](#)[Sec. 206. Board of Directors.](#)[Sec. 207. Powers and limitations of the Board.](#)[Sec. 208. Executive committee.](#)[Sec. 209. Risk management committee.](#)[Sec. 210. Audit committee.](#)[Sec. 211. Personnel.](#)[Sec. 212. Special Inspector General for the National Infrastructure Bank.](#)[Sec. 213. Status and applicability of certain Federal and State laws.](#)[Sec. 214. Exemption from certain laws.](#)[Sec. 215. Relations with local financial institutions.](#)[Sec. 216. Audits; reports to President and Congress.](#)[Sec. 217. Budgetary effects.](#)[Sec. 218. Authorization of appropriations.](#)**SEC. 2. FINDINGS.**

Congress finds the following:

(1) Throughout our Nation’s history, national banks have played a crucial role in financing most of our Nation’s public infrastructure. The largest banks included: The First (1791–1811) and Second (1816–1836) Banks of the United States, President Lincoln’s national banking system, and President Franklin Delano Roosevelt’s Reconstruction Finance Corporation (1932–1957).

(2) These national banks were enacted with broad bi-partisan support, and financed the construction of: roads, turnpikes, bridges, and canals; the Transcontinental Railroad; the Hoover Dam; rural electrification; manufacturing start-ups; and rail, school, and farm improvements in every corner of our country. Investments created the conditions for improved productivity, economic growth, and job creation; helped lift us out of the Great Depression; and contributed to our victory in World War II.

(3) The American Society of Civil Engineers (hereinafter referred to as “ASCE”), in its 2021 Report Card and Failure to Act Series, estimates that \$6,109,000,000,000 (expressed in 2019 dollars) is needed over the next ten

years (2020–2029) to meet all of our country’s infrastructure needs. Of that amount, \$3,483,000,000,000 is expected to be financed by: the Federal government through its normal budget appropriations process; and by States, counties, cities, utilities, and port and airport authorities through their general revenues, special taxes, user fees, and borrowing. Even with this spending, however, a financing gap of \$2,626,000,000,000 remains. To close this gap, our nation will need to increase investment, by all levels of government, from 2.5 percent to 3.5 percent of GDP by 2025.

(4) ASCE further estimates that the added \$2,626,000,000,000 (expressed in 2019 dollars) needed over a ten-year period to bring systems up to a state of good repair is broken out as follows (amounts in parentheses):

(A) Roads, bridges, and transit (\$1,035,000,000,000).

(B) Drinking water, wastewater, and stormwater systems (\$801,000,000,000).

(C) Schools (\$250,000,000,000).

(D) Electricity generation, transmission, and distribution (\$197,000,000,000).

(E) Aviation (\$111,000,000,000).

(F) Dams, levees, inland waterways, and ports (\$109,000,000,000).

(G) Passenger rail (\$45,000,000,000).

(H) Public parks and recreation (\$78,000,000,000).

(5) Expanded investment of at least \$2,374,000,000,000 (expressed in 2019 dollars) is also needed for—

(A) new affordable housing (\$720,000,000,000);

(B) a 17,000-mile high-speed rail network (\$1,074,000,000,000);

(C) affordable and complete broadband access (\$100,000,000,000);

(D) major water supply projects (\$400,000,000,000);

(E) a new grid overlay to transport renewable energy (\$80,000,000,000); and

(F) incorporated in each of the categories described in subparagraphs (A) through (E): science and technology drivers; accommodation of

population growth; energy savings; and improvements in rural, urban, and low-income areas that the public and private sectors are not currently serving.

(6) Although Federal grant programs, along with matching State and local funding, should continue to play a coordinating role in financing infrastructure in the United States, current and foreseeable demands on existing Federal, State, and local budgets exceed the resources to support these programs by a wide margin. In addition, a sharp bout of inflation in 2021–2022, and postponement of a robust 10-year spending plan to 2024–2033, requires a 40-percent increase above real costs to ensure adequate funding in nominal dollars.

(7) The establishment of a United States public deposit money bank would provide direct loans and other financing of up to \$5,000,000,000,000 for qualifying infrastructure projects without requiring additional Federal taxes or deficits. Such funding would be adequate to finance all of the United States' unfunded infrastructure needs, in all parts of the country, according to well-developed strategic plans. At the same time, it would return the United States to its most recent “golden age” when a National Infrastructure Bank was in place (1933–1957), during which time total factor productivity advanced by 3.5 percent per year, the economy grew on average 5.5 percent per year, income inequality fell by one-third, and Federal and State tax receipts rose dramatically.

TITLE I—REVENUE PROVISIONS

SEC. 101. TREATMENT OF NATIONAL INFRASTRUCTURE BANK AS A GOVERNMENT CORPORATION EXEMPT FROM TAX.

(a) **IN GENERAL.**—[Section 501\(l\)](#) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(5) The National Infrastructure Bank established under title II of the National Infrastructure Bank Act of 2023.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 102. TREATMENT OF CONTRIBUTIONS TO THE NATIONAL INFRASTRUCTURE BANK AS CHARITABLE CONTRIBUTIONS.

(a) **IN GENERAL.**—[Section 170\(c\)](#) of the Internal Revenue Code of 1986 is amended by inserting after paragraph (5) the following new paragraph:

“(6) The National Infrastructure Bank established under title II of the National Infrastructure Bank Act of 2023.”.

(b) **APPLICATION OF PERCENTAGE LIMITATION.**—Section 170(b)(1)(A) of such Code is amended by striking “or” at the end of clause (viii), by inserting “or” at the end of clause (ix), and by inserting after clause (ix) the following new clause:

“(x) the National Infrastructure Bank referred to in subsection (c)(6).”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 103. PREFERRED DIVIDENDS OF NATIONAL INFRASTRUCTURE BANK EXCLUDIBLE FROM GROSS INCOME.

(a) **IN GENERAL.**—Part III of subchapter B of [chapter 1](#) of the Internal Revenue Code of 1986 is amended by inserting after section 139I the following new section:

“SEC. 139J. PREFERRED DIVIDENDS OF NATIONAL INFRASTRUCTURE BANK.

“Gross income shall not include any amount received as a dividend on preferred stock of the National Infrastructure Bank pursuant to section 203(c) of the National Infrastructure Bank Act of 2023 (as in effect on the date of the enactment of this section).”.

(b) **CLERICAL AMENDMENT.**—The table of sections of such part is amended by inserting after the item relating to section 139I the following new item:

[“Sec. 139J. Preferred dividends of National Infrastructure Bank.”.](#)

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

TITLE II—ESTABLISHMENT OF NATIONAL INFRASTRUCTURE BANK

SEC. 201. DEFINITIONS.

For purposes of this title, the following definitions apply unless otherwise specified in this title:

(1) **AFFORDABLE HOUSING.**—The term “affordable housing” means housing that would cost an individual or family no more than one-third of monthly income, and which is available to individuals or families earning 40 percent or less than the average median income in their area.

(2) **BANK.**—The term “Bank” means the National Infrastructure Bank established under section 202(a).

(3) **BLENDED FINANCING.**—The term “blended financing” means financing provided through any combination of loans or bond financing, in cooperation with private lenders or State revolving funds, that is integrated into a single agreement with a single set of financial terms.

(4) **BOARD.**—The term “Board” means the National Infrastructure Bank Board.

(5) **BOND.**—The term “Bond” means any bond issued in accordance with this Act if—

(A) the proceeds from the sale of the bond are to be used for expenditures incurred after the date of issuance with respect to any infrastructure project or other purpose, subject to such rules as the Bank may provide;

(B) the bond is issued in registered form;

(C) the bond has such terms, and carries interest in such an amount, as determined by the Bank; and

(D) payments of interest and principal with respect to the bond is the obligation of the Bank, and is backed by the full faith and credit of the United States.

(6) **CHIEF ASSET AND LIABILITY MANAGEMENT OFFICER.**—The term “chief asset and liability management officer” means the chief individual responsible for coordinating the management of assets and liabilities of the Bank.

(7) **CHIEF COMPLIANCE OFFICER.**—The terms “chief compliance officer” and “CCO” mean the chief individual responsible for overseeing and managing the compliance and regulatory affairs of the Bank.

(8) **CHIEF EXECUTIVE OFFICER.**—The terms “chief executive officer” and “CEO” mean the individual serving as the executive director of the Bank.

(9) **CHIEF FINANCIAL OFFICER.**—The terms “chief financial officer” and “CFO” mean the chief individual responsible for managing the financial risks, planning, and reporting of the Bank.

