

112<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3259

To establish the National Infrastructure Bank to provide financial assistance for qualified infrastructure projects selected by the Bank, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 25, 2011

Ms. FUDGE introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, 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

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## A BILL

To establish the National Infrastructure Bank to provide financial assistance for qualified infrastructure projects selected by the 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 2011”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

1           (1) according to the American Society of Civil  
2 Engineers—

3           (A) the current condition of the infrastruc-  
4 ture of the United States earns a grade point  
5 average of D and jeopardizes the prosperity and  
6 quality of life of the citizens of the United  
7 States; and

8           (B) the number of deficient dams has risen  
9 to more than 4,000, including 1,819 high-haz-  
10 ard potential dams. Over the past six years, for  
11 every deficient, high-hazard potential dam re-  
12 paired, nearly two more were declared deficient.  
13 There are more than 85,000 dams in the  
14 United States, and the average age is just over  
15 51 years old. An additional investment of  
16 \$12,000,000,000 over 10 years will be needed  
17 to eliminate the existing backlog of 4,095 defi-  
18 cient dams;

19           (2) according to the Federal Transit Adminis-  
20 tration—

21           (A) the United States needs to spend  
22 \$15,100,000,000 (25 percent more) annually  
23 over the next 20 years to maintain the current  
24 conditions and performance of transit systems,  
25 and \$21,100,000,000 (73 percent) over that

1 same time period more to make substantial im-  
2 provements; and

3 (B) the Nation's public transit agencies  
4 face an \$80,000,000,000 maintenance backlog  
5 to bring their rail systems to a state of good re-  
6 pair;

7 (3) according to the Department of Housing  
8 and Urban Development—

9 (A) there is a critical shortage of afford-  
10 able housing for very low-income individuals  
11 with nearly 6,000,000 very low income families  
12 facing “worst case” housing needs, meaning  
13 that they pay over one-half of their monthly in-  
14 come on rent; and

15 (B) there are over 1,200,000 units of pub-  
16 lic housing nationwide, with an accumulated  
17 capital needs backlog of approximately  
18 \$18,000,000,000 to \$24,000,000,000, with an  
19 additional \$2,000,000,000 accruing each year;

20 (4) according to the Federal Highway Adminis-  
21 tration—

22 (A) 33 percent of all urban and rural  
23 roads in the United States are in poor, medi-  
24 ocre, or fair condition;

1 (B) approximately \$131,700,000,000 must  
2 be expended each year for a period of not less  
3 than 20 years to improve the conditions of  
4 those urban and rural roads;

5 (C) 24.8 percent of all bridges in the  
6 United States are—

7 (i) structurally deficient; or

8 (ii) functionally obsolete; and

9 (D) approximately \$3,000,000,000 in addi-  
10 tional funds must be expended each year for a  
11 period of not less than 20 years to eliminate the  
12 deficiencies of those bridges;

13 (5) according to Texas Transportation Insti-  
14 tute, travel has increased 72 percent in big metro re-  
15 gions while road capacity on freeways and major  
16 streets has grown by only 40 percent;

17 (6) according to the Environmental Protection  
18 Agency—

19 (A) \$161,000,000,000 must be expended  
20 during the next 20 years to make necessary re-  
21 pairs, replacements, and upgrades to the ap-  
22 proximately 55,000 community drinking water  
23 systems of the United States;

24 (B) approximately \$390,000,000,000 must  
25 be expended during the next 20 years to elimi-

1           nate the deficiencies of the wastewater systems  
2           of the United States; and

3                   (C) from 2006 to 2009, more than 9,400  
4           of the Nation’s 25,000 sewage systems—including  
5           those in major cities—have reported vio-  
6           lating the Clean Water Act of 1975 by dumping  
7           untreated or partly treated human waste,  
8           chemicals and other hazardous materials into  
9           rivers and lakes and elsewhere; and

10           (7) the infrastructure financing mechanisms of  
11           the United States do not adequately—

12                   (A) address infrastructure projects of re-  
13           gional or national significance;

14                   (B) encourage an appropriate pooling of  
15           Federal, State, local, and private resources; or

16                   (C) provide transparency to ensure the op-  
17           timal return on public resources.

