

103^D CONGRESS
2^D SESSION

H. R. 4888

To amend the District of Columbia Self-Government and Governmental Reorganization Act to clarify the authority of the Council of the District of Columbia to issue revenue bonds or other obligations to finance undertakings of certain District agencies or authorities and other qualified applicants; to authorize the Council of the District of Columbia to delegate its authority to issue taxable and tax-exempt revenue bonds or other obligations to any agency or instrumentality of the District government; to permit certain tax revenues of the District of Columbia to be pledged to pay debt service on revenue bonds or other obligations issued by such agency or instrumentality of the District government; to authorize such agency or instrumentality of the District government to expend such tax revenues without the requirement that such tax revenues be appropriated by the District of Columbia and the Congress; to provide that revenue bonds or other obligations issued by any such agency or instrumentality of the District government shall not be considered general obligations of the District of Columbia for purposes of calculating limitations on borrowing and spending by the District of Columbia; and to authorize that District of Columbia acts pertaining to general obligation bonds and revenue bonds become effective upon enactment by the Council.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 2, 1994

Ms. NORTON introduced the following bill; which was referred to the
Committee on the District of Columbia

A BILL

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of certain District agencies or authorities and other qualified applicants; to authorize the Council of the District of Columbia to delegate its authority to issue taxable and tax-exempt revenue bonds or other obligations to any agency or instrumentality of the District government; to permit certain tax revenues of the District of Columbia to be pledged to pay debt service on revenue bonds or other obligations issued by such agency or instrumentality of the District government; to authorize such agency or instrumentality of the District government to expend such tax revenues without the requirement that such tax revenues be appropriated by the District of Columbia and the Congress; to provide that revenue bonds or other obligations issued by any such agency or instrumentality of the District government shall not be considered general obligations of the District of Columbia for purposes of calculating limitations on borrowing and spending by the District of Columbia; and to authorize that District of Columbia acts pertaining to general obligation bonds and revenue bonds become effective upon enactment by the Council.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; REFERENCES IN ACT.**

4 (a) SHORT TITLE.—This Act may be cited as the
 5 “District of Columbia Government Revenue Bond Delega-
 6 tion Authority Act of 1994”.

7 (b) REFERENCES IN ACT.—Whenever in this Act an
 8 amendment is expressed in terms of an amendment to,
 9 or repeal of, a section or other provision, the reference

1 shall be considered to be made to that section or other
2 provision of the District of Columbia Self-Government and
3 Governmental Reorganization Act.

4 **SEC. 2. REVENUE BONDS AND OTHER OBLIGATIONS ON BE-**
5 **HALF OF DISTRICT ENTITIES AND OTHER**
6 **QUALIFIED APPLICANTS.**

7 (a) **AUTHORITY TO ISSUE BONDS.**—Section
8 490(a)(1) (D.C. Code, sec. 47-334(a)(1)) is amended by
9 striking the first sentence and inserting the following:

10 “(a)(1) The Council may by act authorize the issu-
11 ance of revenue bonds, notes, or other obligations (includ-
12 ing refunding bonds, notes, or other obligations) to borrow
13 money to finance, to refinance, or to assist in the financing
14 or refinancing of undertakings by District agencies or au-
15 thorities which operate pursuant to any enterprise fund
16 and other qualified applicants in the areas of housing,
17 health facilities, transit and utility facilities, sports and
18 entertainment complexes, recreational facilities, parking
19 facilities and convention facilities, elementary, secondary,
20 college and university facilities, college and university pro-
21 grams which provide loans for the payment of educational
22 expenses for or on behalf of students, pollution control fa-
23 cilities, and industrial and commercial development.”.

24 (b) **PAYMENTS ON BONDS.**—Section 490(a)(3) (D.C.
25 Code, sec. 47-334(a)(3)) is amended by striking the sec-

1 ond sentence and inserting the following: “Subject to sub-
2 section (c) of this section, any act of the Council authoriz-
3 ing the issuance of such bond, note, or other obligation
4 may provide for (A) the payments of such bond, note, or
5 other obligation from any available revenues, including en-
6 terprise fund revenues, assets, property, or designated
7 taxes and (B) the securing of such bond, note, or other
8 obligation by the mortgage of real property or the creation
9 of any security interest in available revenues, including en-
10 terprise fund revenues, assets, other property or des-
11 ignated taxes.”.

12 (c) AUTHORIZATION TO DELEGATE AUTHORITY.—
13 Section 490 (D.C. Code, sec. 47–334) is amended by add-
14 ing a new subsection (h) as follows:

15 “(h)(1) The Council may delegate to any agency or
16 instrumentality of the District government established by
17 it (whether established before or after the date of the en-
18 actment of this subsection) the authority of the Council
19 under subsection (a) of this section to issue taxable or tax-
20 exempt revenue bonds, notes, or other obligations to bor-
21 row money to finance or assist in the financing of under-
22 takings in the areas specified in subsection (a) of this sec-
23 tion. The Council shall define for the purposes of this sub-
24 section what undertakings constitute undertakings in the
25 areas specified in subsection (a) of this section. An agency

1 or instrumentality of the District government may exercise
2 authority delegated to it by the Council as described in
3 the first sentence of this paragraph (whether such delega-
4 tion is made before or after the date of the enactment
5 of this subsection) only in accordance with this subsection.