(10) **CHIEF LOAN ORIGINATION OFFICER.**—The term “chief loan origination officer” means the chief individual responsible for managing the

processing of new loans provided by the Bank.

(11) CHIEF OPERATIONS OFFICER.—The terms “chief operations officer” and “COO” mean the chief individual responsible for the retail operations of the Bank and its branches, including its administrative, human resource, and information technology systems.

(12) CHIEF RISK OFFICER.—The terms “chief risk officer” and “CRO” mean the chief individual responsible for managing operational and compliance-related risks of the Bank.

(13) CHIEF TREASURY OFFICER.—The term “chief treasury officer” means the chief individual responsible for managing the Bank’s treasury operations.

(14) COMMUNITY DEVELOPMENT INFRASTRUCTURE PROJECT.—The term “community development infrastructure project” means any project for the development of affordable housing, transportation, water infrastructure, schools, affordable broadband, public parks and recreation, libraries, or public facilities that train workers and build labor skills.

(15) CONNECTIVITY.—The term “connectivity” means the linkages in transportation, energy, communications, and community development infrastructure, as well as manufacturing and data centers, that tie geographic areas together into economic units, including networks of commuter routes, railways, shipping lanes, and internet cables, including geomatic data of the kind now collected by the Department of Transportation.

(16) COST BENEFIT ANALYSIS.—The term “cost benefit analysis” means the comparison of the stream of costs for a potential project over its useful lifetime, to its public benefits over that time, with cost and benefit flows expressed on a common basis in terms of net present value.

(17) DEVELOPMENT.—The terms “development” and “develop” mean, with respect to an infrastructure project, any—

(A) preconstruction planning, feasibility review for stand-alone projects or for bundled projects, permitting, design work, life-cycle maintenance planning, and other preconstruction activities; and

(B) construction, reconstruction, rehabilitation, replacement, or expansion.

(18) DIRECT LOAN.—The term “direct loan” has the meaning given the term in section 502 of the Federal Credit Reform Act of 1990 ([2 U.S.C. 661a](#)).

(19) **DISADVANTAGED COMMUNITY.**—The term “disadvantaged community” means a county, city, partial census tract area, or Tribal government, with any of the following characteristics:

(A) Persistent poverty, meaning 20 percent or more of its population living in poverty over the past 30 years, as measured by the 1990 and 2000 decennial censuses, and 2007–2011 American Community Survey 5–6 year average, or any territory or possession of the United States.

(B) A federally recognized area of economic distress, meaning—

(i) a HUBZone, as that term is defined in section 31(b) of the Small Business Act ([15 U.S.C. 657a\(b\)](#)); or

(ii) an area that—

(I) has been designated as an empowerment zone under [section 1391](#) of the Internal Revenue Code of 1986;

(II) a Promise Zone by the Secretary of Housing and Urban Development; or

(III) is a low or moderate income area, as determined by the Department of Housing and Urban Development; or

(iii) a qualified opportunity zone, as defined in [section 1400Z-1](#) of the Internal Revenue Code of 1986.

(20) **ENERGY INFRASTRUCTURE PROJECT.**—The term “energy infrastructure project” means any project for energy transmission and distribution, energy generation as needed, or energy efficiency, coordination, and reliability.

(21) **ENTITY.**—The term “entity” means—

(A) a State, municipality, or other governmental agency (including a political subdivision or any other instrumentality of a State or a revolving fund);

(B) a publicly owned utility;

(C) a public authority, public corporation, cooperative, or Federal agency, any of which is authorized to contract indebtedness;

(D) an Indian tribe, including Tribal elected leadership, or an infrastructure authority owned by a Tribe;

- (E) a partnership (including a public-private partnership);
- (F) a joint venture; or
- (G) a trust.

(22) ENVIRONMENTAL INFRASTRUCTURE PROJECT.—The term “environmental infrastructure project” means any project for the establishment, deferred maintenance, or enhancement, including security enhancement, of any drinking water and wastewater treatment facility, storm water management system, flood gate, dam, levee, dredging, wetland restoration or other open space conservation, infill development, solid waste disposal facility, hazardous waste facility, or industrial site cleanup or remediation project.

(23) GENERAL COUNSEL.—The term “general counsel” means the individual who serves as the chief lawyer for the Bank.

(24) GREENHOUSE GASES.—The term “greenhouse gases” means any man-made gas designated as a greenhouse gas by the Administrator of the Environmental Protection Agency.

(25) INFRASTRUCTURE PROJECT.—The term “infrastructure project” means any transportation, energy, environmental, telecommunications, community development, or other infrastructure project for which a development plan is presented to the Bank for financing. It shall exclude military infrastructure.

(26) LOCAL FINANCIAL INSTITUTION.—The term “local financial institution” means a certified community development financial institution or credit union, as defined in section 165 of the Financial Code, or a small bank or an intermediate small bank, as defined in section 25.12 of title 12 of the Code of Federal Regulations, or a State public bank.

(27) LOAN GUARANTEE.—The term “loan guarantee” has the same meaning as in section 502 of the Federal Credit Reform Act of 1990 ([2 U.S.C. 661a](#)).

(28) PRODUCTIVITY.—The term “productivity” means the improved efficiency in the economy associated with investments in public and private infrastructure. It is calculated as the change in the value of total production, minus the change in the value of inputs going into production.

(29) PUBLIC BENEFIT.—The term “public benefit” means the clear and measurable benefit to society resulting from the public’s use of the

infrastructure with respect to which a project is carried out, or the improvement such infrastructure provides in—

- (A) economic growth and productivity;
- (B) air and water quality;
- (C) energy savings;
- (D) high-wage jobs;
- (E) poverty reduction; or
- (F) increased Federal, State, and local revenues.

(30) **PUBLIC-PRIVATE PARTNERSHIP.**—The term “public-private partnership” means any entity—

(A) (i) which is undertaking the development of all or part of an infrastructure project, which will have a public benefit, pursuant to requirements established in one or more contracts between the entity and a State or an instrumentality of a State; or

(ii) the activities of which, with respect to such an infrastructure project, are subject to regulation by a State or any instrumentality of a State; and

(B) which owns, leases, or operates, or will own, lease, or operate, the project in whole or in part, and at least one of the participants in the entity is a nongovernmental entity.

(31) **REVOLVING FUND.**—The term “revolving fund” (also called “component entity”) means a fund or program established by a State or a political subdivision or other instrumentality of a State, the principal activity of which is to make loans, commitments, or other financial accommodation available for the development of one or more categories of infrastructure projects.

(32) **SECRETARY.**—The term “Secretary” means the Secretary of the Treasury.

(33) **SMART GRID.**—The term “smart grid” means a system that provides for any of the smart grid functions set forth in section 1306(d) of the Energy Independence and Security Act of 2007 ([42 U.S.C. 17386\(d\)](#)).

(34) STATE.—The term “State” means any of the several States, the District of Columbia, Puerto Rico, Guam, American Samoa, the Virgin Islands, the Commonwealth of Northern Mariana Islands, and any other territory of the United States.

(35) TELECOMMUNICATIONS INFRASTRUCTURE PROJECT.—The term “telecommunications infrastructure project” means any project involving infrastructure required to provide communications by wire, fiber optic cable, satellite, or radio, including broadband, or to enhance security for such infrastructure.

(36) TRANSPORTATION INFRASTRUCTURE PROJECT.—The term “transportation infrastructure project” means any project for the construction, deferred maintenance, or enhancement, including security enhancement, of highways, roads, bridges, transit and intermodal systems, inland waterways, commercial ports, airports, high-speed and passenger rail, and rail track systems.

(37) TRUST FUND.—The term “Trust Fund” means a delineated account in the books of the Bank, set up to receive and disburse grant money to fully or partially subsidize project loans to entities operating in disadvantaged communities. Trust fund receipts shall include those left over from net operations of the Bank, Federal grant disbursements, and philanthropic and other gifts from individuals and corporations as they become available.

SEC. 202. ESTABLISHMENT OF NATIONAL INFRASTRUCTURE BANK.

(a) ESTABLISHMENT OF NATIONAL INFRASTRUCTURE BANK.—The National Infrastructure Bank is established as a Government corporation subject to [chapter 91](#) of title 31, United States Code (commonly known as the “Government Corporation Control Act”), except as otherwise provided in this Act.

(b) CONFORMING AMENDMENT.—Section 9101(3) of title 31, United States Code, is amended by adding at the end the following:

“(Q) the National Infrastructure Bank.”.

(c) RESPONSIBILITY OF THE SECRETARY.—The Secretary shall take such action as may be necessary to assist in implementing the establishment of the Bank in accordance with this Act, including obtaining a national bank charter.