18                           **TITLE I—NATIONAL**  
19                           **INFRASTRUCTURE BANK**

20   **SEC. 101. DEFINITIONS.**

21           In this title, the following definitions shall apply:

22                   (1) **BANK.**—The term “Bank” means the “Na-  
23           tional Infrastructure Bank” established under sec-  
24           tion 102.

1           (2) BOARD.—The term “Board” means the  
2 board of directors of the Bank, established under  
3 section 103.

4           (3) CHAIRPERSON.—The term “Chairperson”  
5 means the Chairperson of the Board.

6           (4) FINANCIAL ASSISTANCE.—The term “finan-  
7 cial assistance” means a method used by the Bank  
8 to provide a loan, loan guarantee, forgiveness of loan  
9 principle, or negative interest rate loan to a qualified  
10 infrastructure project.

11           (5) INFRASTRUCTURE PROJECT.—

12           (A) IN GENERAL.—The term “infrastruc-  
13 ture project” means the building, improvement,  
14 or increase in capacity of a basic installation,  
15 facility, asset, or stock that is associated with—

16                   (i) a mass transit system that meets  
17 the criteria in subparagraph (B);

18                   (ii) a public housing property that is  
19 eligible to receive funding under section 24  
20 of the United States Housing Act of 1937  
21 (42 U.S.C. 1437v) and that meets the cri-  
22 teria in subparagraph (B);

23                   (iii) a road or bridge that meets the  
24 criteria in subparagraph (B);

1 (iv) a drinking water system or a  
2 wastewater system that meets the criteria  
3 in subparagraph (B);

4 (v) a freight or passenger rail project  
5 that meets the criteria in subparagraph  
6 (B); or

7 (vi) an airport or air traffic control  
8 systems that meet the criteria in subpara-  
9 graph (B).

10 (B) CRITERIA.—A project described in any  
11 of clauses (i) through (vi) of subparagraph (A)  
12 meets the criteria of this subparagraph if it  
13 serves any one or more of the objectives identi-  
14 fied in paragraphs (1) through (9) of section  
15 101(c) of the Housing and Community Develop-  
16 ment Act of 1974 (42 U.S.C. 5301(c)).

17 (6) PUBLIC HOUSING.—The term “public hous-  
18 ing” means a housing project receiving assistance  
19 under section 9 of the United States Housing Act of  
20 1937 (42 U.S.C. 1437g).

21 (7) PUBLIC HOUSING AGENCY.—The term  
22 “public housing agency” means an agency described  
23 in section 3(b)(6) of the United States Housing Act  
24 of 1937 (42 U.S.C. 1437a(b)(6)).

1           (8) PUBLIC SPONSOR.—The term “public spon-  
2           sor” includes a State or local government, an Indian  
3           tribe (as defined in section 4 of the Indian Self-De-  
4           termination and Education Assistance Act (25  
5           U.S.C. 450b)), a public transportation agency, a  
6           public housing agency, a public infrastructure agen-  
7           cy, or a consortium of those entities, including a  
8           public entity that has partnered with a private non-  
9           profit or for-profit entity.

10           (9) PUBLICLY-ASSISTED AFFORDABLE HOUS-  
11           ING.—The term “publicly-assisted affordable hous-  
12           ing” means the categories of housing specified in  
13           section 1335(a)(1)(B) of the Federal Housing En-  
14           terprises Financial Safety and Soundness Act of  
15           1992 (12 U.S.C. 4565(a)(1)(B)).

16           (10) QUALIFIED INFRASTRUCTURE PROJECT.—  
17           The term “qualified infrastructure project” means  
18           an infrastructure project designated by the Board as  
19           a qualified infrastructure project in accordance with  
20           section 105.

21           (11) TRANSIT-ORIENTED DEVELOPMENT.—The  
22           term “transit-oriented development” means high-  
23           density, walkable, mixed-use development (including  
24           commercial development, affordable housing, and  
25           market-rate housing) that is within walking distance

1 of and accessible to 1 or more public transportation  
2 facilities.

3 **SEC. 102. ESTABLISHMENT OF BANK.**

4 There is established the “National Infrastructure  
5 Bank”, which shall be an independent establishment of the  
6 Federal Government, as defined in section 104 of title 5,  
7 United States Code.

