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Res. No. 11

Resolution calling upon the United States Congress to pass and the President to sign H.R. 4052, the National Infrastructure Bank Act of 2023.

By Council Members Hudson, Stevens, Farías, Sanchez, Avilés, Abreu, Narcisse, Rivera, Brannan, Ossé, Louis and Mealy

Whereas, According to the American Society of Civil Engineers (ASCE), an estimated $6.1 trillion in investments will be needed between 2020 and 2029 to meet the country's infrastructure needs, an amount that will increase to $13 trillion by 2039; and

Whereas, The analysis by ACSE indicates that funding will only be available to cover 57 percent, or approximately $3.5 trillion, of those infrastructure needs, resulting in an investment gap of approximately $2.6 trillion by 2029, with the gap increasing to $5.6 trillion by 2039; and

Whereas, In 2021, ASCE gave America's infrastructure a "C-" grade in their 2021 *Report Card for America's Infrastructure,* the first time in twenty years that it has been out of the "D" range, and indicating that while incremental immediate gains in some of the infrastructure categories have been made, the long-term investment gap continues to grow; and

Whereas, New York State earned a cumulative grade of "C" in ASCE's *2022 Report Card for New York's Infrastructure* which was released on July 19, 2022, meaning that the State's infrastructure is in mediocre condition, but with roads, transit and wastewater categories receiving a "D+" grade, a ranking that means they were in poor to fair conditions and at-risk; and

Whereas, Throughout the history of the United States (U.S.), Congress has established national banks to fund important national priorities such as financing the development of most of our national infrastructure and

to help pay down national war debt; and

Whereas, In 1932, Congress established the Reconstruction Finance Corporation (RFC) to provide emergency financing facilities for financial institutions, to aid in financing agriculture, commerce and industry, with a subsequent amendment that authorized the RFC to loan funds to state and municipal governments to finance infrastructure projects; and

Whereas, The RFC was abolished by Congress in 1953; and

Whereas, In 1993, the bipartisan Commission to Promote Investment in America's Infrastructure released a report endorsing the creation of a national infrastructure corporation; and

Whereas, H.R. 4052, the "National Infrastructure Bank Act of 2023," introduced by U.S. Representative Danny K. Davis, would create a National Infrastructure Bank to facilitate efficient, long-term financing of infrastructure projects, business and economic growth, and new job creation; and

Whereas, If enacted, the establishment of a U.S. public deposit money bank would provide direct loans and other financing of up to $5 trillion for qualifying infrastructure projects without requiring additional Federal taxes or deficits; and

Whereas, The National Infrastructure Bank that would be created under H.R. 4052 would be capitalized through the exchange of existing U.S. Treasury securities for preferred stock in the bank, and

Whereas, Under the provisions found in H.R. 4052, the National Infrastructure Bank would be treated as a government corporation exempt from tax, and any contributions that are made to the bank would be treated as charitable contributions; and

Whereas, H.R. 4052 also includes a temporary rule to allow a tax deduction for cash contributions made to the National Infrastructure Bank by certain taxpayers who elect not to itemize their deductions; and

Whereas, A provision in H.R. 4052 would exclude any dividend amounts received on the preferred stock from a taxpayers gross income; and

Whereas, H.R. 4052 includes provisions to ensure that any infrastructure projects funded by the

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National Infrastructure Bank comply with the prevailing wage requirements determined by the U.S. Department of Labor as directed by the Federal government's Davis-Bacon Act, and also comply with any applicable State Project Labor Agreements; and

Whereas, The creation of a new National Infrastructure Bank, similar to the national banks that were successfully implemented four previous times in our nation's history, would help finance our country's currently unfunded infrastructure needs; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the United States Congress to pass and the President to sign H.R. 4052, the National Infrastructure Bank Act of 2023.

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