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H. R. 6422

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

MARCH 31, 2020

Mr. DANNY K. DAVIS of Illinois (for himself and Mr. MOULTON) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Transportation and Infrastructure, Financial Services, Education and Labor, 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.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Infrastruc-
5 ture Bank Act of 2020”.

1 **SEC. 2. FINDINGS.**

2 Congress finds the following:

3 (1) Throughout our Nation's history, national
4 banks have played a crucial role in financing our
5 Nation's public infrastructure, which in turn contrib-
6 uted to the United States becoming the world's lead-
7 ing producing nation.

8 (2) Canals, the Transcontinental Railroad, the
9 Hoover Dam, rural electrification, and the national
10 system of roads and bridges are all examples of in-
11 vestments in infrastructure that created the condi-
12 tions for improved productivity, job creation, and
13 economic growth.

14 (3) Four previous national banks financed such
15 infrastructure, each according to a development
16 plan: The First (1791–1811) and Second (1816–
17 1836) Banks of the United States, President Lin-
18 coln's national banking system, and President
19 Franklin Roosevelt's Reconstruction Finance Cor-
20 poration (1932–1957).

21 (4) However, according to the American Society
22 of Civil Engineers (ASCE) in a 2017 report, the
23 current condition of the infrastructure in the United
24 States earns a grade point average of D+, and an
25 estimated \$4,590,000,000,000 investment is needed

1 by 2025 to bring the following systems to a state of
2 good repair (amounts in parentheses):

3 (A) Roads, bridges, and transit
4 (\$2,042,000,000,000).

5 (B) Electricity grids (\$934,000,000,000).

6 (C) Schools (\$870,000,000,000).

7 (D) Dams, levees, waterways, and ports
8 (\$162,000,000,000).

9 (E) Airports (\$157,000,000,000).

10 (F) Rail (\$154,000,000,000).

11 (G) Drinking water and wastewater sys-
12 tems (\$150,000,000,000).

13 (H) Public parks and recreation
14 (\$114,000,000,000).

15 (I) Hazardous and solid waste
16 (\$7,000,000,000).

17 (5) In addition, expanded investment is needed
18 in new manufacturing centers, affordable housing,
19 broadband access, science and technology drivers, to
20 accommodate population growth and migration, and
21 for other improvements in rural, urban, and low-in-
22 come areas that the private sector is not currently
23 serving.

24 (6) Although Federal grant programs, along
25 with matching State and local funding, should con-

1 tinue to play a central role in financing infrastruc-
2 ture in the United States, current and foreseeable
3 demands on existing Federal, State, and local budg-
4 ets exceed the resources to support these programs
5 by a wide margin. ASCE estimates that funds are
6 available for only about half of the infrastructure it
7 currently monitors. Meanwhile, long-term savers, in-
8 cluding central banks, pension funds, corporations,
9 sovereign wealth funds, and insurance companies,
10 have a growing interest in infrastructure investment.

11 (7) The establishment of a United States public
12 deposit money bank would provide direct loans and
13 other financing of up to \$4,000,000,000,000 for
14 qualifying infrastructure projects. Such funding
15 would be adequate to finance all of the United
16 States identified infrastructure needs, in all parts of
17 the country, according to strategic plans. At the
18 same time, it would return the United States to its
19 most recent “golden age” when a National Infra-
20 structure Bank was in place (1933–1957), during
21 which time total factor productivity advanced by 3.5
22 percent per year, the economy grew on average 5.5
23 percent per year, income inequality fell by one-third,
24 and Federal and State tax receipts rose dramati-
25 cally.

1 **SEC. 3. DEFINITIONS.**

2 For purposes of this Act, the following definitions
3 apply unless otherwise specified in this Act:

4 (1) BANK.—The term “Bank” means the Na-
5 tional Infrastructure Bank established under section
6 4(a).

7 (2) BLENDED FINANCING.—The term “blended
8 financing” means financing provided through any
9 combination of loans or bond financing, in coopera-
10 tion with private lenders or State revolving funds,
11 that is integrated into a single agreement with a sin-
12 gle set of financial terms.

13 (3) BOARD.—The term “Board” means the Na-
14 tional Infrastructure Bank Board.

15 (4) BOND.—The terms “Bond” means any
16 bond issued in accordance with this Act if—

17 (A) the proceeds from the sale of the bond
18 are to be used for expenditures incurred after
19 the date of issuance with respect to any infra-
20 structure project or other purpose, subject to
21 such rules as the Bank may provide;

22 (B) the bond is issued in registered form;

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

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

5 (5) CHIEF ASSET AND LIABILITY MANAGEMENT
6 OFFICER.—The term “chief asset and liability man-
7 agement officer” means the chief individual respon-
8 sible for coordinating the management of assets and
9 liabilities of the Bank.

10 (6) CHIEF COMPLIANCE OFFICER.—The terms
11 “chief compliance officer” and “CCO” mean the
12 chief individual responsible for overseeing and man-
13 aging the compliance and regulatory affairs of the
14 Bank.

15 (7) CHIEF EXECUTIVE OFFICER.—The terms
16 “chief executive officer” and “CEO” mean the indi-
17 vidual serving as the executive director of the Bank.

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

22 (9) CHIEF LOAN ORIGINATION OFFICER.—The
23 term “chief loan origination officer” means the chief
24 individual responsible for managing the processing
25 of new loans provided by the Bank.

1 (10) CHIEF OPERATIONS OFFICER.—The terms
2 “chief operations officer” and “COO” mean the
3 chief individual responsible for the retail operations
4 of the Bank and its branches, including its adminis-
5 trative, human resource, and information technology
6 systems.

7 (11) CHIEF RISK OFFICER.—The terms “chief
8 risk officer” and “CRO” mean the chief individual
9 responsible for managing operational and compli-
10 ance-related risks of the Bank.

11 (12) CHIEF TREASURY OFFICER.—The term
12 “chief treasury officer” means the chief individual
13 responsible for managing the Bank’s treasury oper-
14 ations.

15 (13) COMMUNITY DEVELOPMENT INFRASTRUC-
16 TURE PROJECT.—The term “community develop-
17 ment infrastructure project” means any project for
18 the development of affordable housing, schools, pub-
19 lic parks and recreation, libraries, or public facilities
20 that train workers and build labor skills.

21 (14) CONNECTIVITY.—The term “connectivity”
22 means the linkages in transportation, energy, com-
23 munications, and community development infrastruc-
24 ture, as well as manufacturing and data centers,
25 that tie geographic areas together into economic

1 units, including networks of commuter routes, rail-
2 ways, shipping lanes, and internet cables, and are
3 best expressed in map form.

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

10 (16) DEVELOPMENT.—The terms “develop-
11 ment” and “develop” mean, with respect to an infra-
12 structure project, any—

13 (A) preconstruction planning, feasibility re-
14 view for stand-alone projects or for bundled
15 projects, permitting, design work, life-cycle
16 maintenance planning, and other
17 preconstruction activities; and

18 (B) construction, reconstruction, rehabili-
19 tation, replacement, or expansion.