8 **SEC. 103. MANAGEMENT OF BANK.**

9 (a) BOARD OF DIRECTORS.—

10 (1) IN GENERAL.—The management of the  
11 Bank shall be vested in a Board of Directors con-  
12 sisting of 5 members, appointed by the President, by  
13 and with the advice and consent of the Senate, from  
14 among individuals who are citizens of the United  
15 States.

16 (2) MEMBER EXPERTISE.—The Board shall be  
17 comprised of members with a diverse set of expertise  
18 in infrastructure project development and finance,  
19 including in—

- 20 (A) transit infrastructure;
- 21 (B) public housing infrastructure;
- 22 (C) road and bridge infrastructure;
- 23 (D) water infrastructure;
- 24 (E) aviation infrastructure;

1 (F) freight or passenger rail infrastruc-  
2 ture; and

3 (G) public finance.

4 (3) POLITICAL AFFILIATION.—Section 2(a)(2)  
5 of the Federal Deposit Insurance Act (12 U.S.C.  
6 1812(a)(2)) shall apply to members of the Board of  
7 Directors of the Bank in the same manner as it ap-  
8 plies to the Board of Directors of the Federal De-  
9 posit Insurance Corporation.

10 (4) MEETINGS.—The Board shall meet not  
11 later than 90 days after the date on which all direc-  
12 tors of the Board are first appointed, and otherwise  
13 at the call of the Chairperson.

14 (5) DATE OF APPOINTMENTS.—The initial  
15 nominations to the Board shall be made not later  
16 than 60 days after the date of enactment of this  
17 title.

18 (b) CHAIRPERSON AND VICE CHAIRPERSON.—The  
19 Chairperson and Vice Chairperson of the Board shall be  
20 appointed and shall serve in the same manner as is pro-  
21 vided for members of the Federal Deposit Insurance Cor-  
22 poration under section 2(b) of the Federal Deposit Insur-  
23 ance Act (12 U.S.C. 1812(b)).

24 (c) TERMS.—

1           (1) APPOINTED MEMBERS.—Except as provided  
2 in paragraph (2), each member of the Board shall  
3 be appointed for a term of 6 years.

4           (2) INITIAL STAGGERED TERMS.—Of the initial  
5 members of the Board—

6           (A) the Chairperson and Vice Chairperson  
7 shall be appointed for a term of 6 years;

8           (B) 1 member shall be appointed for a  
9 term of 5 years;

10          (C) 1 member shall be appointed for a  
11 term of 4 years; and

12          (D) 1 member shall be appointed for a  
13 term of 3 years.

14          (3) INTERIM APPOINTMENTS.—Any member of  
15 the Board appointed to fill a vacancy occurring be-  
16 fore the expiration of the term for which the prede-  
17 cessor of such member was appointed shall be ap-  
18 pointed only for the remainder of such term.

19          (4) CONTINUATION OF SERVICE.—The Chair-  
20 person, Vice Chairperson, and each other member of  
21 the Board may continue to serve after the expiration  
22 of the term of office to which such member was ap-  
23 pointed, until a successor has been appointed.

1 (d) VACANCY.—Any vacancy on the Board shall be  
2 filled in the manner in which the original appointment was  
3 made.

4 (e) INELIGIBILITY FOR OTHER OFFICES.—

5 (1) RESTRICTION DURING SERVICE.—No mem-  
6 ber of the Board may, during service on the  
7 Board—

8 (A) be an officer or director of, or other-  
9 wise be employed by, any entity engaged in or  
10 otherwise associated with an infrastructure  
11 project assisted or considered under this title;

12 (B) hold stock in any such entity; or

13 (C) hold any other elected or appointed  
14 public office.

15 (2) POST SERVICE RESTRICTION.—

16 (A) IN GENERAL.—No member of the  
17 Board may hold any office, position, or employ-  
18 ment in any entity engaged in or otherwise as-  
19 sociated with an infrastructure project assisted  
20 under this title during the 2-year period begin-  
21 ning on the date on which such member ceases  
22 to serve on the Board.

23 (B) EXCEPTION FOR MEMBERS WHO  
24 SERVE FULL TERM.—The limitation contained  
25 in subparagraph (A) does not apply to any

1 member who has ceased to serve on the Board  
2 after serving the full term for which such mem-  
3 ber was appointed.