SEC. 203. PURPOSES AND AUTHORIZATIONS.

(a) PURPOSE.—The purpose of National Infrastructure Bank shall be to facilitate efficient, long-term financing of infrastructure projects, business and economic growth, and new job creation in the United States.

(b) CAPITALIZATION.—

(1) IN GENERAL.—The National Infrastructure Bank shall raise capital stock, in an amount approved by the Board, but not to exceed to \$500,000,000,000, to be held in the form of Treasury securities.

(2) SUBSCRIPTION.—The capital stock shall be subscribed by—

(A) public holders of outstanding Treasury securities of 3 years or greater maturity, or outstanding municipal bonds of States or municipalities of 5 years or greater maturity, who transfer such securities or bonds to the Bank in exchange for the capital stock;

(B) paid-in share capital, paid in cash; and

(C) the United States Treasury, as “on-call” subscriber to the Bank, in an amount up to \$100,000,000,000 in 30-year United States Treasury Bonds.

(3) CAPITAL ADEQUACY RATIO.—The Bank shall maintain risk-based capital of no less than 10.0 percent.

(4) LIMITATION ON PURCHASE OF NEWLY ISSUED PUBLIC DEBT.—The Bank shall not purchase public debt of the United States, as newly issued, except for the purpose of rolling over the existing Treasury holdings of the Bank or to convert the proceeds of cash purchases of the Bank’s preferred stock into Treasury securities.

(5) ASSESSMENTS AND PHASE-IN OF LIMITATION ON CAPITAL STOCK.—The Bank’s accumulation of capital stock shall be limited—

(A) to no more than \$150,000,000,000 by the end of its first full fiscal year of operations, following the end of which fiscal year the Board of Governors of the Federal Reserve System shall conduct an assessment of the Bank’s operations and report to Congress and the Bank’s Board concerning the ways in which the Bank is succeeding or falling short in fulfilling the purposes of this Act;

(B) to no more than \$300,000,000,000 by the end of its third full fiscal year, following the end of which fiscal year the Board of Governors of the Federal Reserve System shall conduct another assessment of the Bank’s operations and submit similar reports to those specified in subparagraph (A), noting in particular the adequacy of the Bank’s response to criticisms and recommendations included in the assessment conducted pursuant to subparagraph (A);

(C) to no more than \$500,000,000,000 by the end of its fifth full fiscal year, following the end of which fiscal year the Board of Governors of the Federal Reserve System shall conduct another assessment of the Bank's operations and submit similar reports to those specified in subparagraphs (A) and (B), noting in particular the adequacy of the Bank's response to criticisms and recommendations included in the assessments conducted pursuant to subparagraphs (A) and (B); and

(D) thereafter to the full amount set forth in paragraph (1), with the Board of Governors of the Federal Reserve System conducting periodic assessments of the Bank's operations and submitting similar reports to those specified in subparagraphs (A) through (C) following the end of each fifth fiscal year beginning with the Bank's tenth full fiscal year.

(c) PREFERRED STOCK.—

(1) IN GENERAL.—All subscribed capital shall be exchanged for an equivalent in preferred stock, or shares, in the Bank, callable only by the Bank at the current market value of the shares during a period of 20 years following finalization of a stock purchase agreement. Notwithstanding any other provision of law, a guarantee of redemption at the then current market price of the shares shall be included in the stock purchase agreement along with a contractual obligation by the United States Treasury to fund the redemption. Preferred shareholders shall have no voting rights in the Bank.

(2) DIVIDENDS ON PREFERRED STOCK.—The Bank shall pay dividends on its preferred stock semiannually at the following rates:

(A) For stock acquired in exchange for Treasury securities by an individual, by an entity that is not exempt from tax under [section 501](#) of the Internal Revenue Code of 1986, or by the United States Treasury, the same annual rate as the Treasury security exchanged for the stock.

(B) For stock acquired in exchange for securities by an organization that is exempt from tax under [section 501](#) of the Internal Revenue Code of 1986, the same annual rate as the Treasury security exchanged for the stock plus one half of one percent (0.5%).

(C) For stock purchased in exchange for cash by an individual or an entity that is not exempt from tax under [section 501](#) of the Internal Revenue Code of 1986 and for stock acquired in exchange for municipal bonds, the same annual rate payable on Treasury bonds with a 30-year maturity purchased from the Treasury on the day the stock purchase agreement is finalized.

(D) For stock purchased in exchange for cash by an organization that is exempt from tax under [section 501](#) of the Internal Revenue Code of 1986, the same annual rate payable on Treasury bonds with a 30-year maturity on the day the stock purchase agreement is finalized plus one half of one percent (0.5%).

(3) ACQUISITIONS FOR OTHER THAN CASH OR TREASURY SECURITIES TREATED AS ACQUISITIONS FOR CASH.—For stock acquired in exchange for non-cash assets other than Treasury securities, the assets shall be liquidated by the Bank and the proceeds treated as a cash purchase of stock.

(4) AUTHORITY TO MODIFY RATES.—If the dividends provided for in paragraph (2) generate either more or less investment in the Bank’s preferred stock than is needed to achieve and maintain the Bank’s desired capitalization, the Directors may reduce or increase the dividends provided for new acquisitions of preferred stock in one or more of subparagraphs (A) through (D) of paragraph (2) for such periods of time as the Directors determine appropriate.

(5) PRIORITY AND GUARANTEE OF DIVIDEND PAYMENTS.—Dividend payments on the Bank’s preferred stock shall have priority over other uses of interest payments received by the Bank on its capital stock holdings of Treasury securities, and any such dividends owed in excess of the amount covered by these interest payments shall be guaranteed by the United States in the stock purchase agreement.

(d) BORROWED CAPITAL.—The Bank is further authorized to raise borrowed capital for projects needs, or to meet its cash flow (liquidity) needs, by—

(1) issuing Bonds, with a fixed 5 to 10 year maturity;

(2) maintaining a permanent, revolving discount line of credit account with the Board of Governors of the Federal Reserve System; and

(3) borrowing from other banks or wholesale capital markets, under repurchase or other agreements, on a short- or medium-term basis, as determined by the Bank’s Chief Financial and Risk Officers, with approval by the Bank’s Board.

(e) DEPOSITS.—Once chartered as a national bank, the Bank—

(1) shall accept deposits from individuals, corporations, public entities, or any other source, into transaction deposit accounts on its books, and pay interest on those deposits, in an amount deemed appropriate by the Board;

(2) may deposit its funds in any bank or other financial institution; and

(3) may utilize the services of electronic transfer systems to transfer funds among any deposit accounts.

(f) LOANS.—

(1) IN GENERAL.—The Bank shall provide loans, in accordance with this Act, to entities, or enter into blended financing credit, for the financing, development, or operation of infrastructure projects.

(2) LOAN MATURITY.—The maturity of loans should match, to the extent possible, the maturity periods of anticipated profitability, economic stimulus, and projected useful life of projects financed by such loans.

(3) LOAN LIMIT.—Total loans contracted by the Bank shall not exceed \$5,000,000,000,000.

(4) INTEREST CHARGES ON LOANS AND OTHER FEES.—The Bank—

(A) shall charge fixed-rate interest, fees, premiums, or discounts based on the risk associated with a loan made by the Bank, taking into consideration—

(i) the price of Treasury obligations of a similar maturity or 1.6 percent per annum, whichever is greater;

(ii) the credit rating of the borrowing entity if expressly published, or an assessment of the overall finances of the borrowing entity indicating an ability to service the loan;

(iii) current and expected future economic conditions, including expected improvements in the economy and the borrowing entity's finances resulting from the Bank's overall lending operations; and

(iv) whether or not the borrowing entity qualifies as a disadvantaged community, and an interest rate subsidy, subject to availability of funds;

(B) may, in connection with a loan extended by the Bank, issue guarantees, insurance, coinsurance, and reinsurance to borrowing entities, insurance companies, financial institutions, or others, or groups thereof, and charge fees based on a similar risk analysis; and

(C) may charge for the review of any project proposal in such amount as may be approved by the Board to cover the costs of such review.

(5) REFINANCING.—Subject to a full audit of the project and borrower, and subject to Board review, the Bank may extend the time limit for repayment of a loan, through renewal, substitution of new obligations, or otherwise, with the maximum time for such renewal to be approved by the Board. The Bank may make such further loans as necessary for project completion, or to assure loan repayment.

(6) LIMITATIONS ON LOANS.—The Bank may not—

(A) provide loans to consumers or provide any other loans not described under this Act; or

(B) engage in investment banking activities such as underwriting securities or trust management for customers.