6 “(2) Revenue bonds, notes, or other obligations is-
7 sued by an agency or instrumentality of the District gov-
8 ernment under a delegation of authority described in para-
9 graph (1) of this subsection shall be issued by resolution
10 of that entity and any such resolution shall not be consid-
11 ered to be an act of the Council.

12 “(3) The fourth sentence of section 446 shall not
13 apply to—

14 “(A) any amount (including the amount of any
15 accrued interest or premium) obligated or expended
16 from the proceeds of the sale of any revenue bond,
17 note, or other obligation issued under paragraph (1)
18 of this subsection,

19 “(B) any amount obligated or expended for the
20 payment of the principal of, interest on, or any pre-
21 mium for any revenue bond, note, or other obligation
22 issued under paragraph (1) of this subsection, and

23 “(C) any amount obligated or expended to se-
24 cure any revenue bond, note, or other obligation is-
25 sued under paragraph (1) of this subsection.”.

1 **SEC. 3. SECURITY INTERESTS IN CERTAIN DISTRICT REVE-**
2 **NUES.**

3 (a) AUTHORIZATION TO CREATE SECURITY INTER-
4 EST.—Section 467 (D.C. Code, sec. 47–326.1) is amended
5 by adding a new subsection (a-1) thereto as follows:

6 “(a-1) Revenue bonds or other obligations issued by
7 an agency or instrumentality of the District government
8 pursuant to section 490(h) consistent with authority dele-
9 gated by the Council, may create a security interest in cer-
10 tain District revenues, including but not limited to des-
11 ignated taxes, as additional security for the payment of
12 bonds authorized by such act.”.

13 (b) OBLIGATION OF THE DISTRICT.—Section 490(c)
14 (D.C. Code, sec. 47–334(c)) is amended to read as follows:

15 “(c) Except to the extent permitted by section 467(a-
16 1), any and all such revenue bonds, notes, or other obliga-
17 tions shall not be general obligations of the District and
18 shall not be a pledge of or involve the faith and credit
19 or taxing power of the District, and shall not constitute
20 a debt of the District, and shall not constitute lending of
21 the public credit for private undertakings as contained in
22 section 602(a)(2).”.

23 **SEC. 4. NO APPROPRIATION NECESSARY.**

24 (a) Section 467(d) (D.C. Code, sec. 47–326.1(d)) is
25 amended to read as follows:

1 “(d) The fourth sentence of section 446 shall not
2 apply to any obligation or expenditure of any District reve-
3 nues to secure any general obligation bond under sub-
4 section (a) of this section or any revenue bond or other
5 obligation under subsection (a-1) of this section.”.

6 (b) The fourth sentence of section 446 (D.C. Code,
7 sec. 47-304) is amended as follows: “Except as provided
8 in section 467(d), section 471(c), section 472(d)(2), sec-
9 tion 483(d), and section 490(f), (g)(3), and (h)(3), no
10 amount may be obligated or expended by any officer or
11 employee of the District of Columbia government unless
12 such amount has been approved by Act of Congress, and
13 then only according to such Act.”.

14 **SEC. 5. EXCLUSION OF PLEDGED REVENUES.**

15 Section 603(b)(3)(A) (D.C. Code, sec. 47-
16 313(b)(3)(A)) is amended by inserting the phrase “or se-
17 curing” after the word “servicing”.

18 **SEC. 6. CONGRESSIONAL AUTHORITY AND REVIEW.**

19 (a)(1) Section 461 (D.C. Code, sec. 47-321) is
20 amended by adding a new subsection (c) as follows:

21 “(c) Notwithstanding section 602(c)(1) (D.C. Code,
22 sec. 1-233(c)(1)) any act of the Council authorizing the
23 issuance of general obligation bonds under subsection (a)
24 of this section may take effect on the date of enactment
25 of such act.”.

1 (2) Section 471 (D.C. Code, sec. 47–327) is amended
2 by adding a new subsection (b-1) as follows:

3 “(b-1) Notwithstanding section 602(c)(1) (D.C.
4 Code, sec. 1–233(c)(1)), any act of the Council authoriz-
5 ing the issuance of general obligation notes under sub-
6 section (a) of this section may take effect on the date of
7 the enactment of such act.”.

8 (3) Section 490 (D.C. Code, sec. 47–334) is amended
9 by adding a new subsection (i) as follows:

10 “(i) Notwithstanding section 602(c)(1) (D.C. Code,
11 sec. 1–233(c)(1)), any act of the Council authorizing the
12 issuance of revenue bonds, notes, or other obligations
13 under subsection (a) of this section may take effect on
14 the date of enactment of such act.”.

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