4 (3) CERTIFICATION.—Upon taking office, each  
5 member of the Board shall certify under oath that  
6 such member has complied with this subsection, and  
7 such certification shall be filed with the secretary of  
8 the Board.

9 **SEC. 104. STAFF AND PERSONNEL MATTERS.**

10 (a) EXECUTIVE DIRECTOR.—

11 (1) IN GENERAL.—The Chairperson may ap-  
12 point and terminate, and fix the compensation of, an  
13 executive director of the Bank, in accordance with  
14 title 5, United States Code.

15 (2) CONFIRMATION OF EXECUTIVE DIREC-  
16 TOR.—The employment of an executive director shall  
17 be subject to confirmation by the Board.

18 (3) QUALIFICATIONS OF EXECUTIVE DIREC-  
19 TOR.—An individual appointed as the executive di-  
20 rector under paragraph (1) shall have demonstrated  
21 expertise in infrastructure development and finance  
22 including—

23 (A) transit infrastructure;

24 (B) public housing infrastructure;

25 (C) road and bridge infrastructure;

- 1 (D) water infrastructure;  
2 (E) aviation infrastructure;  
3 (F) freight or passenger rail infrastruc-  
4 ture; or  
5 (G) public finance.

6 (b) OTHER PERSONNEL.—The Board may appoint  
7 and terminate, and fix the compensation of, in accordance  
8 with title 5, United States Code, such personnel as are  
9 necessary to enable the Bank to perform the duties of the  
10 Bank.

11 (c) SUPPORT FROM OTHER AGENCIES.—The head of  
12 any other Federal agency shall detail employees to the  
13 Bank for purposes of carrying out the duties of the Bank.

14 **SEC. 105. POWERS OF THE BANK BOARD.**

15 (a) HEARINGS.—The Board may, in carrying out this  
16 title—

17 (1) hold such hearings, meet and act at such  
18 times and places, take such testimony, receive such  
19 evidence, and administer such oaths, as the Board  
20 considers advisable; and

21 (2) require the attendance and testimony of  
22 such witnesses and the production of such books,  
23 records, correspondence, memoranda, papers, docu-  
24 ments, tapes, and materials, as the Board considers  
25 advisable.

1 (b) WITNESS ALLOWANCES AND FEES.—

2 (1) IN GENERAL.—Section 1821 of title 28,  
3 United States Code, shall apply to a witness re-  
4 quested or subpoenaed to appear at a hearing of the  
5 Board.

6 (2) EXPENSES.—The per diem and mileage al-  
7 lowances for a witness shall be paid from funds  
8 available to pay the expenses of the Board.

9 (c) INFORMATION FROM FEDERAL AGENCIES.—The  
10 Board may, upon request, secure directly from a Federal  
11 agency, such information as the Board considers necessary  
12 to carry out this title, and the head of such agency shall  
13 promptly respond to any such request for the provision  
14 of information.

15 (d) INCORPORATION OF FEDERAL TRANSIT PROC-  
16 ESSES FOR BOARD STATEMENTS.—Section 5334(l) of title  
17 49, United States Code, as added by section 3032 of the  
18 Federal Public Transportation Act of 2005 (Public Law  
19 109–59, 119 Stat. 1627), shall apply to statements of the  
20 Board in the same manner and to the same extent as that  
21 section applies to statements of the Administrator of the  
22 Federal Transit Administration.

1 **SEC. 106. QUALIFIED INFRASTRUCTURE PROJECT RAT-**  
2 **INGS.**

3 (a) **IN GENERAL.**—The Bank shall, upon application  
4 and otherwise in accordance with this section, designate  
5 those qualified infrastructure projects that will receive fi-  
6 nancial assistance under this title.

7 (b) **APPLICANTS.**—The Bank shall accept applica-  
8 tions of qualified infrastructure projects for the designa-  
9 tion of those projects that may receive financial assistance  
10 under this section for any infrastructure project having—

11 (1) a public sponsor; and

12 (2) regional or national significance.

13 (c) **GUIDELINES FOR QUALIFIED INFRASTRUCTURE**  
14 **PROJECTS.**—The Executive Director and the Board shall  
15 establish guidelines to assist applications of qualified in-  
16 frastructure projects under this title to develop applica-  
17 tions for financial assistance under this section.

