

**JOINT RESOLUTION SUPPORTING CREATION OF
CITIZENS EQUITY FUNDS**

2017 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: J. Stuart Adams

House Sponsor: Raymond P. Ward

LONG TITLE

General Description:

This joint resolution of the Legislature urges the United States Congress to authorize the creation of for profit corporations by the several states.

Highlighted Provisions:

This resolution:

- ▶ strongly urges Utah's congressional delegation and the Governor to begin to work with Congress to authorize the creation of for profit corporations by the several states for the creation and replacement of needed infrastructure; and
- ▶ argues that these for profit corporations should be managed by a board of directors nominated by a governor and confirmed by the state legislature, with the governor serving as chair of the board of directors, and that such corporations be authorized to pay dividends on earnings and issue debt bearing securities from a citizen equity fund in which individual citizens and corporations could invest.

Special Clauses:

None

Be it resolved by the Legislature of the state of Utah:

WHEREAS, the infrastructure of the United States of America is rapidly becoming obsolete;



28 WHEREAS, independent engineering studies confirm that, by 2050, it will require
29 \$3.65 trillion for the United States to bring the decaying infrastructure within the 50 states to a
30 condition suitable for maintaining the economic strength of the United States;

31 WHEREAS, neither the federal budget nor the several states' budgets have the
32 resources to finance the necessary repairs to the current infrastructure or to finance the creation
33 of new infrastructure facilities;

34 WHEREAS, the nation and its several states need to reduce their current debt levels;

35 WHEREAS, the aggregated overseas profits of United States multinational companies
36 is estimated to be over \$2.1 trillion;

37 WHEREAS, many multinational American companies with overseas profits are taking
38 legal steps to preserve profits from the oppressive burden of excess taxation by merger and
39 acquisition strategies, which have the result of keeping billions of dollars outside of the United
40 States;

41 WHEREAS, these funds could be invested by multinational American companies in
42 restoring the nation's infrastructure;

43 WHEREAS, present federal and state permitting processes often cause years of delay in
44 proceeding with construction of infrastructure improvements and badly needed new projects;

45 WHEREAS, the creation of a non-government, for profit corporate entity, whose
46 securities would qualify for special tax status, would be an attractive investment for both
47 individuals and corporations with overseas profits;

48 WHEREAS, the investment in upgrading present infrastructure and the creation of new
49 infrastructure projects by a citizens equity fund would produce a significant increase in
50 employment opportunities and economic benefits for the citizens of the several states;

51 WHEREAS, the respective governors and legislatures of the several states have a more
52 dependable understanding of the priorities for infrastructure enhancement in their states than
53 the federal government;

54 WHEREAS, the enactment of federal legislation enabling states to create a corporation
55 using citizens equity funds under the direct control and supervision of a board of directors
56 nominated by the governors and confirmed by the legislatures of the respective states would
57 make it possible to move expeditiously forward with projects that will save the infrastructure
58 from its present decline into obsolescence; and

59 WHEREAS, citizens equity funds would not require supplemental funding from the
60 federal government or the several states:

61 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah
62 strongly urges Utah's congressional delegation and the Governor to begin immediately to work
63 with the United States Congress to authorize the creation of for profit corporations by the
64 individual states, to be managed by a board of directors nominated by a governor and
65 confirmed by the state legislature, with the governor serving as chair of the board of directors,
66 and that such corporations be authorized to pay dividends on earnings and issue debt bearing
67 securities from a citizens equity fund in which individual citizens and corporations of a state
68 could invest, and thereby obtain the same tax benefit extended to the citizens equity fund, for
69 the creation and replacement of needed infrastructure in the several states.

70 BE IT FURTHER RESOLVED that a copy of this resolution be sent to the President of
71 the United States, the Majority Leader of the United States Senate, the Speaker of the United
72 States House of Representatives, the leader of each legislative house in each of the several
73 states, the governor of each of the several states, and the members of Utah's congressional
74 delegation.

Legislative Review Note
Office of Legislative Research and General Counsel