(g) CAPITAL FOR LOAN DISBURSEMENTS.—Once chartered as a deposit-taking bank, the Bank is authorized to create funds in a deposit account in a borrower's name, in accordance with the loan agreement, as each scheduled loan disbursement as it is made. The Bank shall draw up an Aggregate Loan Disbursement Plan, for the information of the Comptroller of the Currency and the Board of Governors of the Federal Reserve System.

(h) NET EARNINGS.—After meeting current obligations, the Bank is authorized to use its earnings, and all moneys which have been or may hereafter be allocated to or borrowed by it, in the exercise of its functions. From those monies, the Bank shall set aside loan loss provisions equal to a proportion of loan book value, as determined appropriate by the Board. Net earnings of the Bank, after setting aside loan loss provisions and estimated forward cash flow needs, shall be used for the payment of dividends to the United States Treasury, in an annual amount to be determined by the Board. Any residual net earnings shall be deposited into a Trust Fund to subsidize loans for disadvantaged communities that are not able to repay infrastructure loans on normal loan terms, in a manner to be determined by the Board. Any direct Federal contributions from the budget for the purpose of subsidizing disadvantaged communities may also be added and utilized via the Trust Fund.

(i) GUARANTEES AND LOAN LOSS PROVISIONS.—In the event of any losses, as determined by the Board, incurred on loans, guarantees, and insurance extended under this Act, they shall be borne by the Bank out of its loan loss provisions. Any losses in excess thereof shall be borne by the Secretary of the Treasury. That excess shall be considered a contingent obligation backed by the full faith and credit of the Government of the United States of America.

(j) **RESERVES.**—The Bank shall maintain reserves against the Bank’s transaction accounts in such amount as the Board may determine appropriate, but not greater than 14 percent of the Bank’s total transaction accounts in excess of \$25,000,000.

(k) **BRANCHES.**—The Bank shall establish an office of lending and deposit in each city that has a Federal reserve bank, via the internet, and in any other location where the Board determines it appropriate.

SEC. 204. FORMATION OF REGIONAL ECONOMIC ACCELERATOR PLANNING GROUPS.

(a) **IN GENERAL.**—The Bank, through its branch offices, shall facilitate the organization of at least 7 Regional Economic Accelerator Planning Groups, to be defined by common economic, demographic, and infrastructure linkages.

(b) **DUTIES.**—The Regional Economic Accelerator Planning Groups may—

(1) organize themselves by, and be composed of, State and local public sector officials, including through multijurisdictional or multistate agreements among agencies;

(2) identify economic mega-regions, defined as hub cities, related towns and suburbs, manufacturing production corridors, and rural areas woven together into the communities where people of the United States live, work, and provide goods or services for movement within the region, and to other regions;

(3) identify infrastructure needs and priorities for mega-regions, with input from the American Society of Civil Engineers, and other trade, business, and industrial associations;

(4) develop regional economic accelerator plans, and a pipeline of infrastructure projects, and their strategic placement, needed to improve supply chains, land use, and productivity within each mega-region, while seeking to include all communities;

(5) define how such projects will create energy savings, environment improvements, jobs and wage improvements, regional economic growth, and growth in regional tax income;

(6) identify where multijurisdictional agreements should be enacted or strengthened to improve the development of infrastructure projects that cross jurisdictional lines (examples are transportation improvements along the northeast corridor, flood mitigation, water management to relieve drought conditions in Southwestern States, or development of a national high-speed rail grid);

(7) identify where Federal, State, or local laws and regulations should be streamlined to reduce infrastructure project costs and approval times, while maintaining environmental and safety objectives, and work towards streamlining those laws and regulations;

(8) seek public input on the broad outlines of each regional infrastructure development plan;

(9) provide such plans to the Bank, to inform the Bank on its selection of infrastructure projects for financing; and

(10) assist entities formulating and submitting projects for consideration of Bank financing on the definition, scope, selection criteria, and others factors under section 205 that will be considered in the approval process.

SEC. 205. ELIGIBILITY CRITERIA FOR ASSISTANCE FROM THE BANK.

(a) **IN GENERAL.**—Financial assistance shall be available from the Bank when the entity applying for such assistance has demonstrated to the satisfaction of the Board that the project for which such assistance is being sought meets the requirements of this Act. Any entity proposing a project for which the use or purpose is private, and without public benefit, shall not be eligible for financial assistance from the Bank under this Act, except as provided in subsection (d)(1)(L).

(b) **APPLICANTS.**—The Bank shall accept applications for infrastructure projects for the designation of those projects that may receive financial assistance under this section for any infrastructure project having—

(1) a public sponsor; and

(2) local, regional, or national significance.

(c) **GUIDELINES FOR INFRASTRUCTURE PROJECTS.**—The Executive Committee and the Board shall establish standard operating procedures, and develop online application procedures, to assist applications of infrastructure projects under this section to develop applications for financial assistance under this section.

(d) **CRITERIA.**—

(1) **IN GENERAL.**—In making a determination as to whether to provide an infrastructure project with financial assistance, the Board shall evaluate and rate each applicant based on the factors appropriate for the type of the proposed infrastructure project, including—

(A) consistency of the project with a regional infrastructure development plan that builds economic connectivity in the project area

and beyond, so that maximum growth is achieved while leaving no community behind;

(B) a life-cycle projection of the benefits, as compared to costs, of the project, that incorporates the factors in subparagraphs (C) through (N) of this paragraph;

(C) promotion of economic growth, including private sector-led growth associated with the project;

(D) job creation, including fair and responsible employment practices, and a workforce development to train workers in new skills, including by union apprentice programs to train new hires;

(E) a preference for projects in areas of high unemployment, or disadvantaged communities, including a workforce development plan to train workers in new skills and connect them with job openings financed by the Bank;

(F) environmental and public health benefits including the reduction in greenhouse gases, and water and air pollution, and the removal of lead and other hazardous materials;

(G) a demonstrated ability to contract for design, construction, operation, and maintenance of the infrastructure project throughout its estimated useful life, including by defining project objectives and utilizing performance-based monitoring;

(H) an understanding of the strategic importance of bundling projects, correctly sizing projects, and adopting value design and procurement procedures, so as to realize long-run cost savings from “dig, build, expand, or improve only once”;

(I) an understanding of the importance of innovative and state-of-the-art technologies that achieve project reliability, efficiency, resiliency, sustainability, security, and public safety;

(J) in cases where infrastructure is publicly or privately owned, a preference for projects that leverage Federal, State, local, and private financing, including public-private partnerships, or where companies can show that the additional capital could not be obtained from commercial sources;

(K) a consideration of the costs and benefits of preserving and repurposing existing infrastructure, in particular to mitigate against unemployment and bolster manufacturing in the United States;

(L) integration of other qualified projects that may or should be done concurrently;

(M) a categorical benefit; and

(N) any other criteria as determined by the Board, with approval by the Board.

(2) CATEGORICAL BENEFIT.—In this subsection, the term “categorical benefit” means the following:

(A) For any transportation infrastructure project:

(i) A reduction in surface and air traffic congestion, by road, transit, passenger rail, freight rail, port or inland water travel, or air travel, as measured by reductions in transit, boarding, and total trip times.

(ii) An anticipated increase in capacity for existing and expected new ridership or transport use, including by high-speed rail.

(iii) A reduction in risks from maintenance decline, or structural failure, over the service life of the project.

(iv) The coordination of improvements in commuter passenger operations, freight transport, and new community design, with the demographics of population, economic production, and trade hubs according to a regional infrastructure plan.

(v) An overall decline in greenhouse gas emissions from surface and air transportation projects financed by the Bank.

(vi) An increase in access to affordable transportation options, to improve access to jobs, affordable housing, schools, medical services, foods and other essential community services.

(vii) Improvements in safety for users, passengers, and operators, as measured by a reduction in fatalities and serious injuries.

(B) For any environmental infrastructure project:

(i) Increased coastal and inland flood mitigation and protection.

(ii) Improvements in drinking water, wastewater, or stormwater systems, through the repair, expansion, or replacement of such

systems.

(iii) A reduction in risk to any public infrastructure from structural failure, or damage, due to weather-related events, cyber or physical attacks, or catastrophic wildfires.

(iv) Environmental improvements from the removal of hazardous wastes or chemical pollutants.

(C) For any energy infrastructure project not invested in by private companies:

(i) Development of a smart grid, with modern security and resiliency systems.

(ii) Expansion of transmission and distribution capacity to cover new generation suppliers, including a macrogrid overlay to transport power from renewable sources, and new generation demand, including from global warming, or the electrification of vehicles or rail transport systems.