18 (d) **RATINGS.**—

19 (1) **IN GENERAL.**—In making a determination  
20 as to which qualified infrastructure project would re-  
21 ceive financial assistance, the Board shall evaluate  
22 and rate each applicant based on the factors appro-  
23 priate for that type of infrastructure project, which  
24 shall include—

25 (A) regional or national significance;

26 (B) promotion of economic growth;

1 (C) a preference for projects in areas of  
2 high unemployment;

3 (D) a preference for projects which sub-  
4 stantially leverage State, local and private fi-  
5 nancing, including public-private partnerships,  
6 for either the explicit cost of the project or for  
7 enhancements which increase the benefits of the  
8 project;

9 (E) environmental benefits including re-  
10 duction in carbon emissions, oil consumption,  
11 water pollution, and air pollution;

12 (F) a demonstrated ability to operate and  
13 maintain the infrastructure project throughout  
14 its estimated useful life;

15 (G) a life cycle projection of the project  
16 benefits, as compared to project costs;

17 (H) an understanding of the importance of  
18 diverse investment in infrastructure in all re-  
19 gions of the country;

20 (I) a consideration of the benefits of pre-  
21 serving and improving existing infrastructure as  
22 well as the benefits of creating new infrastruc-  
23 ture;

24 (J) categorical benefit; and

1                   (K) any other criteria as determined by the  
2                   Board with approval by the Board.

3                   (2) CATEGORICAL BENEFIT.—In this sub-  
4                   section, the term “categorical benefit” means—

5                   (A) for any transit project—

6                   (i) level of estimated new ridership;

7                   (ii) level of transit-oriented develop-  
8                   ment and economic development connected  
9                   to project;

10                  (iii) ridership on existing infrastruc-  
11                  ture that is being rebuilt;

12                  (iv) reduction in traffic congestion;

13                  and

14                  (v) access provided to elderly, disabled  
15                  and low-income populations;

16                  (B) for any public housing or publicly-as-  
17                  sisted affordable housing, which may include  
18                  more than one building grouped into one pro-  
19                  posed project, provided that such housing will  
20                  continue to provide long-term affordability for  
21                  families and persons with incomes equivalent to  
22                  those currently assisted—

23                  (i) improvement of the physical condi-  
24                  tion and layout of such housing;

1 (ii) increasing the energy efficiency  
2 and mitigating any health, safety or other  
3 hazardous conditions of such housing;

4 (iii) exceeding minimum requirements  
5 for length of post-grant affordability period  
6 established under this section;

7 (iv) exceeding minimum requirements  
8 for targeting of persons and families with  
9 incomes below 50 percent of area median  
10 income and with incomes below 30 percent  
11 of area median income; and

12 (v) need for affordable housing for  
13 persons and families in the community or  
14 communities;

15 (C) for any community development  
16 project, modernization of local land use policies,  
17 including those that promote transit-oriented  
18 development and location efficiency;

19 (D) for any highway, bridge, or road  
20 project—

21 (i) reduction in traffic congestion; and

22 (ii) mobility and accessibility improve-  
23 ments;

24 (E) for any drinking water system or a  
25 wastewater system project—

- 1 (i) environmental benefits;
- 2 (ii) improvements in the physical con-
- 3 dition of such systems; and
- 4 (iii) need for expansion or replace-
- 5 ment of such systems;
- 6 (F) for any intercity rail or freight trans-
- 7 portation project—
- 8 (i) level of estimated ridership;
- 9 (ii) reductions in delays due to rail
- 10 congestion;
- 11 (iii) improvements in trip times;
- 12 (iv) favorable impact on air or high-
- 13 way congestion or capacity; and
- 14 (v) new rail capacity created for addi-
- 15 tional train frequencies; and
- 16 (G) for any airport or air traffic control
- 17 project—
- 18 (i) reductions in delays due to conges-
- 19 tion;
- 20 (ii) improvements in trip times; and
- 21 (iii) improvements that increase pas-
- 22 senger safety.
- 23 (e) PROCESS AND PERSONNEL FOR CREATING RAT-
- 24 INGS PROCESS.—

1           (1) IN GENERAL.—The ratings processes de-  
2           scribed in this section shall be subject to Federal no-  
3           tice and rulemaking procedures.