20 (17) DIRECT LOAN.—The term “direct loan”
21 has the meaning given the term in section 502 of the
22 Federal Credit Reform Act of 1990 (2 U.S.C. 661a).

23 (18) DISADVANTAGED COMMUNITY.—The term
24 “disadvantaged community” means a county, city, or

1 partial census tract area, with any of the following
2 characteristics:

3 (A) A median household income below 80
4 percent of the State nonmetropolitan median
5 household income.

6 (B) Persistent rural poverty, in which 20
7 percent or more of the population has been liv-
8 ing below the poverty line for the last 30 years.

9 (19) ENERGY INFRASTRUCTURE PROJECT.—

10 The term “energy infrastructure project” means any
11 project for energy transmission and distribution, en-
12 ergy generation as needed, energy efficiency en-
13 hancement for buildings, and energy storage.

14 (20) ENTITY.—The term “entity” means a
15 State, municipality, or other governmental agency
16 (including a political subdivision or any other instru-
17 mentality of a State or a revolving fund), publicly
18 owned utility, public authority or corporation, part-
19 nership (including a public-private partnership),
20 joint venture, or trust.

21 (21) ENVIRONMENTAL INFRASTRUCTURE
22 PROJECT.—The term “environmental infrastructure
23 project” means any project for the establishment,
24 deferred maintenance, or enhancement, including se-
25 curity enhancement, of any drinking water and

1 wastewater treatment facility, storm water manage-
2 ment system, flood gate, dam, levee, dredging, wet-
3 land restoration or other open space conservation,
4 infill development, solid waste disposal facility, haz-
5 ardous waste facility, or industrial site cleanup or
6 remediation project.

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

10 (23) GREENHOUSE GASES.—The term “green-
11 house gases” means any man-made gas designated
12 as a greenhouse gas by the Administrator of the En-
13 vironmental Protection Agency.

14 (24) INFRASTRUCTURE PROJECT.—The term
15 “infrastructure project” means any transportation,
16 energy, environmental, telecommunications, commu-
17 nity development, or other infrastructure project for
18 which a development plan is presented to the Bank
19 for financing. It shall exclude military infrastruc-
20 ture.

21 (25) LOAN GUARANTEE.—The term “loan guar-
22 antee” has the same meaning as in section 502 of
23 the Federal Credit Reform Act of 1990 (2 U.S.C.
24 661a).

1 (26) PRODUCTIVITY.—The term “productivity”
 2 means the improved efficiency in the economy asso-
 3 ciated with investments in public and private infra-
 4 structure. It is calculated as the change in the value
 5 of total production, minus the change in the value
 6 of inputs going into production.

7 (27) PUBLIC BENEFIT.—The term “public ben-
 8 efit” means the clear and measurable benefit to soci-
 9 ety resulting from the public’s use of the infrastruc-
 10 ture with respect to which a project is carried out,
 11 or the improvement such infrastructure provides
 12 in—

- 13 (A) economic growth and productivity;
- 14 (B) air and water quality;
- 15 (C) energy savings;
- 16 (D) high-wage jobs;
- 17 (E) poverty reduction; or
- 18 (F) increased Federal, State, and local rev-
- 19 enues.

20 (28) PUBLIC-PRIVATE PARTNERSHIP.—The
 21 term “public-private partnership” means any enti-
 22 ty—

- 23 (A)(i) which is undertaking the develop-
- 24 ment of all or part of an infrastructure project,
- 25 which will have a public benefit, pursuant to re-

1 quirements established in one or more contracts
2 between the entity and a State or an instru-
3 mentality of a State; or

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

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

12 (29) REVOLVING FUND.—The term “revolving
13 fund” means a fund or program established by a
14 State or a political subdivision or other instrumen-
15 tality of a State, the principal activity of which is to
16 make loans, commitments, or other financial accom-
17 modation available for the development of one or
18 more categories of infrastructure projects.

19 (30) SECRETARY.—The term “Secretary”
20 means the Secretary of the Treasury.

21 (31) SMART GRID.—The term “smart grid”
22 means a system that provides for any of the smart
23 grid functions set forth in section 1306(d) of the
24 Energy Independence and Security Act of 2007 (42
25 U.S.C. 17386(d)).

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

6 (33) TELECOMMUNICATIONS INFRASTRUCTURE
7 PROJECT.—The term “telecommunications infra-
8 structure project” means any project involving infra-
9 structure required to provide communications by
10 wire, fiber optic cable, or radio, including broadband,
11 or to enhance security for such infrastructure.

12 (34) TRANSPORTATION INFRASTRUCTURE
13 PROJECT.—The term “transportation infrastructure
14 project” means any project for the construction, de-
15 ferred maintenance, or enhancement, including secu-
16 rity enhancement, of highways, roads, bridges, tran-
17 sit and intermodal systems, inland waterways, com-
18 mercial ports, airports, high speed rail, and freight
19 rail systems.

20 **SEC. 4. ESTABLISHMENT OF NATIONAL INFRASTRUCTURE**
21 **BANK.**

22 (a) ESTABLISHMENT OF NATIONAL INFRASTRUC-
23 TURE BANK.—The National Infrastructure Bank is estab-
24 lished as a Government corporation subject to chapter 91
25 of title 31, United States Code (commonly known as the

1 “Government Corporation Control Act”), except as other-
2 wise provided in this Act.

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

6 “(Q) the National Infrastructure Bank.”.

7 (c) RESPONSIBILITY OF THE SECRETARY.—The Sec-
8 retary shall take such action as may be necessary to assist
9 in implementing the establishment of the Bank in accord-
10 ance with this Act, including obtaining a national bank
11 charter.

12 **SEC. 5. PURPOSES AND AUTHORIZATIONS.**

13 (a) PURPOSE.—The purpose of National Infrastruc-
14 ture Bank shall be to facilitate efficient, long-term financ-
15 ing of infrastructure projects, business and economic
16 growth, and new job creation in the United States.

17 (b) CAPITALIZATION.—

18 (1) IN GENERAL.—The National Infrastructure
19 Bank shall raise capital stock, in an amount ap-
20 proved by the Board, but not to exceed to
21 \$500,000,000,000.

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

24 (A) public holders of outstanding Treasury
25 securities of 3 years or greater maturity, or

1 outstanding municipal bonds of States or mu-
2 nicipalities of 5 years or greater maturity, who
3 transfer such securities or bonds to the Bank in
4 exchange for the capital stock;

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

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

10 (3) LIMITATION.—The Bank shall not purchase
11 public debt of the United States, as newly issued, ex-
12 cept for the purpose of rolling over the existing
13 Treasury holdings of the Bank.

