

**Written Testimony of
The Honorable Rosa L. DeLauro
Member of Congress**

**Before the
U.S. House of Representatives Committee on Transportation and Infrastructure
Members' Day Hearing**

Wednesday, May 1, 2019

Chairman DeFazio and Ranking Member Graves, I submit this testimony to bring attention to the need for a national infrastructure development bank. When your committee considers infrastructure legislation, we need to pursue clear, comprehensive policy that addresses the scope of the problem as soon as possible. According to the American Society of Engineers, the United States must invest \$4.69 trillion by 2025 to bring infrastructure to a state of good repair. We need a robust investment to exceed that amount in order to not only fix our current infrastructure state, but to invest in new projects to bring our infrastructure system into the 21st century. In addition, we need to pursue innovative financing that can help supplement gaps in current funding. I believe this can be achieved with a national infrastructure bank.

When your committee, and Congress as a whole, considers infrastructure, I encourage you to support the creation of a national infrastructure development bank to help supplement gaps in investment. It would be a bold step forward that addresses the tremendous shortfall in infrastructure investment, creates jobs, spurs long-term economic growth, and improves our competitiveness in a global economy.

As you know, the National Infrastructure Development Bank Act of 2019 (H.R. 658) would create a government-owned corporation, modeled after the European Investment Bank, which would leverage private sector dollars from institutional investors, such as pension funds, to invest in projects beyond surface transportation such as broadband, energy, wastewater, and environmental initiatives. It would provide loans and loan guarantees to projects, and issue Public Benefit Bonds with proceeds to fund projects. The bank would be led by an independent Board of Directors that would, among other things, make final infrastructure financing determinations, an Executive Committee to handle the day-to-day operations of the bank; and Risk Management and Audit Committees to carefully manage risk and monitor the bank's activities.

In addition, projects would be evaluated through an analysis of the economic, environmental, and social benefits, as well as the cost and if they can get 50 percent of funding from other sources. The bill also lays out specific criteria for each form of infrastructure. For example, reduction in surface and air traffic congestion for transportation projects; public health for environmental projects; reduction in greenhouse gas for energy projects; and expanding broadband into rural and disadvantaged communities for telecommunications projects. There is no minimum dollar amount required for a project to receive financing from the Bank. A project can be of

significance yet not be major in terms of a dollar amount attached to it. Safe drinking water, for example is critical to any area, rural or urban, regardless of the cost.

Lastly, employee protection provisions are included to ensure that while the infrastructure bank creates new jobs, it also does not displace current workers. When federal funds are used to acquire, improve or operate a transit system, federal law requires arrangements to protect the rights of affected transit employees. My legislation ensures that Bank investments do not undermine the collective bargaining rights or job status of the people who are employed in this field. It also extends those protections to any employees that may be impacted by Bank financing of other reconstruction, rehabilitation, replacement or expansion projects.

In sum, in addition to needed robust public investment, a National Infrastructure Bank would supplement current federal financing mechanisms. Instead of focusing solely on transportation, the Bank would finance a wide range of infrastructure projects and it would be a self-sustaining entity to help support United States infrastructure development over the long-term.

Thank you for your attention to my statement, as well as my legislation. Your leadership will be essential as congress considers new investments to address our growing infrastructure deficiencies. I look forward to working with you on this critical matter.