

Communication from Public

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Comments for Public Posting: Testimony before the Los Angeles City Council November 22, 2022 IN FAVOR OF: City Council Resolution 22-0002-S121 in Support of National Infrastructure Bank Dear President Krekorian and Members of the Los Angeles City Council, My name is Ellen Brown and I am chairman of the Public Banking Institute. I am also an author, attorney, and resident of Los Angeles County. I support Resolution 22-0002-S121, which urges Congress to pass HR 3339, creating a National Infrastructure Bank (NIB). Our national and local infrastructure is in serious need of repair and development, and Congress is unlikely to make further allocations for those purposes any time soon. The proposed NIB is modeled on the Reconstruction Finance Corporation, which financed the New Deal and America's participation in World War II at a time when the country was in even worse financial shape than we are in today. HR 3339 will finance \$5 trillion in low interest loans to state and local governments all across America, for roads, bridges, mass transit, power grid enhancements, all water infrastructure, affordable housing, broadband, and much more. California will receive \$588 billion over 10 years, and create up to 2.9 million Davis-Bacon-wage jobs over that period, complementing the \$47 billion the state is expected to receive from the 2021 Bipartisan Infrastructure Law. For the Los Angeles City area, the NIB would fully finance the California Interregional Transportation Strategic Plan for roads, intercity passenger rail, and other rail projects. With your prioritization of projects, that would include transit and commuter rail to address traffic congestion and reduce CO2 emissions, as well as expansion of ports and inland freight connections to relieve supply chain bottlenecks. Additionally the NIB would build more Affordable Housing to finally address the homeless problem; extend broadband; harden the electric power grid to enable electrification of vehicles; solve drought for residents and farmers; and supercharge Los Angeles' economy and businesses and the state's finances. Attached is a fact sheet that goes into more detail. Based on the foregoing, I ask the Los Angeles City Council to express its support for Resolution 22-0002-S121, calling on our federal government to create a \$5 trillion National Infrastructure Bank. Thank you and season's greetings, Ellen Brown, Chair, Public Banking Institute <http://PublicBankingInstitute.org> 661 252 8773

Fact Sheet on National Infrastructure Bank Bill, [HR 3339](#)

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
- Added categories: Affordable Housing, High-Speed Rail, Water projects to address drought
- Affordable Housing: \$720 billion in financing; targets lowest income earners (below 30% of Average Median Income)
- Water to Western States: \$400 billion to bring water into Colorado River Basin and California by multiple methods (like FDR)
- Full financing for all mass transit system plans in California
- Creates 25 million new jobs, Davis-Bacon wages, Buy America, Disadvantaged Business Enterprises, significant investment in low income urban and rural communities
- Supercharges the economy: GDP increase 5% per year
- Improves state and local finances through higher growth and productivity
- 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
- Engineering expertise, mobilization, and streamlined planning to reduce construction costs
- Excess profits go to Trust Fund to provide grants for poor communities

Endorsements:

Dozens of State Legislatures, City and County Councils have endorsed nationally (including Chicago, Philadelphia, Cleveland, Providence, etc.); and organizations (National Black Caucus of State Legislators, National Latino Farmers and Ranchers, National Association of Development Organizations, American Sustainable Business Council, etc). California endorsements include: **California Assembly (AJR 32); Richmond City Council, Huron City Council, California Public Banking**

Alliance; Congressional cosponsors include: Rep. Barbara Lee; Rep. Jimmy Panetta; Rep. Eric Swalwell