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State Senator Catherine D. Ingram

9th Senate District
135th General Assembly

Sponsor Testimony – Senate Resolution 358, Finance Committee May 21, 2024

Chair Dolan, Vice Chair Cirino, Ranking Member Sykes and esteemed members of the Senate Finance Committee, thank you for the opportunity to provide sponsor testimony on Senate Resolution 358. Senate Resolution 358 calls upon Congress to pass H.R. 4052, the National Infrastructure Bank (NIB) Act.

In 2021 the American Society of Civil Engineers estimated that nearly \$6.1 trillion is needed just for repairs to our nation's infrastructure. This immense undertaking also includes but is not limited to; the need for more affordable housing, total broadband coverage, bridge and road repair or replacement, lead service line replacement, high-speed rail, mass transit, etc.

The pains of an aging infrastructure affects us all. For example, In Ohio alone nearly 650,000 lead pipes delivering water to peoples home according to the National Resources Defense Council. Unfortunately this is a common theme across our nation where there is between 9.7 million and 12.8 million lead pipes carrying water to homes which our families are consuming.

The passage of H.R. 4052 would create infrastructure only bank that would be considered a separate institutions from the traditional budget. The Nation Infrastructure Bank would be set up as a [federally established, mixed-ownership](#), incorporated bank, capitalized with existing Treasuries held by the private sector. This approach is not new as it was utilized four times before in our nation's history, starting with the [First Bank of the United States](#) created in 1791 by Treasury Secretary Alexander Hamilton, and ending with FDR's [Reconstruction Finance Corporation](#) (RFC).

The NIB will be financed by the deposit of \$500 Billion in US Treasuries and will lend out \$4-5 Trillion. The NIB will operate like a commercial bank, except that it will be a public bank, operating in the public interest. The bank will issue loans for approved infrastructure projects, and lending rates will be kept low. These loans will be made on the Federal, state, regional and local levels, largely to public, but also private interests. The bank will hold deposits. The bank will sell preferred stock to start up, but the shareholders will have no control over the bank.

The passage of the NIB act will not create any new Federal debt, nor require any new Federal taxes. The resolution aims to mobilize legislative and public support for the bill to address the extensive infrastructure needs of the country.

Additionally, if congress were to pass H.R. 4052 over 25 million jobs would be created. Apprentice's opportunities, internships, and schooling would be bolstered, encouraging our young people to learn skilled trades and create life long careers. The implementation of the NIB promotes an all hands on deck atmosphere with the common goal of rebuilding our Nation.

We must take action if we are to support a growing Ohio, whether that is keeping people here or welcoming new people to call our great state home. Investing in our nation's infrastructure will help support longevity, sustainably, and overall better outcomes for all people.

Chair Dolan, Vice Chair Cirino, Ranking Member Sykes and esteemed members of the Senate Finance Committee thank you for your attention to this matter. I will be happy to take any questions at this time.

How National Infrastructure Bank (NIB) works:

- Bill creates a \$5 trillion public bank to lend for infrastructure projects only
- Covers 16 Project categories monitored by the American Society of Civil Engineers
- Additional categories: Affordable Housing, High-Speed Rail, Water projects to address drought
- Affordable Housing: \$720 billion dedicated financing; lowest 30% AMI; priority for NIB
- Water to the West: \$400 billion dedicated to bring water into the west (all types of projects, like FDR)
- Financing for all urban mass transit systems in California
- Creates 25 million new jobs, Davis-Bacon wages, Buy America, DBE, significant investment in low income urban and rural communities
- Supercharges the economy: GDP increase 5% per year
- Requires no new Federal Spending, Taxes, or Debt
- Source of Capital: Existing U.S. Treasury Bonds held in private accounts; exchanged for Preferred Stock (silent partners, no voting)
- Conventional commercial bank lending, low interest loans at Treasury bond rates; flexible terms; Loan maturity over the life of the project
- Excess profits go to Trust Fund to provide grants for poor communities