14 (c) PREFERRED STOCK.—

15 (1) IN GENERAL.—All subscribed capital shall
16 be exchanged for an equivalent in preferred stock, or
17 shares, in the Bank, callable only by the Bank dur-
18 ing a period of 20 years following finalization of a
19 stock purchase agreement. Notwithstanding any
20 other provision of law, a guarantee of redemption, to
21 be included in the stock purchase agreement, shall
22 impose upon the United States a contractual obliga-
23 tion to fund the redemption. Preferred shareholders
24 shall have no voting rights in the Bank.

1 (2) DIVIDENDS ON PREFERRED STOCK.—The
2 Bank shall pay dividends, semiannually, at a rate of
3 2 percent per annum plus the annual rate of the
4 Treasury security exchanged for the stock or 2 per-
5 cent per annum for paid-in capital. The stock pur-
6 chase agreement shall impose upon the United
7 States a contractual obligation to fund the 2 percent
8 portion of the dividend payment.

9 (d) BORROWED CAPITAL.—The Bank is further au-
10 thorized to raise medium- to long-term, borrowed capital
11 for projects needs, and short-term capital to meet its cash
12 flow needs, by, respectively—

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

15 (2) maintaining a discount line of credit ac-
16 count with the Board of Governors of the Federal
17 Reserve System.

18 (e) DEPOSITS.—Once chartered as a national bank,
19 the Bank shall accept deposits from individuals, corpora-
20 tions, or public entities, into transaction deposit accounts
21 on its books, and pay interest on those deposits, in an
22 amount deemed appropriate by the Board.

23 (f) LOANS.—

24 (1) IN GENERAL.—The Bank shall provide
25 loans, in accordance with this Act, to entities, or

1 enter into blended financing credit, for the financ-
2 ing, development, or operation of infrastructure
3 projects.

4 (2) LOAN MATURITY.—The maturity of loans
5 should match, to the extent possible, the maturity
6 periods of anticipated profitability, economic stim-
7 ulus, and projected useful life of projects financed by
8 such loans.

9 (3) LOAN LIMIT.—Total loans contracted by the
10 Bank shall not exceed \$4,000,000,000,000.

11 (4) CAPITAL ADEQUACY RATIO.—The Bank
12 shall maintain a total capital to loan adequacy ratio
13 of no less than 12.5 percent.

14 (5) INTEREST CHARGES ON LOANS AND OTHER
15 FEES.—The Bank—

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

20 (i) the price of Treasury obligations of
21 a similar maturity or 2 percent per annum,
22 whichever is greater;

23 (ii) the credit rating of the borrowing
24 entity if expressly published, or an assess-
25 ment of the overall finances of the bor-

1 rowing entity indicating an ability to serv-
2 ice the loan; and

3 (iii) whether or not the borrowing en-
4 tity qualifies as a disadvantaged commu-
5 nity, and an interest rate subsidy, subject
6 to availability of funds;

7 (B) may, in connection with a loan ex-
8 tended by the Bank, issue guarantees, insur-
9 ance, coinsurance, and reinsurance to borrowing
10 entities, insurance companies, financial institu-
11 tions, or others, or groups thereof, and charge
12 fees based on a similar risk analysis; and

13 (C) may charge for the review of any
14 project proposal in such amount as may be ap-
15 proved by the Board to cover the costs of such
16 review.

17 (6) REFINANCING.—Subject to a full audit of
18 the project and borrower, and subject to Board re-
19 view, the Bank may extend the time limit for repay-
20 ment of a loan, through renewal, substitution of new
21 obligations, or other wise, with the maximum time
22 for such renewal to be approved by the Board. The
23 Bank may make such further loans as necessary for
24 project completion, or to assure loan repayment.

1 (7) PROHIBITION ON OTHER LOANS.—The
2 Bank may not provide loans to consumers or any
3 other loans not described under this Act.

4 (g) CAPITAL FOR LOAN DISBURSEMENTS.—Once
5 chartered as a national bank, the Bank is authorized to
6 create funds in a deposit account in a borrowers name,
7 in accordance with the loan agreement, and each sched-
8 uled loan disbursement as it is made. The Bank shall draw
9 up an Aggregate Loan Disbursement Plan, in consultation
10 with the Comptroller of the Currency and the Board of
11 Governors of the Federal Reserve System.

12 (h) NET EARNINGS.—After meeting current obliga-
13 tions, the Bank is authorized to use its earnings, and all
14 moneys which have been or may hereafter be allocated to
15 or borrowed by it, in the exercise of its functions. From
16 those monies, the Bank shall set aside loan loss provisions
17 equal to a proportion of loan book value, as determined
18 appropriate by the Board. Net earnings of the Bank, after
19 setting aside loan loss provisions and estimated forward
20 cash flow needs, shall be used for the payment of dividends
21 to the United States Treasury, in an annual amount to
22 be determined by the Board. Any residual net earnings
23 shall be deposited into a Trust Fund to subsidize loans
24 for disadvantaged communities that are not able to repay
25 infrastructure loans on normal loan terms, in a manner

1 to be determined by the Board. Any direct Federal con-
2 tributions from the budget for the purpose of subsidizing
3 disadvantaged communities may also be added and uti-
4 lized via the Trust Fund.

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

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

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

1 **SEC. 6. FORMATION OF REGIONAL ECONOMIC ACCEL-**
2 **ERATOR PLANNING GROUPS.**

3 (a) IN GENERAL.—The Bank, through its branch of-
4 fices, shall facilitate the organization of at least 7 Regional
5 Economic Accelerator Planning Groups, to be defined by
6 common economic, demographic, and infrastructure link-
7 ages.

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

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

14 (2) identify economic mega-regions, defined as
15 hub cities, related towns and suburbs, manufac-
16 turing production corridors, and rural areas woven
17 together into the communities where people of the
18 United States live, work, and provide goods or serv-
19 ices for movement within the region, and to other re-
20 gions;

21 (3) identify infrastructure needs and priorities
22 for mega-regions, with input from the American So-
23 ciety of Civil Engineers, and other trade, business,
24 and industrial associations;

25 (4) develop regional economic accelerator plans,
26 and a pipeline of infrastructure projects, and their

1 strategic placement, needed to improve supply
2 chains, land use, and productivity within each mega-
3 region, while seeking to include all communities;

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

8 (6) identify where multijurisdictional agree-
9 ments should be enacted or strengthened to improve
10 the development of infrastructure projects that cross
11 jurisdictional lines (examples are transportation im-
12 provements along the northeast corridor, flood miti-
13 gation in midwestern States along the Missouri
14 River, or development of a national high-speed rail
15 grid);

16 (7) identify where Federal, State, or local laws
17 and regulations should be streamlined to reduce in-
18 frastructure project approval times, while maintain-
19 ing environmental and safety objectives, and work
20 towards streamlining those laws and regulations;

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

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

1 (10) assist entities formulating and submitting
2 projects for consideration of Bank financing on the
3 definition, scope, selection criteria, and others fac-
4 tors under section 7 that will be considered in the
5 approval process.

