A BILL To establish an Urban Development Bank to assist in broadening the sources and decreasing the costs of capital funds for State and local governments, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Urban Development Bank Act of 1969."

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2(a). The Congress hereby finds and declares that the sound and orderly development of the Nation's communities, as well as the creation of new communities and the expansion and enlargement of existing communities which must take place to accommodate our growing population, requires the adequate and timely provision of a wide variety of public works and community facilities, such as streets, water, sewers, schools, hospitals, libraries, airports, facilities for liquid and solid waste disposal, mass transit, recreation and other facilities which serve community needs.

The Congress further finds that the sources of funds currently available to State and local government to finance such public works and facilities are already strained and that there will be an increasing demand for such funds as State and local governments seek to meet their growing need for public works and facilities.

The Congress further finds that to meet the anticipated financial needs of our growing communities will require the full mobilization of the resources and skills of all levels of government, State, local and Federal, as well as the private sector in a coordinated and joint effort and that public investment in our Nation's communities, when efficiently planned and carried out, will add to the wealth of individual communities as well as of the Nation.

(b) It is the purpose of this Act to establish, with State and local governments and the private sector, an Urban Development Bank to make long-term development loans and to provide technical assistance to State and local governments and their agencies to help them meet needs for essential public works and community facilities, including the acquisition of land necessary thereto.

CREATION OF BANK

SEC. 3. There is hereby created a body corporate to be known as the Urban Development Bank, which shall have succession until dissolved by Act of Congres. The Bank, which shall not be an agency of the United States Government, shall maintain such offices as may be necessary or appropriate in the conduct of its business.

BOARD OF DIRECTORS

SEC. 4(a). The Bank shall have a board of directors which shall consist of seventeen persons, one of whom shall be the president of the Bank. The President of the United States, by and with the advice and consent of the Senate, shall appoint six directors, not more than three of whom shall be officers or employees of the United States and three of whom shall be persons identified with or representative of State or local government. Of the remaining members of the board, four shall be elected by the class A stockholders, four shall be elected by the class B stockholders, and two shall be elected by the class C stockholders. If at the time of any election of directors the aggregate par value of outstanding class C stock is less than $50 million, the President shall appoint one class C director, who shall be identified with or representative of persons qualified to subscribe for class C stock.

(b) Those directors who are officers or employees of the United States shall serve at the pleasure of the President and until their successors have been appointed and have qualified. Each such director may designate an alternate who shall be an officer or employee of the United States, to serve as director in his absence. The remaining directors shall each be appointed or elected for a term ending on the date of the next annual meeting of the common stockholders of the Bank. Any appointive seat on the board which becomes vacant shall be filled by appointment of the President. Any elective seat on the board which becomes vacant after the annual election of the directors shall be filled by the board, but only for the unexpired portion of the term. Any director who is a full-time officer or employee of the United States shall not receive compensation for his services as director.