4           (2) PARTICIPATION BY OTHER AGENCY PER-  
5           SONNEL.—The ratings, and development of the rat-  
6           ings process, shall be conducted by the Bank in co-  
7           ordination with personnel on detail to the Bank from  
8           the Department of Housing and Urban Develop-  
9           ment, the Department of the Treasury, the Depart-  
10          ment of Transportation, the United States Army  
11          Corps of Engineers, and other relevant departments  
12          and agencies from among individuals who are famil-  
13          iar with and experienced in the selection criteria for  
14          competitive projects. The Bank shall reimburse  
15          those departments and agencies for the staff which  
16          are on detail to the Bank.

17          (f) COMPLIANCE WITH OTHER APPLICABLE LAW.—  
18          Projects receiving financial assistance from the Bank  
19          under this section shall comply with applicable provisions  
20          of Federal law and regulations, including—

21                 (1) for transit, requirements that would apply  
22                 to a project receiving funding under section 5307 of  
23                 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 appor-  
9 tioned under section 104(b)(3) of title 23, United  
10 States Code;

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

15 (6) for airport and air traffic control projects,  
16 requirements that would apply to a project that re-  
17 ceives funds apportioned under chapters 471 and  
18 501 of title 49, United States Code; and

19 (7) for water, requirements that would apply to  
20 a project—

21 (A) that receives funds through a grant or  
22 loan under—

23 (i) section 103 of the Housing and  
24 Community Development Act of 1974 (42  
25 U.S.C. 5303);

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

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

7 (B) pursuant to section 605 of the Amer-  
8 ican Recovery and Reinvestment Act of 2009  
9 (Public Law 111–5).

10 (g) **AUTHORITY TO DETERMINE FUNDING.**—Not-  
11 withstanding any other provision of law, the Bank shall  
12 determine the appropriate Federal share of funds for each  
13 project described in subsection (f) for purposes of this  
14 title.

15 **SEC. 107. FINANCIAL ASSISTANCE.**

16 (a) **IN GENERAL.**—

17 (1) **AUTHORIZATION.**—The Board is authorized  
18 to provide financial assistance to public sponsors.

19 (2) **LIMIT ON COST SHARE.**—The total amount  
20 of financial assistance provided under this section  
21 shall not exceed 50 percent of the total project cost.

22 (b) **TERMS AND CONDITIONS OF LOANS AND LOAN**  
23 **GUARANTEES.**—Loans made or guaranteed under this  
24 section shall be made pursuant to the Federal Credit Re-  
25 form Act of 1990 (2 U.S.C. 661 et seq.) and on such

1 terms and conditions as the Executive Director may pre-  
2 scribe, except that—

3           (1) the Board shall allow credit to any prospec-  
4 tive borrower to achieve the objectives of the Bank  
5 as defined in section 901 and when a credit subsidy  
6 is the most efficient way to meet those objectives on  
7 a borrower-by-borrower basis;

8           (2) the final maturity of loans made or guaran-  
9 teed within a period shall not exceed 35 years, or 90  
10 percent of the useful life of any physical asset to be  
11 financed by the loan, whichever is less as determined  
12 by the Board;

13           (3) no loan made or guaranteed shall be subor-  
14 dinated to another debt contracted by the borrower  
15 or to any other claims against the borrowers in the  
16 event of bankruptcy, insolvency, or liquidation of the  
17 obligor;

18           (4) direct loans and interest supplements on  
19 guaranteed loans shall be at an interest rate that is  
20 informed by reference to a benchmark interest rate  
21 (yield) on marketable Treasury securities with a  
22 similar maturity to the direct loans being made or  
23 the non-Federal loans being guaranteed;

24           (5) the Board shall prescribe explicit standards  
25 for use in periodically assessing the credit risk of

1 new and existing direct loans or guaranteed loans,  
2 including a requirement that there is a reasonable  
3 assurance of repayment before extending credit as-  
4 sistance; and

5 (6) no loan shall be made or guaranteed unless  
6 the Board determines that the lender is responsible  
7 and that adequate provision is made for servicing  
8 the loan on reasonable terms and protecting the fi-  
9 nancial interest of the United States.