6 **SEC. 7. ELIGIBILITY CRITERIA FOR ASSISTANCE FROM THE**
7 **BANK.**

8 (a) IN GENERAL.—Financial assistance shall be
9 available from the Bank when the entity applying for such
10 assistance has demonstrated to the satisfaction of the
11 Board that the project for which such assistance is being
12 sought meets the requirements of this Act. Any entity pro-
13 posing a project for which the use or purpose is private,
14 and without public benefit, shall not be eligible for finan-
15 cial assistance from the Bank under this Act.

16 (b) APPLICANTS.—The Bank shall accept applica-
17 tions for infrastructure projects for the designation of
18 those projects that may receive financial assistance under
19 this section for any infrastructure project having—

20 (1) a public sponsor; and

21 (2) local, regional, or national significance.

22 (c) GUIDELINES FOR INFRASTRUCTURE
23 PROJECTS.—The Executive Committee and the Board
24 shall establish guidelines, and develop online application
25 procedures, to assist applications of infrastructure

1 projects under this section to develop applications for fi-
2 nancial assistance under this section.

3 (d) CRITERIA.—

4 (1) IN GENERAL.—In making a determination
5 as to whether to provide an infrastructure project
6 with financial assistance, the Board shall evaluate
7 and rate each applicant based on the factors appro-
8 priate for the type of the proposed infrastructure
9 project, including—

10 (A) consistency of the project with a re-
11 gional infrastructure development plan that
12 builds economic connectivity in the project area
13 and beyond, so that maximum growth is
14 achieved while leaving no community behind;

15 (B) a life cycle projection of the benefits,
16 as compared to costs, of the project, that incor-
17 porates the factors in subparagraphs (C)
18 through (N) of this paragraph;

19 (C) promotion of economic growth, includ-
20 ing private sector-led growth associated with
21 the project;

22 (D) job creation, including fair and respon-
23 sible employment practices, and a workforce de-
24 velopment to train workers in new skills, includ-

1 ing by union apprentice programs to train new
2 hires;

3 (E) a preference for projects in areas of
4 high unemployment, or disadvantaged commu-
5 nities, including a workforce development plan
6 to train workers in new skills;

7 (F) environmental and public health bene-
8 fits including the reduction in greenhouse gases,
9 and water and air pollution, and the removal of
10 lead and other hazardous materials;

11 (G) a demonstrated ability to contract for
12 design, construction, operation, and mainte-
13 nance of the infrastructure project throughout
14 its estimated useful life, including by defining
15 project objectives and utilizing performance-
16 based monitoring;

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

23 (I) an understanding of the importance of
24 innovative and state-of-the-art technologies that

1 achieve project reliability, efficiency, resiliency,
2 security, and public safety;

3 (J) in cases where infrastructure is pub-
4 licly or privately owned, a preference for
5 projects that leverage Federal, State, local, and
6 private financing, including public-private part-
7 nerships, or where companies can show that the
8 additional capital could not be obtained from
9 commercial sources;

10 (K) a consideration of the costs and bene-
11 fits of preserving and repurposing existing in-
12 frastructure, in particular to mitigate against
13 unemployment and bolster manufacturing in
14 the United States;

15 (L) integration of other qualified projects
16 that may or could be done concurrently;

17 (M) a categorical benefit; and

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

20 (2) CATEGORICAL BENEFIT.—In this sub-
21 section, the term “categorical benefit” means the
22 following:

23 (A) For any transportation infrastructure
24 project:

1 (i) A reduction in surface and air
2 traffic congestion, by road, transit, pas-
3 senger rail, freight rail, port or inland
4 water travel, or air travel, as measured by
5 reductions in transit, boarding, and total
6 trip times.

7 (ii) An anticipated increase in capac-
8 ity for existing and expected new ridership
9 or transport use, including by high-speed
10 rail.

11 (iii) A reduction in risks from mainte-
12 nance decline, or structural failure, over
13 the service life of the project.

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

20 (v) An overall decline in greenhouse
21 gas emissions from surface and air trans-
22 portation projects financed by the Bank.

23 (vi) An increase in access to afford-
24 able transportation options, including by
25 low-income populations and the disabled.

1 (vii) Improvements in safety for users,
2 passengers, and operators, as measured by
3 a reduction in fatalities and serious inju-
4 ries.

5 (B) For any environmental infrastructure
6 project:

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

9 (ii) Improvements in drinking water
10 or wastewater systems, through the repair,
11 expansion or replacement of such systems.

12 (iii) A reduction in risk to any public
13 infrastructure from structural failure, or
14 damage, due to weather-related events or
15 catastrophic wildfires.

16 (iv) Environmental improvements
17 from the removal of hazardous wastes.

18 (C) For any energy infrastructure project:

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

21 (ii) Expanded use of clean energy.

22 (iii) Energy efficient buildings, includ-
23 ing clean energy designated retrofits.

1 (iv) Development of localized power
2 generation, and its integration into the
3 grid.

4 (D) For any telecommunications project:

5 (i) Completion or improvement in
6 broadband and wireless access and services
7 in rural and disadvantaged communities.

8 (ii) Improvement of the global tele-
9 communication satellite network.

10 (E) For any community development infra-
11 structure project:

12 (i) Modernization of local land use
13 policies, including those that promote tran-
14 sit-oriented development and location effi-
15 ciency.

16 (ii) Expansion in the provision of pub-
17 lic housing, or publicly assisted affordable
18 housing, to provide long-term affordability
19 in targeted, disadvantaged communities,
20 for families and persons with incomes
21 equivalent to those currently assisted, and
22 improvement in the physical condition of
23 such housing.

24 (iii) Replacement of schools that have
25 reached their service lifetime; or expansion

1 of school facilities with growing popu-
 2 lations, or to house new programs for
 3 workforce development.

4 (iv) Improvements in National, State,
 5 and local parks and recreation facilities
 6 and related open space land management.

7 **SEC. 8. BOARD OF DIRECTORS.**

8 (a) IN GENERAL.—The Bank shall have a Board of
 9 Directors consisting of 25 members appointed by the
 10 President by and with the advice and consent of the Sen-
 11 ate.

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

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

17 (2) 1 director shall be from the AFL–CIO;

18 (3) 2 of the directors shall be from North
 19 America’s Building Trades Unions;

20 (4) 2 of the directors shall be from the United
 21 States Army Corp of Engineers;

22 (5) 2 of the directors shall have State and local
 23 public sector experience;

24 (6) 2 of the directors shall have finance experi-
 25 ence;

1 (7) 2 of the directors shall have economic devel-
2 opment experience; and

3 (8) 2 director shall represent minority commu-
4 nities or disadvantaged communities.

5 (c) CHAIRPERSON AND VICE CHAIRPERSON.—As des-
6 ignated at the time of appointment, one of the directors
7 of the Board shall be designated chairperson of the Board
8 by the President and one shall be designated as vice chair-
9 person of the Board by the President.

10 (d) TERMS.—

11 (1) IN GENERAL.—Except as provided in para-
12 graph (2), each director shall be appointed for a
13 term of 6 years.