(iii) Enhancement of systems to balance electricity supply and demand, curtail peak demand, restore power outages, or coordinate operating procedures among power supplying entities.

(iv) Energy efficient buildings, including clean energy designated retrofits.

(D) For any telecommunications project:

(i) Completion or improvement in broadband and wireless access and affordability in rural and disadvantaged communities that private companies do not serve.

(ii) Improvement of the global telecommunication satellite network.

(E) For any community development infrastructure project:

(i) Promotion of economic growth to address persistent poverty.

(ii) Modernization of local land use policies, including those that promote transit-oriented development and location efficiency.

(iii) Expansion in the provision of public housing, or publicly assisted affordable housing, to provide long-term affordability in

targeted, disadvantaged communities, for families and persons with incomes equivalent to those currently assisted, and improvement in the physical condition of such housing.

(iv) Replacement of schools that have reached their service lifetime; or expansion of school facilities with growing populations, or to house new programs for workforce development.

(v) Improvements in National, State, and local parks and recreation facilities and related open space land management.

(e) **EMERGENCY PROCEDURES.**—During the Bank’s first year of operation, or until the Bank has provided a total of \$500,000,000,000 in loans, the Board may relax its selection criteria and procedures in favor of lending quickly for projects—

(1) that reduce unemployment;

(2) that address the backlog of critical, shovel-ready projects for which preliminary engineering or permitting is already completed; or

(3) where there is a critical safety or other public need.

SEC. 206. BOARD OF DIRECTORS.

(a) **IN GENERAL.**—The Bank shall have a Board of Directors consisting of 25 members appointed by the President by and with the advice and consent of the Senate.

(b) **QUALIFICATIONS.**—The directors of the Board shall include individuals representing different regions of the United States and—

(1) 12 of the directors shall have at least 15 years of industrial and engineering experience;

(2) 1 director shall be from the AFL–CIO;

(3) 2 of the directors shall be from North America’s Building Trades Unions;

(4) 2 of the directors shall be from the United States Army Corp of Engineers;

(5) 2 of the directors shall have State and local public sector experience;

(6) 2 of the directors shall have finance experience;

(7) 2 of the directors shall have economic development experience; and

(8) 2 of the directors shall represent minority communities or disadvantaged communities.

(c) **CHAIRPERSON AND VICE CHAIRPERSON.**—As designated at the time of appointment, one of the directors of the Board shall be designated chairperson of the Board by the President and one shall be designated as vice chairperson of the Board by the President.

(d) **TERMS.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), each director shall be appointed for a term of 6 years.

(2) **INITIAL STAGGERED TERMS.**—Of the initial members of the Board—

(A) the chairperson and vice chairperson shall each be appointed for terms of 6 years;

(B) 12 directors shall be appointed for a term of 4 years; and

(C) 11 directors shall be appointed for a term of 2 years.

(e) **CONGRESSIONAL RECOMMENDATIONS.**—Not later than 30 days after the date of enactment of this Act, the majority leader of the Senate, the minority leader of the Senate, the Speaker of the House of Representatives, and the minority leader of the House of Representatives shall each submit a recommendation to the President for appointment of a member of the Board of Directors, after consultation with the appropriate committees of Congress.

(f) **DATE OF INITIAL NOMINATIONS.**—The initial nominations by the President for appointment of directors to the Board shall be made not later than 60 days after the date of enactment of this Act.

(g) **VACANCIES.**—

(1) **IN GENERAL.**—A vacancy on the Board shall be filled in the manner in which the original appointment was made.

(2) **APPOINTMENT TO REPLACE DURING TERM.**—Any director appointed to fill a vacancy occurring before the expiration of the term for which the director's predecessor was appointed shall be appointed only for the remainder of the term.

(3) **DURATION.**—A director may serve after the expiration of that director's term until a successor has taken office.

(h) **QUORUM.**—At the time of any Board meeting, 75 percent of the directors confirmed by Congress (rounded down to a whole number) shall constitute a quorum.

(i) **REAPPOINTMENT.**—A director of the Board appointed by the President may be reappointed by the President in accordance with this section.

(j) **PER DIEM REIMBURSEMENT.**—Directors of the Board shall serve on a part-time basis and shall receive a per diem when engaged in the actual performance of Bank business, plus reasonable reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties.

(k) **LIMITATIONS.**—A director of the Board may not participate in any review or decision affecting a project under consideration for assistance under this Act if the director has or is affiliated with a person who has an interest in such project.

(l) **RESPONSIBILITIES.**—The Board shall—

(1) as soon as is practicable after the date on which the last director is appointed, establish an Executive Committee, Risk Management Committee and Audit Committee as prescribed by this Act;

(2) not later than 180 days after the date on which the last director is appointed develop and approve the bylaws of the Bank, and publish such bylaws in the Federal Register, including bylaws for the regulation of the affairs and conduct of the business of the Bank, consistent with the purpose, goals, objectives, and policies set forth in this Act;

(3) ensure that the Bank is at all times operated in a manner that is consistent with this Act, by—

(A) monitoring and assessing the effectiveness of the Bank in achieving its strategic goals;

(B) periodically reviewing internal policies submitted by the chief executive officer;

(C) reviewing and approving annual business plans, annual budgets, and long-term strategies submitted by the chief executive officer;

(D) reviewing and approving annual reports submitted by the chief executive officer;

(E) reviewing risk management and audit practices of the Bank; and

(F) reviewing and approving all changes to the organization of the Bank; and

(4) establishing such other criteria, requirements, or procedures as the Board may consider to be appropriate in carrying out this Act.

(m) MEETINGS.—

(1) OPEN TO THE PUBLIC; NOTICE.—All meetings of the Board held to conduct the business of the Bank shall be open to the public and shall be preceded by reasonable notice.

(2) INITIAL MEETING.—The Board shall meet not later than 90 days after the date on which the last director is appointed and otherwise at the call of the Chairperson.

(3) EXCEPTION FOR CLOSED MEETINGS.—Pursuant to such rules as the Board may establish through their bylaws, the directors may close a meeting of the Board if, at the meeting, there is likely to be disclosed information which could adversely affect or lead to speculation relating to an infrastructure project under consideration for assistance under this Act or in financial or securities or commodities markets or institutions, utilities, or real estate. The determination to close any meeting of the Board shall be made in a meeting of the Board, open to the public, and preceded by reasonable notice. The Board shall prepare minutes of any meeting which is closed to the public and make such minutes available as soon as the considerations necessitating closing such meeting no longer apply.

SEC. 207. POWERS AND LIMITATIONS OF THE BOARD.

(a) POWERS.—In order to carry out the purposes of the Bank as set forth in this Act, the Board shall be responsible for the approval and monitoring of infrastructure projects, and have the following powers:

(1) To make senior and subordinated direct loans on such terms as the Board may determine, in the Board's discretion, to be appropriate to assist in the financing or refinancing of an infrastructure project.

(2) Subject to the availability of funding, as determined by the Board, to develop specialized loan programs, such as a disadvantaged communities loan program, or a community cooperative startup, that provide project financing on flexible repayment terms.

(3) To make loan guarantees on such terms as the Board may determine, in the Board's discretion, to be appropriate to assist in the financing or refinancing of an infrastructure project.

(4) To issue Bonds, to provide financing to infrastructure projects from amounts made available from the issuance of such bonds.

(5) To make agreements and contracts with any entity in furtherance of the business of the Bank.

(6) To approve infrastructure loans financed in whole or in part, by the Bank, after receiving recommendations from the Executive Committee established in section 208.

(7) To monitor infrastructure projects financed in whole or in part, by the Bank, after receiving assessments from the Executive Committee.

(8) To sue and be sued in the Bank's corporate capacity in any court of competent jurisdiction, except that no attachment, injunction, or similar process, may be issued against the property of the Bank or against the Bank with respect to such property.

(9) To indemnify the directors and officers of the Bank for liabilities arising out of the actions of the directors and officers in such capacity, in accordance with, and subject to the limitations contained in, this Act.

(10) To serve as the primary liaison between the Bank and the Congress, the executive branch, and State and local governments, and to represent the Bank's interests.

(11) To exercise all other lawful powers which are necessary or appropriate to carry out, and are consistent with, the purposes of the Bank.

(b) **EMPLOYEE PROTECTIONS.**—Prior to providing any financial assistance for an infrastructure project involving reconstruction, rehabilitation, replacement, or expansion that may impact current employees on the project site, the interests of employees affected by the financial assistance shall comply with applicable Federal law as set out in section 213.