10 (c) REPAYMENT OF DIRECT LOANS.—

11 (1) SCHEDULE.—The Board shall establish a  
12 repayment schedule for each loan made under his  
13 section based on the projected cash flows from  
14 project revenues and other repayment sources, which  
15 may include user fees, dedicated property or sales  
16 taxes, or other dedicated revenue sources approved  
17 by the Executive Director.

18 (2) COMMENCEMENT.—Scheduled loan pay-  
19 ments of principal or interest on a loan shall com-  
20 mence not later than 5 years after the date of sub-  
21 stantial completion of the project.

22 (3) DEFERRED PAYMENTS.—

23 (A) IN GENERAL.—If, at any time after  
24 the date of substantial completion of a project,  
25 the Executive Director determines that dedi-

1 cated revenue sources of an eligible borrower  
2 are insufficient to make the scheduled loan re-  
3 payments of principal and interest on a loan  
4 made under this section, the Executive Director  
5 may, subject to criteria established by the Exec-  
6 utive Director and the Board, allow the eligible  
7 borrower to add unpaid principal and interest  
8 to the outstanding balance of the loan.

9 (B) TREATMENT OF DEFERRED PAY-  
10 MENTS.—Any payment deferred under this sec-  
11 tion shall—

12 (i) continue to accrue interest until  
13 fully repaid; and

14 (ii) be scheduled to be amortized over  
15 the remaining term of the loan.

16 (d) FEES.—The Board is authorized to establish fees  
17 at a level sufficient to cover all or a portion of the costs  
18 to the Federal Government of making a loan under this  
19 section.

20 (e) PAYMENT OF LOSSES.—

21 (1) DEFAULT.—If, as a result of a default by  
22 a borrower under a guaranteed loan made under this  
23 section, after the holder of the loan has made such  
24 further collection efforts and instituted such enforce-  
25 ment proceedings as the Executive Director and

1 Board may require, the Board determines that the  
2 holder has suffered a loss, the Board shall pay up  
3 to such holder amounts specified in the guarantee  
4 contract. Upon making any such payment, the  
5 Board shall be subrogated to all the rights of the re-  
6 cipient of the payment. The Board shall be entitled  
7 to recover from the borrower the amount of any pay-  
8 ments made pursuant to any guarantee entered into  
9 under this section.

10 (2) ENFORCEMENT.—The Attorney General  
11 shall take such action as may be appropriate to en-  
12 force any right accruing to the United States as a  
13 result of the issuance of any guarantee under this  
14 section.

15 (3) FORBEARANCE.—Nothing in this section  
16 shall be construed to preclude any forbearance for  
17 the benefit of the borrower which may be agreed  
18 upon by the parties to the guaranteed loan and ap-  
19 proved by the Board, provided that budget authority  
20 for any resulting subsidy costs as defined under the  
21 Federal Credit Reform Act of 1990 is available.

22 (4) RIGHT OF DISPOSITION.—Notwithstanding  
23 any other provision of law relating to the acquisition,  
24 handling, or disposal of property by the United  
25 States, the Board shall have the right in its discre-

1       tion to complete, recondition, reconstruct, renovate,  
2       repair, maintain, operate, or sell any property ac-  
3       quired by him pursuant to the provisions of this  
4       title.

5       (f) **TERMS AND CONDITIONS OF GRANTS.**—The  
6       Board is authorized to make grants according to the cri-  
7       teria set forth under section 105. A grant under this sec-  
8       tion shall constitute no more than 20 percent of the total  
9       value of a infrastructure project.

10 **SEC. 108. AUTHORIZATION OF APPROPRIATION.**

11       There are authorized to be appropriated  
12       \$5,000,000,000 for each fiscal year through 2015 to the  
13       Bank for cost of direct loans and loan guarantees made  
14       by the Bank and administrative expenses of the Bank. Of  
15       amounts appropriated, not more than 15 percent shall be  
16       available for forgiveness of loan principal or negative inter-  
17       est rate loans.