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

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

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

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

22 (e) CONGRESSIONAL RECOMMENDATIONS.—Not later
23 than 30 days after the date of enactment of this Act, the
24 majority leader of the Senate, the minority leader of the
25 Senate, the Speaker of the House of Representatives, and

1 the minority leader of the House of Representatives shall
2 each submit a recommendation to the President for ap-
3 pointment of a member of the Board of Directors, after
4 consultation with the appropriate committees of Congress.

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

9 (g) VACANCIES.—

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

13 (2) APPOINTMENT TO REPLACE DURING
14 TERM.—Any director appointed to fill a vacancy oc-
15 ccurring before the expiration of the term for which
16 the director's predecessor was appointed shall be ap-
17 pointed only for the remainder of the term.

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

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

1 (i) REAPPOINTMENT.—A director of the Board ap-
2 pointed by the President may be reappointed by the Presi-
3 dent in accordance with this section.

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

10 (k) LIMITATIONS.—A director of the Board may not
11 participate in any review or decision affecting a project
12 under consideration for assistance under this Act if the
13 director has or is affiliated with a person who has an inter-
14 est in such project.

15 (l) RESPONSIBILITIES.—The Board shall—

16 (1) as soon as is practicable after the date on
17 which the last director is appointed, establish an Ex-
18 ecutive Committee, Risk Management Committee
19 and Audit Committee as prescribed by this Act;

20 (2) not later than 180 days after the date on
21 which the last director is appointed develop and ap-
22 prove the bylaws of the Bank, including bylaws for
23 the regulation of the affairs and conduct of the busi-
24 ness of the Bank, consistent with the purpose, goals,
25 objectives, and policies set forth in this Act;

1 (3) ensure that the Bank is at all times oper-
2 ated in a manner that is consistent with this Act,
3 by—

4 (A) monitoring and assessing the effective-
5 ness of the Bank in achieving its strategic
6 goals;

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

9 (C) reviewing and approving annual busi-
10 ness plans, annual budgets, and long-term
11 strategies submitted by the chief executive offi-
12 cer;

13 (D) reviewing and approving annual re-
14 ports submitted by the chief executive officer;

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

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

19 (4) establishing such other criteria, require-
20 ments, or procedures as the Board may consider to
21 be appropriate in carrying out this Act.

22 (m) MEETINGS.—

23 (1) OPEN TO THE PUBLIC; NOTICE.—All meet-
24 ings of the Board held to conduct the business of the

1 Bank shall be open to the public and shall be pre-
2 ceded by reasonable notice.

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

7 (3) EXCEPTION FOR CLOSED MEETINGS.—Pur-
8 suant to such rules as the Board may establish
9 through their bylaws, the directors may close a
10 meeting of the Board if, at the meeting, there is
11 likely to be disclosed information which could ad-
12 versely affect or lead to speculation relating to an in-
13 frastructure project under consideration for assist-
14 ance under this Act or in financial or securities or
15 commodities markets or institutions, utilities, or real
16 estate. The determination to close any meeting of
17 the Board shall be made in a meeting of the Board,
18 open to the public, and preceded by reasonable no-
19 tice. The Board shall prepare minutes of any meet-
20 ing which is closed to the public and make such min-
21 utes available as soon as the considerations necessi-
22 tating closing such meeting no longer apply.

23 **SEC. 9. POWERS AND LIMITATIONS OF THE BOARD.**

24 (a) POWERS.—In order to carry out the purposes of
25 the Bank as set forth in this Act, the Board shall be re-

1 sponsible for the approval and monitoring of infrastruc-
2 ture projects, and have the following powers:

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

8 (2) Subject to the availability of funding, as de-
9 termined by the Board, to develop specialized loan
10 programs, such as a disadvantaged communities
11 loan program, or a community cooperative startup,
12 that provide project financing on flexible repayment
13 terms.

14 (3) To make loan guarantees on such terms as
15 the Board may determine, in the Board's discretion,
16 to be appropriate to assist in the financing or refi-
17 nancing of an infrastructure project.

18 (4) To issue Bonds, to provide financing to in-
19 frastructure projects from amounts made available
20 from the issuance of such bonds.

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

23 (6) To approve infrastructure loans financed in
24 whole or in part, by the Bank, after receiving rec-

1 ommendations from the Executive Committee estab-
2 lished in section 10.

3 (7) To monitor infrastructure projects financed
4 in whole or in part, by the Bank, after receiving as-
5 sessments from the Executive Committee.

6 (8) To sue and be sued in the Bank's corporate
7 capacity in any court of competent jurisdiction, ex-
8 cept that no attachment, injunction, or similar proc-
9 ess, may be issued against the property of the Bank
10 or against the Bank with respect to such property.

11 (9) To indemnify the directors and officers of
12 the Bank for liabilities arising out of the actions of
13 the directors and officers in such capacity, in accord-
14 ance with, and subject to the limitations contained
15 in, this Act.

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

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

23 (b) EMPLOYEE PROTECTIONS.—Prior to providing
24 any financial assistance for an infrastructure project in-
25 volving reconstruction, rehabilitation, replacement, or ex-

1 pansion that may impact current employees on the project
2 site, the interests of employees affected by the financial
3 assistance shall be protected under arrangements the Sec-
4 retary of Labor concludes are fair and equitable.

5 (c) COORDINATION WITH STATE AND LOCAL REGU-
6 LATORY AUTHORITY.—The provision of financial assist-
7 ance by the Board pursuant to this Act shall not be con-
8 strued as—

9 (1) limiting the right of any State or political
10 subdivision or other instrumentality of a State to ap-
11 prove or regulate rates of return on private equity
12 invested in a project; or

13 (2) otherwise superseding any State law or reg-
14 ulation applicable to a project.

15 (d) FEDERAL PERSONNEL REQUESTS.—The Board
16 shall have the power to request the detail, on a reimburs-
17 able basis, of personnel from other Federal agencies with
18 specific expertise not available from within the Bank or
19 elsewhere. The head of any Federal agency may detail,
20 on a reimbursable basis, any personnel of such agency re-
21 quested by the Board and shall not withhold unreasonably
22 the detail of any personnel requested by the Board.

1 **SEC. 10. EXECUTIVE COMMITTEE.**

2 (a) IN GENERAL.—The Board shall establish an Ex-
3 ecutive Committee consisting of 9 members, headed by the
4 chief executive officer of the Bank.

5 (b) CEO.—A majority of the Board shall have the
6 authority to appoint and reappoint the chief executive offi-
7 cer with such executive functions, powers, and duties as
8 may be prescribed by this Act, the bylaws of the Bank,
9 or the Board.

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

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

15 (2) the development and submission to the
16 Board of a long-term strategic infrastructure devel-
17 opment plan that is consistent with regional plans as
18 presented to the Bank by Regional Economic Accel-
19 erator Planning Groups; and

20 (3) the development, revision, and submission
21 to the Board of Directors of the Bank’s other inter-
22 nal policies.