(c) **COORDINATION WITH STATE AND LOCAL REGULATORY AUTHORITY.**—The provision of financial assistance by the Board pursuant to this Act shall not be construed as—

(1) limiting the right of any State or political subdivision or other instrumentality of a State to approve or regulate rates of return on private equity invested in a project; or

(2) otherwise superseding any State law or regulation applicable to a project.

(d) **FEDERAL PERSONNEL REQUESTS.**—The Board shall have the power to request the detail, on a reimbursable basis, of personnel from other Federal agencies with specific expertise not available from within the Bank or elsewhere. The head of any Federal agency may detail, on a reimbursable basis, any personnel of such agency requested by the Board and shall not withhold unreasonably the detail of any personnel requested by the Board.

SEC. 208. EXECUTIVE COMMITTEE.

(a) **IN GENERAL.**—The Board shall establish an Executive Committee consisting of 9 members, headed by the chief executive officer of the Bank.

(b) **CEO.**—A majority of the Board shall have the authority to appoint and reappoint the chief executive officer with such executive functions, powers, and duties as may be prescribed by this Act, the bylaws of the Bank, or the Board.

(c) **CEO RESPONSIBILITIES.**—The CEO shall have responsibility for the development and implementation of the strategy of the Bank, including—

(1) the development and submission to the Board of the annual business plans and budget;

(2) the development and submission to the Board of a long-term strategic infrastructure development plan that is consistent with regional plans as presented to the Bank by Regional Economic Accelerator Planning Groups; and

(3) the development, revision, and submission to the Board of Directors of the Bank’s other internal policies.

(d) **OTHER EXECUTIVE OFFICERS.**—The Board shall appoint, remove, fix the compensation, and define duties of 8 other executive officers to serve on the Executive Committee as the—

(1) chief risk officer;

(2) chief operations officer;

(3) chief loan origination officer;

(4) chief compliance officer;

(5) chief financial officer;

(6) chief treasury officer;

(7) chief asset and liability management officer; and

(8) general counsel.

(e) **QUALIFICATIONS.**—The CEO, as well as other executive officers, and all loan origination officers, shall have extensive experience and expertise in retail banking, and in one or more of the following:

- (1) Transportation infrastructure.
- (2) Environmental infrastructure.
- (3) Energy infrastructure.
- (4) Telecommunications infrastructure.
- (5) Public housing and urban or rural development.
- (6) Economic development.
- (7) Workforce development.
- (8) Public finance.

(f) **DUTIES.**—In order to carry out the purposes of the Bank as set forth in this Act, the Executive Committee shall—

(1) establish and submit to the Board disclosure and application procedures for entities nominating projects for assistance under this Act;

(2) establish and submit to the Board standardized terms and conditions, fee schedules, or legal requirements of a contract or program to carry out this Act;

(3) establish and submit to the Board guidelines for the selection and approval of projects and specific criteria for determining eligibility for project selection, subject to the general criteria provided in section 205;

(4) accept, for consideration, project proposals relating to the development of infrastructure projects, which meet the basic criteria established by this Act and by the Executive Committee, and which are submitted by an entity;

(5) provide recommendations to the Board and place project proposals accepted by the Executive Committee on a list for consideration for financial assistance from the Board; and

(6) establish a plan, and build capacity within the Bank, to provide technical assistance to State and local governments, regional economic

accelerator planning groups established under section 204, joint ventures, regional economic accelerator agencies, and other borrowing entities on—

(A) the Bank's borrowing procedures and selection criteria;

(B) development of a pipeline of projects suitable for financing, that meet the selection criteria developed by the Bank;

(C) development of specialized institutional structures, and cross-region planning, to help in the planning of complex projects;

(D) best design, construction, and management practices, including those identified in global infrastructure databases;

(E) contract evaluation methods, including procurement value-for-money options; and

(F) institution strengthening relating to the management of projects and work contracts, including through performance-based project delivery.

(g) **VACANCY.**—A vacancy in the position of CEO and other executive officers of the Executive Committee shall be filled in the manner in which the original appointment was made.

(h) **COMPENSATION.**—The compensation of the CEO and other executive officers of the Executive Committee shall be determined by the Board.

(i) **REMOVAL.**—The CEO and other executive officers of the Executive Committee may be removed at the discretion of a majority of the Board.

(j) **TERM.**—The CEO and other executive officers of the Executive Committee shall serve a 6-year term and may be reappointed in accordance with this section.

(k) **LIMITATIONS.**—The CEO and other executive officers of the Executive Committee shall not—

(1) hold any other public office;

(2) have any interest in an infrastructure project considered by the Board;

(3) have any interest in an investment institution, commercial bank, or other entity seeking financial assistance for any infrastructure project from or investing in the Bank; and

(4) have any such interest during the 2-year period beginning on the date such officer ceases to serve in such capacity.

SEC. 209. RISK MANAGEMENT COMMITTEE.

(a) **ESTABLISHMENT OF RISK MANAGEMENT COMMITTEE.**—The Board shall establish a risk management committee consisting of 5 members, headed by the chief risk officer, with participation from the chief loan origination officer.

(b) **APPOINTMENTS.**—A majority of the Board shall have the authority to appoint and reappoint the CRO of the Bank.

(c) **FUNCTIONS; DUTIES.**—

(1) **IN GENERAL.**—The CRO shall have such functions, powers, and duties as may be prescribed by one or more of the following: This Act, the bylaws of the Bank, and the Board. The CRO shall report directly to the Board.

(2) **RISK MANAGEMENT DUTIES.**—In order to carry out the purposes of this Act, the risk management committee shall—

(A) create overarching financial, credit, and operational risk management guidelines and policies to be adhered to by the Bank;

(B) create conforming standards for loan agreements to ensure diversification of lending activities by—

(i) geographic region, infrastructure project type, and inclusion of disadvantaged and rural communities; and

(ii) compliance with Federal and State laws referred to in section 213;

(C) create specific plans for all financial assistance provided by the Bank, including subsidy programs for disadvantaged communities and the inclusion of minority, women, indigenous people, and disadvantaged business participation in projects financed by the Bank in accordance with sections 201(18) and 213 of this Act;

(D) monitor overall financial, credit, and operational exposure of the Bank;

(E) create a standing subcommittee to perform regular credit evaluations and report on large infrastructure loans extended by the Bank that monitor compliance with terms, and attainment of performance targets contained in loan agreements; and

(F) provide financial recommendations to the Board for Board approval.

(d) **OTHER RISK MANAGEMENT OFFICERS.**—The Board shall appoint, remove, fix the compensation, and define the duties of 4 other risk management officers to serve on the risk management committee.

(e) **QUALIFICATIONS.**—The CRO and other risk management officers shall have demonstrated experience and expertise in one or more of the following:

- (1) Treasury and asset and liability management.
- (2) Investment regulations.
- (3) Insurance.
- (4) Credit risk management and credit evaluations.
- (5) Infrastructure development projects.

(f) **VACANCY.**—A vacancy in the position of CRO and other risk management officers of the risk management committee shall be filled in the manner in which the original appointment was made.

(g) **COMPENSATION.**—The compensation of the CRO and other risk management officers of the risk management committee shall be determined by the Board.

(h) **REMOVAL.**—The CRO and other risk management officers of the risk management committee may be removed at the discretion of a majority of the Board.

(i) **TERM.**—The CRO and other risk management officers of the risk management committee shall serve a 6-year term and may be reappointed in accordance with this section.

(j) **LIMITATIONS.**—The CRO and other risk management officers of the risk management committee shall not—

- (1) hold any other public office;
- (2) have any interest in an infrastructure project considered by the Board;
- (3) have any interest in an investment institution, commercial bank, or other entity seeking financial assistance for any infrastructure project from or investing in the Bank; and
- (4) have any such interest during the 2-year period beginning on the date such officer ceases to serve in such capacity.

SEC. 210. AUDIT COMMITTEE.

(a) **IN GENERAL.**—The Bank shall establish an audit committee consisting of 5 members, headed by the chief compliance officer of the Bank.

(b) **APPOINTMENTS.**—A majority of the Board shall have the authority to appoint and reappoint the CCO of the Bank.

(c) **FUNCTIONS; DUTIES.**—The CCO shall have such functions, powers, and duties as may be prescribed by this Act, the bylaws of the Bank, and the Board. The CCO shall report directly to the Board.

(d) **AUDIT DUTIES.**—In order to carry out the purposes of the Bank under this Act, the audit committee shall—

- (1) provide internal controls and internal auditing activities for the Bank;
- (2) maintain responsibility for the accounting activities of the Bank;
- (3) conduct internal investigations of the business activities of the Bank;
- (4) issue financial reports of the Bank; and
- (5) complete reports with outside auditors and public accountants appointed by the Board.

