

Union Calendar No. 119

104TH CONGRESS
1ST SESSION

H. R. 2108

[Report No. 104-227]

To permit the Washington Convention Center Authority to expend revenues for the operation and maintenance of the existing Washington Convention Center and for preconstruction activities relating to a new convention center in the District of Columbia, to permit a designated authority of the District of Columbia to borrow funds for the preconstruction activities relating to a sports arena in the District of Columbia and to permit certain revenues to be pledged as security for the borrowing of such funds, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 25, 1995

Ms. NORTON (for herself, Mr. DAVIS, Mr. McHUGH, Mr. GUTKNECHT, Mr. LATOURETTE, Mr. FLANAGAN, Mr. WALSH, and Miss COLLINS of Michigan) introduced the following bill; which was referred to the Committee on Government Reform and Oversight

AUGUST 2, 1995

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

A BILL

To permit the Washington Convention Center Authority to expend revenues for the operation and maintenance of the existing Washington Convention Center and for preconstruction activities relating to a new convention center in the District of Columbia, to permit a des-

ignated authority of the District of Columbia to borrow funds for the preconstruction activities relating to a sports arena in the District of Columbia and to permit certain revenues to be pledged as security for the borrowing of such funds, and for other purposes.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
 5 “District of Columbia Convention Center and Sports
 6 Arena Authorization Act of 1995”.

7 (b) TABLE OF CONTENTS.—The table of contents of
 8 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—CONVENTION CENTER

Sec. 101. Permitting Washington Convention Center Authority to expend revenues for convention center activities.

TITLE II—SPORTS ARENA

Sec. 201. Permitting designated authority to borrow funds for preconstruction activities relating to Gallery Place sports arena.

Sec. 202. Permitting certain District revenues to be pledged as security for borrowing.

Sec. 203. No appropriation necessary for arena preconstruction activities.

Sec. 204. Arena preconstruction activities described.

TITLE III—WAIVER OF CONGRESSIONAL REVIEW

Sec. 301. Waiver of Congressional review of Arena Tax Payment and Use Amendment Act of 1995.

1 **TITLE I—CONVENTION CENTER**

2 **SEC. 101. PERMITTING WASHINGTON CONVENTION CENTER**

3 **AUTHORITY TO EXPEND REVENUES FOR CON-**
4 **VENTION CENTER ACTIVITIES.**

5 (a) PERMITTING EXPENDITURE WITHOUT APPRO-
6 PRIATION.—The fourth sentence of section 446 of the Dis-
7 trict of Columbia Self-Government and Governmental Re-
8 organization Act (sec. 47–304, D.C. Code) shall not apply
9 with respect to any revenues of the District of Columbia
10 which are attributable to the enactment of title III of the
11 Washington Convention Center Authority Act of 1994
12 (D.C. Law 10–188) and which are obligated or expended
13 for the activities described in subsection (b).

14 (b) ACTIVITIES DESCRIBED.—The activities de-
15 scribed in this paragraph are—

16 (1) the operation and maintenance of the exist-
17 ing Washington Convention Center; and

18 (2) preconstruction activities with respect to a
19 new convention center in the District of Columbia,
20 including land acquisition and the conducting of en-
21 vironmental impact studies, architecture and design
22 studies, surveys, and site acquisition.

TITLE II—SPORTS ARENA

SEC. 201. PERMITTING DESIGNATED AUTHORITY TO BORROW FUNDS FOR PRECONSTRUCTION ACTIVITIES RELATING TO GALLERY PLACE SPORTS ARENA.

(a) PERMITTING BORROWING.—

(1) IN GENERAL.—The designated authority may borrow funds through the issuance of revenue bonds, notes, or other obligations which are secured by revenues pledged in accordance with paragraph (2) to finance, refinance, or reimburse the costs of arena preconstruction activities described in section 204 if the designated authority is granted the authority to borrow funds for such purposes by the District of Columbia government.

