

1 divisions to provide the services and facilities essential to
2 the health and welfare of the people of the United States.
3 The Congress finds that among the most serious problems
4 confronting metropolitan areas are the lack of adequate and
5 coordinated mass-transportation facilities and services, and a
6 lack of comprehensive and interrelated transportation and
7 metropolitan area planning and development. The Congress
8 further finds that the economic welfare of our major metro-
9 politan centers is a matter of critical national concern and
10 that such welfare is threatened by inadequate mass trans-
11 portation services.

12 It is the purpose of this Act to assist and encourage the
13 States and local governments, and their public instrumen-
14 talities, to undertake the necessary studies and planning,
15 along with other urban planning activities presently assisted
16 by the Federal Government (1) to determine the total trans-
17 portation needs of metropolitan areas, (2) to formulate a
18 program for the most efficient and economical coordination,
19 integration, and joint use of existing mass-transportation
20 facilities, and (3) to study the interrelationship between
21 metropolitan area growth and the establishment of various
22 transportation systems for such areas in order to promote
23 the most comprehensive planning and development of both.
24 It is further the purpose of this Act to broaden the pub-
25 lic facility loan program to specifically authorize financial

1 assistance to the States and local governments, and their pub-
2 lic instrumentalities, to provide facilities and equipment for
3 use in mass-transit or commuter service in urban areas, and
4 to integrate and coordinate highway, bus, surface-rail, under-
5 ground, and other mass-transportation systems in such areas.

6 URBAN PLANNING GRANTS

7 SEC. 2. (a) Section 701 (a) of the Housing Act of
8 1954 is amended by striking out the matter preceding para-
9 graph (1) and inserting in lieu thereof the following:

10 "SEC. 701. (a) In order to assist State and local gov-
11 ernments in solving planning problems resulting from the
12 increasing concentration of population in metropolitan and
13 other urban areas, including smaller communities, to facilitate
14 comprehensive planning on a continuing basis by State and
15 local governments for urban development and the coordina-
16 tion of transportation systems in urban areas, and to encour-
17 age State and local governments to establish and develop
18 planning staffs, the Administrator is authorized to make
19 planning grants to—".

20 (b) Section 701 of the Housing Act of 1954 is further
21 amended by redesignating subsections (d) and (e) and (f),
22 respectively, and by inserting after subsection (c) a new
23 subsection as follows:

24 "(d) The Administrator shall encourage (1) planning
25 to determine transportation needs and to coordinate and inte-

1 grate the various elements of mass-transportation systems in
2 metropolitan areas, (2) the coordination of all planning ac-
3 tivities of the public bodies or agencies responsible for regu-
4 lating or providing mass-transportation services in such
5 areas, and (3) the carrying out of studies concerning the
6 interrelationship of transportation and urban development,
7 including the impact of land use and metropolitan growth on
8 the total transportation needs of such areas.”

9

PUBLIC FACILITY LOANS

10 SEC. 3. (a) Section 202 (a) of the Housing Amend-
11 ments of 1955 is amended to read as follows:

12 “SEC. 202. (a) The Housing and Home Finance Ad-
13 ministrator, acting through the Community Facilities Ad-
14 ministration, is authorized to purchase the securities and
15 obligations of, or make loans to, States, counties, municipali-
16 ties, and other political subdivisions of States, public agen-
17 cies, and instrumentalities of one or more States, municipali-
18 ties, and political subdivisions of States, and public corpora-
19 tions, boards, and commissions established under the laws of
20 any State—

21 “(1) to finance specific public projects under State
22 or municipal law: *Provided*, That no such purchase or
23 loan shall be made for payment of ordinary govern-
24 mental or nonproject operating expenses; and

25 “(2) to finance the acquisition, construction, re-

1 construction, maintenance, and improvement of facili-
2 ties and equipment for use, by operation or lease or
3 otherwise, in mass-transit or commuter service in urban
4 areas, and to integrate and coordinate highway, bus, sur-
5 face-rail, underground, and other mass-transportation
6 systems in such areas: *Provided*, That the total amount
7 of purchases and loans which are outstanding at any
8 one time under this clause (2) shall not exceed \$100,-
9 000,000. As used in this clause (2), facilities shall be
10 construed to include land, excluding public highways,
11 and any other real or personal property necessary for
12 use in mass transportation."

13 (b) Subsection (b) of section 202 of the Housing
14 Amendments of 1955 is amended (i) by striking out "rea-
15 sonable terms" in paragraph (1) and inserting in lieu thereof
16 "equally favorable", and (ii) by adding at the end of such
17 subsection a new paragraph as follows:

18 "(3) Interest shall be charged on loans made under this
19 section at a rate determined by the Administrator which shall
20 not be more than the total of one-quarter of 1 per centum
21 per annum added to the rate of interest paid by the Admin-
22 istrator on funds obtained from the Secretary of the Treas-
23 ury as provided in section 203 of this title."

24 (c) Section 202 (c) of the Housing Amendments of
25 1955 is amended (1) by striking out "this section" in the

1 first sentence and inserting in lieu thereof "subsection (a)
2 (1) of this section", and (2) by inserting immediately after
3 the first sentence a new sentence as follows: "In the process-
4 ing of applications for financial assistance under subsection
5 (a) (2) of this section the Administrator shall give priority
6 to the applications of those eligible applicants which he de-
7 termines (1) have the most workable plans for the develop-
8 ment of a coordinated mass transportation system and (2)
9 have the most pressing need for such assistance."

10 (d) Section 203 (a) of the Housing Amendments of
11 1955 is amended—

12 (1) by striking out the first sentence and inserting
13 in lieu thereof the following: "In order to finance ac-
14 tivities under this title, the Administrator is authorized
15 and empowered to issue to the Secretary of the Treas-
16 ury, from time to time and to have outstanding at any
17 one time, notes and other obligations in an amount not
18 exceeding \$: *Provided*, That of the funds ob-
19 tained through the issuance of such notes and other ob-
20 ligation not less than \$100,000,000 shall be available
21 for purchases and loans under section 202 (a) (2) of
22 this title."; and

23 (2) by striking out the third sentence and insert-
24 ing in lieu thereof the following: "Such notes or other
25 obligations shall bear interest at a rate determined by

1 the Secretary of the Treasury which shall not be more
2 than the average annual interest rate on all interest-
3 bearing obligations of the United States then forming
4 a part of the public debt as computed at the end of
5 the fiscal year next preceding the issuance by the Ad-
6 ministrator of such notes or other obligations, and ad-
7 justed to the nearest one-eighth of 1 per centum.”

80th CONGRESS
1st Session

S. 3278

A BILL

To amend section 701 of the Housing Act of 1954 (relating to urban planning grants), and title II of the Housing Amendments of 1955 (relating to public facility loans), to assist State and local governments and their public instrumentalities in improving mass transportation services in metropolitan areas.

By Mr. WILLIAMS of New Jersey, Mr. CLARK, Mr. ENGLE, Mr. HUMPHREY, Mr. SYKINGTON, Mr. HARTE, Mr. KEATING, Mr. JAVTS, Mr. MORSE, Mr. HENNING, Mr. YOUNG of Ohio, and Mr. BRIDGES

March 24 (legislative day, March 23), 1960
Read twice and referred to the Committee on
Banking and Currency