

## **National Jobs for All Network Endorsement of the National Infrastructure Bank Act**

The [National Jobs for all Network \(NJFAN\)](#) is pleased to announce its enthusiastic support for the National Infrastructure Bank (NIB) Act sponsored by [Rep. Danny Davis \(D-IL-7\)](#). Indeed, it is hard to think of a reason not to support a bill that would provide seven trillion dollars of loanable funds to state and local governments at zero expense to the federal government beyond \$100 million in administrative start-up costs that could be provided in the form of either a grant or loan to the Bank.

Research has shown that capital-intensive public infrastructure investment tends to pay for itself over time via the increased economic development it promotes. It is therefore frustrating that the share of GDP devoted to public infrastructure investment in the United States has been steadily declining over the past five decades. As a result, both infrastructure maintenance and new infrastructure investment has suffered. Virtually all types of public infrastructure have been adversely affected by this trend—roads; bridges; tunnels; inland waterways; seaports; mass transit systems; airports; drinking water, wastewater and stormwater management systems; electricity generation, transmission and distribution systems; affordable housing; public parks and recreation facilities; and so on. The result has been a marked deterioration in our existing complement of public infrastructure and underinvestment in new public infrastructure.

Infrastructure legislation enacted During President Biden’s first two years in office will reverse this trend at least temporarily, but it falls far short of what is needed to achieve even a “B” grade for the adequacy and physical condition of our nation’s public infrastructure. The establishment of a public infrastructure bank like the NIB is hands down the best way, both economically and politically, to close this gap. It would cost the federal government nothing, and while state and local governments would still have to repay their NIB loans, the terms of those loans would be more favorable than those available in the municipal bond market. Moreover, the Bank would be able to subsidize the rates charged poorer communities, so that places like [Flint Michigan](#) and [Jackson Mississippi](#) would be able to avoid or quickly address infrastructure problems such as the drinking water crises they currently are enduring.

The NIB’s financing of large-scale, capital-intensive infrastructure projects would complement the smaller-scale, more labor-intensive infrastructure projects funded by the Jobs for All Act (JFAA), a bill the NJFAN has been promoting since its first introduction in Congress (under a different name) by Rep. John Conyers in 2012. Designed to establish an improved version of the direct job creation strategy pioneered in New Deal programs like the Civilian Conservation Corps (CCC) and Works Progress Administration (WPA), the JFAA would provide

decent employment paying locally-determined public sector wages to any jobseeker for whom similarly suitable employment is unavailable in the regular labor market. In this way the program would achieve true full employment—the ready availability of decent jobs for all jobseekers—without triggering the surge in inflation that both increased deficit spending and spontaneous economic growth tend to generate as true full employment is approached. (The design features of the JFAA that would make this possible are described [here](#).)

JFAA workers would be both trained and employed in projects sponsored by public sector agencies and non-profit organizations. These projects would address a wide range of unmet societal needs. Priority projects would include the renovation of abandoned housing and the construction of new housing to address the nation’s critical shortage of affordable, good-quality housing units. Another priority would consist of projects directed at achieving climate resiliency. An example could be the free or heavily discounted installation and maintenance of solar power systems on homes and other buildings whose owners would not otherwise be able to afford such installations. A third priority would be the provision of currently underfunded care and support services—e.g., child care for pre-school aged children, classroom support for teachers, supervised programming for children outside of school hours, support services for persons with health conditions or impairments, and elder care for frail seniors so they can age at home. The range of other possible JFAA projects would be limited only by the creativity of potential project sponsors in devising initiatives that serve currently unmet public needs.

The JFAA could also reduce the cost of NIB-financed infrastructure projects by deploying JFAA funded work crews to perform labor-intensive tasks on the projects. The New Deal also pioneered this kind of collaboration. For example, the construction of the first 160 miles of the Pennsylvania Turnpike across the Allegheny Mountain range between Pittsburgh and Harrisburg was considered an engineering marvel at the time, both for what it accomplished and the rapidity with which the project was completed (less than 2 years). The project was a collaborative undertaking of the Reconstruction Finance Corporation (a public infrastructure bank like the NIB); the Public Works Administration (a public works financing and technical assistance agency funded by the federal government); and the WPA. Collaborations such as this could supercharge infrastructure construction in the United States. In short, the NIB and the JFAA direct job creation program would have distinct but complementary roles to play in addressing our nation’s needs.

**ENACT THE NATIONAL INFRASTRUCTURE BANK ACT  
AND THE JOBS FOR ALL ACT NOW!**