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

- 1 (1) chief risk officer;
- 2 (2) chief operations officer;
- 3 (3) chief loan origination officer;
- 4 (4) chief compliance officer;
- 5 (5) chief financial officer;
- 6 (6) chief treasury officer;
- 7 (7) chief asset and liability management officer;
- 8 and
- 9 (8) general counsel.

10 (e) QUALIFICATIONS.—The CEO, as well as other ex-
11 ecutive officers, and all loan origination officers, shall have
12 extensive experience and expertise in retail banking, and
13 in one or more of the following:

- 14 (1) Transportation infrastructure.
- 15 (2) Environmental infrastructure.
- 16 (3) Energy infrastructure.
- 17 (4) Telecommunications infrastructure.
- 18 (5) Public housing and urban or rural develop-
19 ment.
- 20 (6) Economic development.
- 21 (7) Workforce development.
- 22 (8) Public finance.

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

1 (1) establish and submit to the Board disclo-
2 sure and application procedures for entities nomi-
3 nating projects for assistance under this Act;

4 (2) establish and submit to the Board standard-
5 ized terms and conditions, fee schedules, or legal re-
6 quirements of a contract or program to carry out
7 this Act;

8 (3) establish and submit to the Board guide-
9 lines for the selection and approval of projects and
10 specific criteria for determining eligibility for project
11 selection, subject to the general criteria provided in
12 section 7;

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

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

22 (6) establish a plan, and build capacity within
23 the Bank, to provide technical assistance to State
24 and local governments, regional economic accelerator
25 planning groups established under section 6, joint

1 ventures, regional economic accelerator agencies, and
2 other borrowing entities on—

3 (A) the Bank’s borrowing procedures and
4 selection criteria;

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

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

11 (D) best design, construction, and manage-
12 ment practices, including those identified in
13 global infrastructure databases;

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

16 (F) institution strengthening relating to
17 the management of projects and work con-
18 tracts, including through performance-based
19 project delivery.

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

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

4 (i) REMOVAL.—The CEO and other executive officers
 5 of the Executive Committee may be removed at the discre-
 6 tion of a majority of the Board.

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

10 (k) LIMITATIONS.—The CEO and other executive of-
 11 ficers of the Executive Committee shall not—

12 (1) hold any other public office;

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

15 (3) have any interest in an investment institu-
 16 tion, commercial bank, or other entity seeking finan-
 17 cial assistance for any infrastructure project from or
 18 investing in the Bank; and

19 (4) have any such interest during the 2-year pe-
 20 riod beginning on the date such officer ceases to
 21 serve in such capacity.

22 **SEC. 11. RISK MANAGEMENT COMMITTEE.**

23 (a) ESTABLISHMENT OF RISK MANAGEMENT COM-
 24 MITTEE.—The Board shall establish a risk management
 25 committee consisting of 5 members, headed by the chief

1 risk officer, with participation from the chief loan origina-
2 tion officer.

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

6 (c) FUNCTIONS; DUTIES.—

7 (1) IN GENERAL.—The CRO shall have such
8 functions, powers, and duties as may be prescribed
9 by one or more of the following: This Act, the by-
10 laws of the Bank, and the Board. The CRO shall re-
11 port directly to the Board.

12 (2) RISK MANAGEMENT DUTIES.—In order to
13 carry out the purposes of this Act, the risk manage-
14 ment committee shall—

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

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

21 (i) geographic region, infrastructure
22 project type, and inclusion of disadvan-
23 tagged and rural communities; and

24 (ii) compliance with Federal and State
25 laws referred to in section 15;

1 (C) create specific plans for all financial
2 assistance provided by the Bank, including sub-
3 sidy programs for disadvantaged communities
4 and project targeting for disadvantaged busi-
5 ness enterprises covered by section 47113 of
6 title 49, United States Code;

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

9 (E) create a standing subcommittee to per-
10 form regular credit evaluations and report on
11 large infrastructure loans extended by the Bank
12 that monitor compliance with terms, and attain-
13 ment of performance targets contained in loan
14 agreements; and

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

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

21 (e) QUALIFICATIONS.—The CRO and other risk man-
22 agement officers shall have demonstrated experience and
23 expertise in one or more of the following:

24 (1) Treasury and asset and liability manage-
25 ment.

1 (2) Investment regulations.

2 (3) Insurance.

3 (4) Credit risk management and credit evalua-
4 tions.

5 (5) Infrastructure development projects.

6 (f) VACANCY.—A vacancy in the position of CRO and
7 other risk management officers of the risk management
8 committee shall be filled in the manner in which the origi-
9 nal appointment was made.

10 (g) COMPENSATION.—The compensation of the CRO
11 and other risk management officers of the risk manage-
12 ment committee shall be determined by the Board.

13 (h) REMOVAL.—The CRO and other risk manage-
14 ment officers of the risk management committee may be
15 removed at the discretion of a majority of the Board.

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

20 (j) LIMITATIONS.—The CRO and other risk manage-
21 ment officers of the risk management committee shall
22 not—

23 (1) hold any other public office;

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

1 (3) have any interest in an investment institu-
2 tion, commercial bank, or other entity seeking finan-
3 cial assistance for any infrastructure project from or
4 investing in the Bank; and

5 (4) have any such interest during the 2-year pe-
6 riod beginning on the date such officer ceases to
7 serve in such capacity.

8 **SEC. 12. AUDIT COMMITTEE.**

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

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

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

19 (d) AUDIT DUTIES.—In order to carry out the pur-
20 poses of the Bank under this Act, the audit committee
21 shall—

22 (1) provide internal controls and internal audit-
23 ing activities for the Bank;

24 (2) maintain responsibility for the accounting
25 activities of the Bank;

1 (3) conduct internal investigations of the busi-
2 ness activities of the Bank;

3 (4) issue financial reports of the Bank; and

4 (5) complete reports with outside auditors and
5 public accountants appointed by the Board.

6 (e) OTHER AUDIT OFFICERS.—The Board shall ap-
7 point, remove, fix the compensation, and define the duties
8 of 4 other audit officers to serve on the audit committee.

9 (f) QUALIFICATIONS.—The CCO and other audit offi-
10 cers shall have demonstrated experience and expertise in
11 one or more of the following:

12 (1) Internal auditing.

13 (2) Internal investigations.

14 (3) Accounting practices.

15 (4) Financing practices.

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

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

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

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

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

6 (1) hold any other public office;

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

9 (3) have any interest in an investment institu-
10 tion, commercial bank, or other entity seeking finan-
11 cial assistance for any infrastructure project from or
12 investing in the Bank; and

13 (4) have any such interest during the 2-year pe-
14 riod beginning on the date such officer ceases to
15 serve in such capacity.