18 **SEC. 109. ADMINISTRATIVE PROVISIONS.**

19       (a) **INSPECTOR GENERAL.**—

20               (1) **IN GENERAL.**—Section 11 of the Inspector  
21       General Act of 1978 (5 U.S.C. App.) is amended—

22                       (A) in paragraph (1), by inserting “the  
23       Chairperson of the National Infrastructure  
24       Bank;” after “the Chairperson of the Federal  
25       Deposit Insurance Corporation;”; and

1 (B) in paragraph (2), by inserting “the  
2 National Infrastructure Bank;” after “the Fed-  
3 eral Deposit Insurance Corporation;”.

4 (2) EXECUTIVE SCHEDULE LEVEL IV.—Section  
5 5315 of title 5, United States Code, is amended by  
6 inserting after the item relating to the Inspector  
7 General of the Federal Deposit Insurance Corpora-  
8 tion, the following:

“Inspector General, National Infrastructure Bank.”.

9 (b) COMPENSATION OF BOARD MEMBERS.—

10 (1) CHAIRPERSON.—Section 5314 of title 5,  
11 United States Code, is amended by inserting after  
12 the item relating to the Chairman of the Board of  
13 Directors of the Federal Deposit Insurance Corpora-  
14 tion, the following:

“Chairperson, Board of Directors, National Infrastructure Bank.”.

15 (2) OTHER MEMBERS.—Section 5315 of title 5,  
16 United States Code, is amended by inserting after  
17 the item relating to the Inspector General of the  
18 Federal Deposit Insurance Corporation, the fol-  
19 lowing:

“Member, Board of Directors of the National Infrastructure Bank.”.

1           **TITLE II—CONGRESSIONAL**  
2                           **OVERSIGHT**

3   **SEC. 201. REPORT; DATABASE.**

4           (a) REPORT.—Not later than 1 year after the date  
5 of enactment of this Act, and annually thereafter, the  
6 Board shall submit to the Committee on Banking, Hous-  
7 ing, and Urban Affairs of the Senate and the Committee  
8 on Financial Services of the House of Representatives a  
9 report describing the activities of the Board, for the fiscal  
10 year covered by the report, relating to—

11                   (1) the evaluations of qualified infrastructure  
12 projects under section 905 of the Housing and Com-  
13 munity Development Act of 1974, as added by this  
14 Act; and

15                   (2) the financial assistance packages of quali-  
16 fied infrastructure projects under section 906 of the  
17 Housing and Community Development Act of 1974,  
18 as added by this Act.

19           (b) DATABASE.—The Bank shall develop, maintain,  
20 and update a publicly accessible database that contains—

21                   (1) a description of each qualified infrastruc-  
22 ture project that receives financial assistance from  
23 the Bank under this Act—

24                           (A) by project mode or modes;

25                           (B) by project location;

- 1 (C) by project sponsor or sponsors;
- 2 (D) by project total cost;
- 3 (E) by detailed estimated costs and bene-  
4 fits over the lifetime of the project; and
- 5 (F) by the financial assistance from each  
6 of the members of the public sponsor;
- 7 (2) the amount of financial assistance that each  
8 qualified infrastructure project receives from the  
9 Bank under this Act; and
- 10 (3) the form of financial assistance that each  
11 qualified infrastructure project receives from the  
12 Bank under section 906 of the Housing and Com-  
13 munity Development Act of 1974, as added by this  
14 Act.

15 **SEC. 202. GAO REPORT.**

16 Not later than 3 years after the date of enactment  
17 of this Act, the Comptroller General of the United States  
18 shall submit to the Committee on Banking, Housing, and  
19 Urban Affairs of the Senate and the Committee on Finan-  
20 cial Services of the House of Representatives, a report  
21 evaluating the activities of the Bank for the fiscal years  
22 covered by the report, including—

- 23 (1) the evaluations of qualified infrastructure  
24 projects under section 905 of the Housing and Com-

1 munity Development Act of 1974, as added by this  
2 Act; and

3 (2) the financial assistance of qualified infra-  
4 structure projects under section 906 of the Housing  
5 and Community Development Act of 1974, as added  
6 by this Act.

7 **SEC. 203. TESTIMONY BEFORE COMMITTEE.**

8 Not later than 1 year after the date of enactment  
9 of this Act, the Executive Director shall provide testimony  
10 before the Committee on Banking, Housing, and Urban  
11 Affairs of the Senate and the Committee on Financial  
12 Services of the House of Representatives to discuss activi-  
13 ties of the Bank.

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