(e) **OTHER AUDIT OFFICERS.**—The Board shall appoint, remove, fix the compensation, and define the duties of 4 other audit officers to serve on the audit committee.

(f) **QUALIFICATIONS.**—The CCO and other audit officers shall have demonstrated experience and expertise in one or more of the following:

- (1) Internal auditing.
- (2) Internal investigations.
- (3) Accounting practices.
- (4) Financing practices.

(g) **VACANCY.**—A vacancy in the position of CCO and other audit officers of the audit committee shall be filled in the manner in which the original appointment was made.

(h) **COMPENSATION.**—The compensation of the CCO and other audit officers of the audit committee shall be determined by the Board.

(i) **REMOVAL.**—The CCO and other audit officers of the audit committee may be removed at the discretion of a majority of the Board.

(j) **TERM.**—The CCO and other audit officers of the audit committee shall serve a 6-year term and may be reappointed in accordance with this section.

(k) **LIMITATIONS.**—The CCO and other audit officers of the audit committee shall not—

(1) hold any other public office;

(2) have any interest in an infrastructure project considered by the Board;

(3) have any interest in an investment institution, commercial bank, or other entity seeking financial assistance for any infrastructure project from or investing in the Bank; and

(4) have any such interest during the 2-year period beginning on the date such officer ceases to serve in such capacity.

SEC. 211. PERSONNEL.

(a) **COMPENSATION; DUTIES.**—The chairperson of the Board, chief executive officer, chief risk officer, and chief compliance officer shall appoint, remove, fix the compensation of, and define the duties of such qualified personnel to serve under the Board, Executive Committee, risk management committee, or audit committee, as the case may be, as necessary and prescribed by this Act, the bylaws of the Bank, and the Board.

(b) **NONDISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYMENT.**—The Bank shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, sexual orientation, gender identity, pregnancy, or ethnic or social origin against any employee or applicant for employment. This action shall include, but not be limited to, employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection of training, including apprenticeship.

(c) **PARTICIPATION BY OTHER AGENCY PERSONNEL.**—Consideration of projects by the Executive Committee and the Board shall be conducted with personnel on detail to the Bank from United States Army Corps of Engineers, the Department of Transportation, the Department of Labor, the Department of Housing and Urban Development, the Environmental Protection Agency, the Department of the Treasury, the Department of Commerce, and other relevant departments and agencies from among individuals who are familiar with and experienced in the

selection criteria for competitive projects. The Bank shall reimburse those departments and agencies for the staff who are on detail to the Bank.

SEC. 212. SPECIAL INSPECTOR GENERAL FOR THE NATIONAL INFRASTRUCTURE BANK.

(a) **IN GENERAL.**—Beginning on the date on which the President appoints a Special Inspector General for the Bank (referred to in this Act as the “Special Inspector General”) under subsection (b), there is established an Office of the Special Inspector General for the Bank.

(b) APPOINTMENT OF INSPECTOR GENERAL; REMOVAL.—

(1) **APPOINTMENT.**—The Special Inspector General for the Bank shall be appointed by the President, by and with the advice and consent of the Senate.

(2) **BASIS OF APPOINTMENT.**—The appointment of the Special Inspector General shall be made on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations.

(3) **TIMING OF NOMINATION.**—The nomination of an individual as Special Inspector General shall be made as soon as practicable after the date of enactment of this Act.

(4) **REMOVAL.**—The Special Inspector General shall be removable from office in accordance with the provisions of [section 3\(b\)](#) of the Inspector General Act of 1978 (5 U.S.C. App.).

(5) **RULE OF CONSTRUCTION.**—For purposes of section 7324 of title 5, United States Code, the Special Inspector General shall not be considered an employee who determines policies to be pursued by the United States in the nationwide administration of Federal law.

(6) **RATE OF PAY.**—The annual rate of basic pay of the Special Inspector General shall be the annual rate of basic pay for an Inspector General under [section 3\(e\)](#) of the Inspector General Act of 1978 (5 U.S.C. App.).

(c) DUTIES.—The Special Inspector General shall—

(1) conduct, supervise, and coordinate audits and investigations of the business activities of the Bank;

(2) establish, maintain, and oversee such systems, procedures, and controls as the Special Inspector General considers appropriate to discharge the duty

under paragraph (1); and

(3) carry out any other duties and responsibilities of inspectors general under the Inspector General Act of 1978 (5 U.S.C. App.).

(d) **POWERS AND AUTHORITIES.**—

(1) **IN GENERAL.**—In carrying out the duties specified in subsection (c), the Special Inspector General shall have the authorities provided in [section 6](#) of the Inspector General Act of 1978 (5 U.S.C. App.).

(2) **ADDITIONAL AUTHORITY.**—The Special Inspector General shall carry out the duties specified in subsection (c)(1) in accordance with [section 4\(b\)\(1\)](#) of the Inspector General Act of 1978 (5 U.S.C. App.).

(e) **PERSONNEL, FACILITIES, AND OTHER RESOURCES.**—

(1) **ADDITIONAL OFFICERS.**—

(A) **IN GENERAL.**—The Special Inspector General may select, appoint, and employ such officers and employees as may be necessary for carrying out the duties of the Special Inspector General, subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(B) **EMPLOYMENT AND COMPENSATION.**—The Special Inspector General may exercise the authorities of subsections (b) through (i) of section 3161 of title 5, United States Code (without regard to subsection (a) of that section).

(2) **RETENTION OF SERVICES.**—The Special Inspector General may obtain services as authorized by section 3109 of title 5, United States Code, at daily rates not to exceed the equivalent rate prescribed for grade GS–15 of the General Schedule by section 5332 of such title.

(3) **ABILITY TO CONTRACT FOR AUDITS, STUDIES, AND OTHER SERVICES.**—The Special Inspector General may enter into contracts and other arrangements for audits, studies, analyses, and other services with public agencies and with private persons, and make such payments as may be necessary to carry out the duties of the Special Inspector General.

(4) **REQUEST FOR INFORMATION.**—

(A) **IN GENERAL.**—Upon request of the Special Inspector General for information or assistance from any department, agency, or other entity of the Federal Government, the head of that entity shall, insofar as is practicable and not in contravention of any existing law, furnish the information or assistance to the Special Inspector General or an authorized designee.

(B) **REFUSAL TO COMPLY.**—If information or assistance requested by the Special Inspector General is, in the judgment of the Special Inspector General, unreasonably refused or not provided, the Special Inspector General shall report the circumstances to the Secretary, without delay.

(f) **REPORTS.**—

(1) **ANNUAL REPORT.**—Not later than 1 year after the date on which the Special Inspector General is confirmed, and every calendar year thereafter, the Special Inspector General shall submit to the President and appropriate committees of Congress a report summarizing the activities of the Special Inspector General during the previous 1-year period ending on the date on which such report is required.

(2) **PUBLIC DISCLOSURES.**—Nothing in this subsection authorizes the public disclosure of information that is—

(A) specifically prohibited from disclosure by any other provision of law;

(B) specifically required by Executive order to be protected from disclosure in the interest of national defense or national security or in the conduct of foreign affairs; or

(C) a part of an ongoing criminal investigation.

SEC. 213. STATUS AND APPLICABILITY OF CERTAIN FEDERAL AND STATE LAWS.

(a) **NATIONAL BANK CHARTER.**—As soon as practicable after being established, the Bank shall apply for a national bank charter.

(b) **COMPLIANCE WITH DAVIS-BACON ACT.**—All laborers and mechanics employed by contractors and subcontractors on infrastructure projects funded directly by or assisted in whole or in part by and through the Bank pursuant to this Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of part A of title 40, United States Code. With respect to the labor standards specified in this section, the Secretary of

Labor shall have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267; 5 U.S.C. App.) and section 3145 of title 40, United States Code.

(c) **COMPLIANCE WITH PROJECT LABOR AGREEMENTS.**—In States in which project labor agreements are authorized, or in any State where a construction contract financed by the Bank exceeds \$35 million, recipients of financial assistance made available under this Act must comply with such agreements (in accordance with subsections (e) and (f) of section 8 of the National Labor Relations Act ([29 U.S.C. 158](#)) and Executive Order 14063). In States in which project labor agreements are prohibited by law and are below the limit for a project, projects financed by the Bank pursuant to the Act shall permit voluntary collective bargaining of such agreements.

(d) **BUY AMERICA REQUIREMENT.**—The provisions of section 70914 of the Infrastructure Investment and Jobs Act ([Public Law 117–58](#)) shall apply both to the Bank directly and to all contractually permitted uses of its infrastructure loans. In cases where the acquisition of needed goods would otherwise require a waiver, the Bank may undertake to stimulate new domestic production of the goods in question through the provision of loans to private sector companies to produce the goods in accordance with section 205(d)(1)(L) of this Act.

