

SENATE BILL REPORT

SJM 8006

As of January 7, 2022

Brief Description: Concerning a national infrastructure bank.

Sponsors: Senator Hasegawa.

Brief History:

Committee Activity: Business, Financial Services & Trade: 1/13/22.

Brief Summary of Bill

- Requests that Congress pass and the President of the United States sign the National Infrastructure Bank Act or similar legislation.

SENATE COMMITTEE ON BUSINESS, FINANCIAL SERVICES & TRADE

Staff: Clinton McCarthy (786-7319)

Background: H.R. 3339, or the National Infrastructure Bank Act of 2021, is a bill that creates the National Infrastructure Bank to facilitate the long-term financing of infrastructure projects. Specifically, the bank must provide loans to public and private entities for financing, developing, or operating eligible infrastructure projects. An eligible project must have a public sponsor as well as local, regional, or national significance.

The bill treats the bank as a government corporation exempt from tax, and treats contributions to the bank as charitable contributions.

Projects that receive a loan must pay all laborers and mechanics locally prevailing wages, and use only certain United States-produced construction materials unless a waiver is secured from the bank. The bank shall issue stock and may also issue bonds and maintain a discount line of credit with the Federal Reserve System. The bank must apply for a national bank charter and, once chartered, accept deposits from individuals, corporations, and public entities and pay interest on those deposits.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

The bill imposes requirements related to the bank's operation, such as minimum reserve requirements and requirements for handling loan losses.

Categorical benefits of projects include:

- certain transportation infrastructure projects;
- any environmental project;
- any energy infrastructure project;
- any telecommunications projects; and
- any community development infrastructure project.

The Congressional Budget Office does not have an official cost estimate for this legislation. However, most agree that the cost is estimated to be approximately \$5 trillion.

Summary of Bill: Requests that Congress pass and the President of the United States sign the National Infrastructure Bank Act or similar legislation.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.