16 **SEC. 13. PERSONNEL.**

17 (a) COMPENSATION; DUTIES.—The chairperson of
18 the Board, chief executive officer, chief risk officer, and
19 chief compliance officer shall appoint, remove, fix the com-
20 pensation of, and define the duties of such qualified per-
21 sonnel to serve under the Board, Executive Committee,
22 risk management committee, or audit committee, as the
23 case may be, as necessary and prescribed by this Act, the
24 bylaws of the Bank, and the Board.

1 (b) PARTICIPATION BY OTHER AGENCY PER-
 2 SONNEL.—Consideration of projects by the Executive
 3 Committee and the Board shall be conducted with per-
 4 sonnel on detail to the Bank from United States Army
 5 Corps of Engineers, the Department of Transportation,
 6 the Department of Housing and Urban Development, the
 7 Department of the Treasury, and other relevant depart-
 8 ments and agencies from among individuals who are famil-
 9 iar with and experienced in the selection criteria for com-
 10 petitive projects. The Bank shall reimburse those depart-
 11 ments and agencies for the staff who are on detail to the
 12 Bank.

13 **SEC. 14. SPECIAL INSPECTOR GENERAL FOR THE NA-**
 14 **TIONAL INFRASTRUCTURE BANK.**

15 (a) IN GENERAL.—Beginning on the date on which
 16 the President appoints a Special Inspector General for the
 17 Bank (referred to in this Act as the “Special Inspector
 18 General”) under subsection (b), there is established an Of-
 19 fice of the Special Inspector General for the Bank.

20 (b) APPOINTMENT OF INSPECTOR GENERAL; RE-
 21 MOVAL.—

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

1 (2) BASIS OF APPOINTMENT.—The appoint-
2 ment of the Special Inspector General shall be made
3 on the basis of integrity and demonstrated ability in
4 accounting, auditing, financial analysis, law, man-
5 agement analysis, public administration, or inves-
6 tigations.

7 (3) TIMING OF NOMINATION.—The nomination
8 of an individual as Special Inspector General shall
9 be made as soon as practicable after the date of en-
10 actment of this Act.

11 (4) REMOVAL.—The Special Inspector General
12 shall be removable from office in accordance with
13 the provisions of section 3(b) of the Inspector Gen-
14 eral Act of 1978 (5 U.S.C. App.).

15 (5) RULE OF CONSTRUCTION.—For purposes of
16 section 7324 of title 5, United States Code, the Spe-
17 cial Inspector General shall not be considered an em-
18 ployee who determines policies to be pursued by the
19 United States in the nationwide administration of
20 Federal law.

21 (6) RATE OF PAY.—The annual rate of basic
22 pay of the Special Inspector General shall be the an-
23 nual rate of basic pay for an Inspector General
24 under section 3(e) of the Inspector General Act of
25 1978 (5 U.S.C. App.).

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

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

5 (2) establish, maintain, and oversee such sys-
6 tems, procedures, and controls as the Special Inspec-
7 tor General considers appropriate to discharge the
8 duty under paragraph (1); and

9 (3) carry out any other duties and responsibil-
10 ities of inspectors general under the Inspector Gen-
11 eral Act of 1978 (5 U.S.C. App.).

12 (d) POWERS AND AUTHORITIES.—

13 (1) IN GENERAL.—In carrying out the duties
14 specified in subsection (c), the Special Inspector
15 General shall have the authorities provided in section
16 6 of the Inspector General Act of 1978 (5 U.S.C.
17 App.).

18 (2) ADDITIONAL AUTHORITY.—The Special In-
19 spector General shall carry out the duties specified
20 in subsection (c)(1) in accordance with section
21 4(b)(1) of the Inspector General Act of 1978 (5
22 U.S.C. App.).

23 (e) PERSONNEL, FACILITIES, AND OTHER RE-
24 SOURCES.—

25 (1) ADDITIONAL OFFICERS.—

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

11 (B) EMPLOYMENT AND COMPENSATION.—
12 The Special Inspector General may exercise the
13 authorities of subsections (b) through (i) of sec-
14 tion 3161 of title 5, United States Code (with-
15 out regard to subsection (a) of that section).

16 (2) RETENTION OF SERVICES.—The Special In-
17 specter General may obtain services as authorized by
18 section 3109 of title 5, United States Code, at daily
19 rates not to exceed the equivalent rate prescribed for
20 grade GS–15 of the General Schedule by section
21 5332 of such title.

22 (3) ABILITY TO CONTRACT FOR AUDITS, STUD-
23 IES, AND OTHER SERVICES.—The Special Inspector
24 General may enter into contracts and other arrange-
25 ments for audits, studies, analyses, and other serv-

1 ices with public agencies and with private persons,
2 and make such payments as may be necessary to
3 carry out the duties of the Special Inspector Gen-
4 eral.

5 (4) REQUEST FOR INFORMATION.—

6 (A) IN GENERAL.—Upon request of the
7 Special Inspector General for information or as-
8 sistance from any department, agency, or other
9 entity of the Federal Government, the head of
10 that entity shall, insofar as is practicable and
11 not in contravention of any existing law, furnish
12 the information or assistance to the Special In-
13 specter General or an authorized designee.

14 (B) REFUSAL TO COMPLY.—If information
15 or assistance requested by the Special Inspector
16 General is, in the judgment of the Special In-
17 specter General, unreasonably refused or not
18 provided, the Special Inspector General shall re-
19 port the circumstances to the Secretary, with-
20 out delay.

21 (f) REPORTS.—

22 (1) ANNUAL REPORT.—Not later than 1 year
23 after the date on which the Special Inspector Gen-
24 eral is confirmed, and every calendar year thereafter,
25 the Special Inspector General shall submit to the

1 President and appropriate committees of Congress a
2 report summarizing the activities of the Special In-
3 spector General during the previous 1-year period
4 ending on the date on which such report is required.

5 (2) PUBLIC DISCLOSURES.—Nothing in this
6 subsection authorizes the public disclosure of infor-
7 mation that is—

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

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

14 (C) a part of an ongoing criminal inves-
15 tigation.

16 **SEC. 15. STATUS AND APPLICABILITY OF CERTAIN FED-**
17 **ERAL AND STATE LAWS.**

18 (a) NATIONAL BANK CHARTER.—As soon as prac-
19 ticable after being established, the Bank shall apply for
20 a national bank charter.

21 (b) COMPLIANCE WITH DAVIS-BACON ACT.—All la-
22 borers and mechanics employed by contractors and sub-
23 contractors on infrastructure projects funded directly by
24 or assisted in whole or in part by and through the Bank
25 pursuant to this Act shall be paid wages at rates not less

1 than those prevailing on projects of a character similar
2 in the locality as determined by the Secretary of Labor
3 in accordance with subchapter IV of chapter 31 of part
4 A of title 40, United States Code. With respect to the
5 labor standards specified in this section, the Secretary of
6 Labor shall have the authority and functions set forth in
7 Reorganization Plan Numbered 14 of 1950 (64 Stat.
8 1267; 5 U.S.C. App.) and section 3145 of title 40, United
9 States Code.