(e) **COMPLIANCE WITH CIVIL RIGHTS ACT OF 1964.**—The Bank, along with contractors and subcontractors on infrastructure projects funded directly by, or assisted in whole or in part by the Bank, shall comply with titles VI and VII of the Civil Rights Act of 1964 as to hiring and awarding contracts to build projects. The Bank will implement said laws, in part, by including language in loan agreements to require contracted work financed in whole or in part by the Bank to include an equal opportunity clause as set out in section 60–1.4 of title 41 of the Code of Federal Regulations.

(f) **MINORITY, WOMEN, AND DISADVANTAGED BUSINESS ENTERPRISE PARTICIPATION.**—The Bank, along with contractors and subcontractors on infrastructure projects financed directly by, or assisted in whole or in part by the Bank, shall comply with section 47113 of title 49, United States Code, section 632 of title 15, United States Code, and title I of division A of [Public Law 117–58](#), so that not less than 10 percent of amounts financed by the Bank shall be expended with small business concerns owned and controlled by socially and economically disadvantaged individuals, including women, or qualified Disadvantaged Business Enterprises or HUBZone small business concerns.

(g) **LOCAL HIRING PREFERENCE.**—The Bank, along with contractors and subcontractors on infrastructure projects financed directly by, or assisted in whole or in part by the Bank, shall comply with sections 70914 and 100602 of the Infrastructure Investment and Jobs Act ([Public Law 117–58](#)) to implement a local,

rural, or other geographical or economic hiring preference relating to the use of labor for construction of a project funded by the grant, including prehire agreements, subject to any applicable State and local laws, policies, and procedures.

(h) **WORKFORCE DEVELOPMENT, TRAINING, AND EDUCATION.**—The Bank shall comply with section 13007 of the Infrastructure Investment and Jobs Act ([Public Law 117–58](#)), to aid in promoting the education, training, and hiring of workers in all occupational fields of endeavor utilized, directly or indirectly, by projects financed by the Bank.

(i) **INFRASTRUCTURE PLANNING, COORDINATION AND NON-DUPLICATION.**—The Bank shall comply with “coordination” or “non-duplication” requirements mentioned in sections 11201, 11402, 11501(c), 22301(b), 22910, 23014, 25003, 25008, 25009(h)(3)(A), 25010, 25012, 30002, 40108, 40113, 40121, 40125, 40321, 40328, 40431, 40522, 40902, 40908, 50102, 50204, 50210, 50216–27, 60102, 60201, and 60503 of the Infrastructure Investment and Jobs Act ([Public Law 117–58](#)), to coordinate the planning and management of all infrastructure projects financed by the Bank with Federal and non-Federal agencies providing grants, loans, or other means of financing, Metropolitan and Rural Planning Organizations, Regional Accelerator Planning Groups, state and local governments, scientific centers, and the public, to ensure complete and optimal planning and project rollout, at minimum cost, with no duplication of effort.

(j) **COMPLIANCE WITH APPLICABLE FEDERAL LAW.**—Projects receiving financial assistance from the Bank shall comply with applicable provisions of Federal law and regulation, including—

- (1) for transit, requirements that would apply to a project receiving funding under section 5307 or 47113 of title 49, United States Code;
- (2) for public housing, requirements that would apply to a project receiving funding from a grant under section 24 of the United States Housing Act of 1937 ([42 U.S.C. 1437v](#));
- (3) for publicly assisted affordable housing, requirements that would apply to the preservation of such housing under other provisions of law governing such housing;
- (4) for roads and bridges, requirements that would apply to a project that receives funds under section 104(b)(3) of title 23, United States Code, or section 47113 of title 49, United States Code, and meets the goals under section 150(b) of title 23, United States Code;
- (5) for freight and passenger rail projects, requirements that would apply to a project that receives funds under subtitle V of title 49, United States Code;

(6) for airport and air traffic control projects, requirements that would apply to a project that receives funds under chapters 471 and 501 of title 49, United States Code, or section 47113 of such title;

(7) for water, requirements that would apply to a project grant or loan under—

(A) section 103 of the Housing and Community Development Act of 1974 ([42 U.S.C. 5303](#));

(B) section 1452 of the Public Health Service Act ([42 U.S.C. 300j-12](#)); or

(C) section 601 of the Federal Water Pollution Control Act ([33 U.S.C. 1381](#)), as that section applied before the beginning of fiscal year 1995; and

(8) for rural development projects, requirements that would apply to a project financed by any of the following programs of the Department of Agriculture:

(A) Rural Economic Development Loans & Grants.

(B) Community Facilities Direct Loans & Grants.

(C) Single- and Multi-Family Housing Repair and Rental Assistance Loans & Grants.

(D) Multi-Family Housing Rental Assistance.

(E) Electric Infrastructure Loans & Loan Guarantees.

(F) Rural Broadband Access, and Telecommunications Infrastructure Loans & Guarantees.

(G) Water & Waste Disposal Loans & Grants.

(k) **STATE AND LOCAL PERMIT REQUIREMENTS.**—The provision of assistance by the Board in accordance with this Act shall not be deemed to relieve any recipient of assistance or the related infrastructure project of any obligation to obtain required State and local permits and approvals.

SEC. 214. EXEMPTION FROM CERTAIN LAWS.

(a) **NO BUDGET AUTHORITY FOR CONTRACTS OR LOANS.**—Section 504(b) of the Federal Credit Reform Act of 1990 ([2 U.S.C. 661c\(b\)](#)) requiring prior budget authority shall not apply to any contract or loan under this Act.

(b) **NO PRIORITY AS A FEDERAL CLAIM.**—The priority established in favor of the United States by section 3713 of title 31, United States Code, shall not apply with respect to any indebtedness of the Bank.

SEC. 215. RELATIONS WITH LOCAL FINANCIAL INSTITUTIONS.

(a) **COMPLEMENT PROVISION OF SERVICES.**—Except as provided in subsection (b), the Bank shall conduct loan activities in partnership with local financial institutions and shall not compete with local financial institutions. Partnership may include local banks' participation in loan requests, loan monitoring, or blended financing of project loans.

(b) **EXCEPTION.**—The Bank may engage in loan activities without partnering with a local financial institution, if those loan activities are not offered or provided by local financial institutions in the jurisdiction where the loan is being provided.

(c) **BANK AS A CLEARINGHOUSE.**—For local financial institutions that make the Bank a reserve depository, the Bank may perform the functions and render the services of a clearinghouse, including all facilities for providing domestic and foreign exchange, or rediscounting paper on such terms as the Board shall provide.

SEC. 216. AUDITS; REPORTS TO PRESIDENT AND CONGRESS.

(a) **ACCOUNTING.**—The books of account of the Bank shall be maintained in accordance with generally accepted accounting principles as used in the United States, and shall be subject to an annual audit by independent public accountants appointed by the Board and of nationally recognized standing.

(b) **REPORTS.**—

(1) **BOARD.**—The Board shall submit to the President and Congress, within 90 days after the last day of each fiscal year, a complete and detailed report with respect to the preceding fiscal year, setting forth—

(A) a summary of the Bank's operations, for such preceding fiscal year;

(B) a schedule of the Bank's obligations outstanding at the end of such preceding fiscal year, with a statement of the amounts issued and redeemed or paid during such preceding fiscal year; and

(C) the status of infrastructure projects receiving funding or other assistance pursuant to this Act, including disclosure of all entities with a development, ownership, or operational interest in such projects.

(2) GAO.—Not later than 5 years after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report evaluating activities of the Bank for the fiscal years covered by the report that includes an assessment of the impact and benefits of each funded infrastructure project, including a review of how effectively each project accomplished the goals prioritized by the Bank’s project criteria.

(c) BOOKS AND RECORDS.—

(1) IN GENERAL.—The Bank shall maintain adequate books and records to support the financial transactions of the Bank with a description of financial transactions and infrastructure projects receiving funding, and the amount of funding for each project maintained on a publicly accessible database.

(2) PUBLIC COMMENT PERIOD.—The Bank shall post infrastructure financing agreements on the database providing 30 days for public comments before providing final financing for the infrastructure project.

(3) AUDITS BY THE SECRETARY AND GAO.—The books and records of the Bank shall be open to inspection by the Secretary and the Comptroller General of the United States.

SEC. 217. BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

SEC. 218. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated \$50,000,000 for each of fiscal years 2023 and 2024 for the initial organization of the Bank, and its Directors and staff.
