



Legislation Details (With Text)

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Title: Resolution calling upon Congress to introduce and pass legislation to establish a National Bank for Infrastructure and Manufacturing, to help finance the estimated \$4.6 trillion required to modernize and repair infrastructure in the United States.

Sponsors:

Indexes:

Attachments: 1. Res. No. 1432, 2. September 23, 2020 - Stated Meeting Agenda with Links to Files, 3. Hearing Transcript - Stated Meeting 9-23-20, 4. Minutes of the Stated Meeting - September 23, 2020

Date	Ver.	Action By	Action	Result
9/23/2020	*	City Council	Introduced by Council	
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12/31/2021	*	City Council	Filed (End of Session)	

Res. No. 1432

Resolution calling upon Congress to introduce and pass legislation to establish a National Bank for Infrastructure and Manufacturing, to help finance the estimated \$4.6 trillion required to modernize and repair infrastructure in the United States.

By Council Members Cornegy, Rodriguez, Lander, Chin, Rosenthal, Adams and Vallone

Whereas, Congress established national banks throughout the nineteenth century to fund important national priorities such as paying down national war debt; and

Whereas, Congress established national banking systems at key moments in our history, including the First and Second Banks of the United States and the national banking system established under President Abraham Lincoln; and

Whereas, These banks were instrumental in financing the development of much of our national infrastructure; and

Whereas, The First Bank was founded by then-New Yorker Alexander Hamilton, and helped finance

much of the internal infrastructure improvements during the Nation's early years; and;

Whereas, In 1932, Congress established the Reconstruction Finance Corporation (RFC) to provide financial aid to railroads, financial institutions and businesses; and

Whereas, During the 1930s and 1940s, the RFC provided financial aid for large public works projects, including the Robert F. Kennedy Bridge and the Lincoln Tunnel; and

Whereas, Congress disbanded the RFC 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 bank; and

Whereas, In 2017, the American Society of Civil Engineers gave America's infrastructure a "D+" grade and said it would require \$4.6 trillion in investments over ten years to bring the country's infrastructure into a state of good repair; and

Whereas, According to the American Road & Transportation Builders Association, in 2017, New York State had 17,437 bridges in need of repair, which the State estimated would cost \$67.7 billion to repair; and

Whereas, According to the Federal Highway Administration, in 2017, nine of the ten most traveled structurally deficient bridges in New York State were in New York City; and

Whereas, Federal funding for critically important infrastructure projects in the New York - New Jersey region, such as the Hudson Tunnel Project, has been unreliable and insufficient; and

Whereas, According to the United States Bureau of Economic Analysis, the New York metro area accounted for nearly nine percent of the country's GDP in 2017; and

Whereas, A National Bank for Infrastructure and Manufacturing, similar to what was successfully implemented four times in our Nation's history, would fund urban and rural repair projects and projects of a national scope; and

Whereas, A National Bank for Infrastructure and Manufacturing would be capitalized through the exchange of existing U.S. Treasury bonds for preferred stock in the bank, which would earn four to five percent

annual interest and be backed by the full faith and credit of the federal government; and

Whereas, capitalized in this way, the Bank could invest \$4 trillion at very low interest rates to finance all the needed infrastructure projects; and

Whereas, A National Bank for Infrastructure and Manufacturing could also issue debentures to banks, corporations, cities, states pension funds, unions, universities, money market funds and other entities, which would earn four to five percent annual interest and be backed by the full faith and credit of the federal government; and

Whereas, A National Bank for Infrastructure and Manufacturing would adhere to Project Labor Agreements and local prevailing wage levels, in accordance with the Davis-Bacon Act of 1931; and

Whereas, A National Bank for Infrastructure and Manufacturing would give preferential consideration to disadvantaged communities in choosing projects to fund; and

Whereas, A National Bank for Infrastructure and Manufacturing would include the preferential consideration formulation of United States House Representative James Clyburn, mandating that ten percent of investments be in communities, both urban and rural, where 20 percent of the population has been below the poverty level for 30 years or more, thereby resulting in hundreds of billions in infrastructure investments in underserved communities; and

Whereas, A National Bank for Infrastructure and Manufacturing's board of directors would be composed of people who have at least 15 years of experience in building infrastructure and would include members of the United States Army Corps of Engineers, the AFL-CIO and building trades unions; now, therefore, be it

Resolved, That the Council of the City of New York calls upon Congress to introduce and pass legislation to establish a National Bank for Infrastructure and Manufacturing, to help finance the estimated \$4.6 trillion required to modernize and repair infrastructure in the United States.

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