10 (c) COMPLIANCE WITH PROJECT LABOR AGREE-
11 MENTS.—In States in which project labor agreements are
12 authorized or encouraged (in which contractors enter into
13 binding, pre-hire agreements with labor unions in the con-
14 struction industry), recipients of financial assistance made
15 available under this Act must comply with such agree-
16 ments (in accordance with subsections (e) and (f) of sec-
17 tion 8 of the National Labor Relations Act (29 U.S.C.
18 158) and Executive Order 13502). In States in which
19 project labor agreements are prohibited by law to be re-
20 quired for a project, projects financed by the Bank pursu-
21 ant to the Act shall permit voluntary collective bargaining
22 of such agreements.

23 (d) COMPLIANCE WITH CIVIL RIGHTS ACT OF
24 1964.—The Bank, along with contractors and subcontrac-
25 tors on infrastructure projects funded directly by, or as-

1 sisted in whole or in part by the Bank, shall comply with
2 title VI of the Civil Rights Act of 1964 as to hiring and
3 awarding contracts to build projects.

4 (e) BUY AMERICA.—None of the financing provided
5 by the Bank may be used for an infrastructure project
6 unless all of the iron, steel, cement, and manufactured
7 goods used in construction, alteration, maintenance, re-
8 pair, or equipping of the project are produced within the
9 United States. During the application process for a loan
10 under this Act, a request for a waiver to the requirements
11 of the preceding sentence by reason of the public interest,
12 or on account of unavailability or unsatisfactory quality
13 of domestically produced goods, can be considered only if
14 there is clear demonstration that jobs in the United States
15 would not be lost due to the waiver.

16 (f) COMPLIANCE WITH APPLICABLE FEDERAL
17 LAW.—In any case in which a project receives pooled fi-
18 nancial assistance from both the Bank and the Federal
19 Government, such project shall comply with applicable
20 provisions of Federal law and regulation, including—

21 (1) for transit, requirements that would apply
22 to a project receiving funding under section 5307 or
23 47113 of title 49, United States Code;

24 (2) for public housing, requirements that would
25 apply to a project receiving funding from a grant

1 under section 24 of the United States Housing Act
2 of 1937 (42 U.S.C. 1437v);

3 (3) for publicly assisted affordable housing, re-
4 quirements that would apply to the preservation of
5 such housing under other provisions of law gov-
6 erning such housing;

7 (4) for roads and bridges, requirements that
8 would apply to a project that receives funds under
9 section 104(b)(3) of title 23, United States Code, or
10 section 47113 of title 49, United States Code, and
11 meets the goals under section 150(b) of title 23,
12 United States Code;

13 (5) for freight and passenger rail projects, re-
14 quirements that would apply to a project that re-
15 ceives funds under subtitle V of title 49, United
16 States Code;

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

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

23 (A) section 103 of the Housing and Com-
24 munity Development Act of 1974 (42 U.S.C.
25 5303);

1 (B) section 1452 of the Public Health
2 Service Act (42 U.S.C. 300j–12); or

3 (C) section 601 of the Federal Water Pol-
4 lution Control Act (33 U.S.C. 1381), as that
5 section applied before the beginning of fiscal
6 year 1995; and

7 (8) for rural development projects, requirements
8 that would apply to a project financed by any of the
9 following programs of the Department of Agri-
10 culture:

11 (A) Rural Economic Development Loans &
12 Grants.

13 (B) Community Facilities Direct Loans &
14 Grants.

15 (C) Single- and Multi-Family Housing Re-
16 pair and Rental Assistance Loans & Grants.

17 (D) Electric Infrastructure Loans & Loan
18 Guarantees.

19 (E) Rural Broadband Access, and Tele-
20 communications Infrastructure Loans & Guar-
21 antees.

22 (F) Water & Waste Disposal Loans &
23 Grants.

24 (g) AUTHORITY TO DETERMINE FUNDING.—Not-
25 withstanding any other provision of law, the Bank shall

1 determine the appropriate Federal share of funds, subject
2 to loan approval by the Bank, and the availability of such
3 Federal funding, for each project described in subsection
4 (f) for purposes of this title.

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

11 **SEC. 16. EXEMPTION FROM CERTAIN LAWS.**

12 (a) NO BUDGET AUTHORITY FOR CONTRACTS OR
13 LOANS.—Section 504(b) of the Federal Credit Reform Act
14 of 1990 (2 U.S.C. 661c(b)) requiring prior budget author-
15 ity shall not apply to any contract or loan under this Act.

16 (b) NO PRIORITY AS A FEDERAL CLAIM.—The pri-
17 ority established in favor of the United States by section
18 3713 of title 31, United States Code, shall not apply with
19 respect to any indebtedness of the Bank.

20 (c) FROM LOCAL TAXATION.—All bonds issued by
21 the Bank, and the interest on or credits with respect to
22 such bonds, shall not be subject to taxation by any State,
23 county, municipality, or local taxing authority.

1 **SEC. 17. AUDITS; REPORTS TO PRESIDENT AND CONGRESS.**

2 (a) ACCOUNTING.—The books of account of the Bank
3 shall be maintained in accordance with generally accepted
4 accounting principles as used in the United States, and
5 shall be subject to an annual audit by independent public
6 accountants appointed by the Board and of nationally rec-
7 ognized standing.

8 (b) REPORTS.—

9 (1) BOARD.—The Board shall submit to the
10 President and Congress, within 90 days after the
11 last day of each fiscal year, a complete and detailed
12 report with respect to the preceding fiscal year, set-
13 ting forth—

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

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

21 (C) the status of infrastructure projects re-
22 ceiving funding or other assistance pursuant to
23 this Act, including disclosure of all entities with
24 a development, ownership, or operational inter-
25 est in such projects.

1 (2) GAO.—Not later than 5 years after the
2 date of enactment of this Act, the Comptroller Gen-
3 eral of the United States shall submit to Congress
4 a report evaluating activities of the Bank for the fis-
5 cal years covered by the report that includes an as-
6 sessment of the impact and benefits of each funded
7 infrastructure project, including a review of how ef-
8 fectively each project accomplished the goals
9 prioritized by the Bank’s project criteria.

10 (c) BOOKS AND RECORDS.—

11 (1) IN GENERAL.—The Bank shall maintain
12 adequate books and records to support the financial
13 transactions of the Bank with a description of finan-
14 cial transactions and infrastructure projects receiv-
15 ing funding, and the amount of funding for each
16 project maintained on a publicly accessible database.

17 (2) PUBLIC COMMENT PERIOD.—The Bank
18 shall post infrastructure financing agreements on
19 the database providing 30 days for public comments
20 before providing final financing for the infrastruc-
21 ture project.

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

1 **SEC. 18. BUDGETARY EFFECTS.**

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

10 **SEC. 19. AUTHORIZATION OF APPROPRIATIONS.**

11 There is authorized to be appropriated \$50,000,000
12 for each of fiscal years 2021 and 2022 for the initial orga-
13 nization of the Bank, and its Directors and staff.

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