(2) REVENUE REQUIRED TO SECURE BORROWING.—The designated authority may borrow funds under paragraph (1) to finance, refinance, or reimburse the costs of arena preconstruction activities described in section 204 only if such borrowing is secured (in whole or in part) by the pledge of revenues of the District of Columbia which are attributable to the sports arena tax imposed as a result of the enactment of D.C. Law 10–128 (as amended by the Arena Tax Amendment Act of 1994 (D.C. Act 10–

1 315)) and which are transferred by the Mayor of the
2 District of Columbia to the designated authority
3 pursuant to section 302(a-1)(3) of the Omnibus
4 Budget Support Act of 1994 (sec. 47-2752(a-1)(3),
5 D.C. Code) (as amended by section 2(b) of the
6 Arena Tax Payment and Use Amendment Act of
7 1995).

8 (b) TREATMENT OF DEBT CREATED.—Any debt cre-
9 ated pursuant to subsection (a) shall not—

10 (1) be considered general obligation debt of the
11 District of Columbia for any purpose, including the
12 limitation on the annual aggregate limit on debt of
13 the District of Columbia under section 603(b) of the
14 District of Columbia Self-Government and Govern-
15 mental Reorganization Act (sec. 47-313(b), D.C.
16 Code);

17 (2) constitute the lending of the public credit
18 for private undertakings for purposes of section
19 602(a)(2) of such Act (sec. 1-233(a)(2), D.C. Code);
20 or

21 (3) be a pledge of or involve the full faith and
22 credit of the District of Columbia.

23 (c) DESIGNATED AUTHORITY DEFINED.—The term
24 “designated authority” means the Redevelopment Land
25 Agency or such other District of Columbia government

1 agency or instrumentality designated by the Mayor of the
2 District of Columbia for purposes of carrying out any
3 arena preconstruction activities.

4 **SEC. 202. PERMITTING CERTAIN DISTRICT REVENUES TO**
5 **BE PLEDGED AS SECURITY FOR BORROWING.**

6 (a) IN GENERAL.—The District of Columbia (includ-
7 ing the designated authority described in section 201(c))
8 may pledge as security for any borrowing undertaken pur-
9 suant to section 201(a) any revenues of the District of
10 Columbia which are attributable to the sports arena tax
11 imposed as a result of the enactment of D.C. Act 10–128
12 (as amended by the Arena Tax Amendment Act of 1994
13 (D.C. Law 10–315)), upon the transfer of such revenues
14 by the Mayor of the District of Columbia to the designated
15 authority pursuant to section 302(a–1)(3) of the Omnibus
16 Budget Support Act of 1994 (sec. 47–2752(a–1)(3), D.C.
17 Code) (as amended by section 2(b) of the Arena Tax Pay-
18 ment and Use Amendment Act of 1995).

19 (b) EXCLUSION OF PLEDGED REVENUES FROM CAL-
20 CULATION OF ANNUAL AGGREGATE LIMIT ON DEBT.—
21 Any revenues pledged as security by the District of Colum-
22 bia pursuant to subsection (a) shall be excluded from the
23 determination of the dollar amount equivalent to 14 per-
24 cent of District revenues under section 603(b)(3)(A) of the

1 District of Columbia Self-Government and Governmental
2 Reorganization Act (sec. 47-313(b)(3)(A), D.C. Code).

3 **SEC. 203. NO APPROPRIATION NECESSARY FOR ARENA**
4 **PRECONSTRUCTION ACTIVITIES.**

5 The fourth sentence of section 446 of the District of
6 Columbia Self-Government and Governmental Reorganiza-
7 tion Act (sec. 47-304, D.C. Code) shall not apply with
8 respect to any of the following obligations or expenditures:

9 (1) Borrowing conducted pursuant to section
10 201(a).

11 (2) The pledging of revenues as security for
12 such borrowing pursuant to section 202(a).

13 (3) The payment of principal, interest, pre-
14 mium, debt servicing, contributions to reserves, or
15 other costs associated with such borrowing.

16 (4) Other obligations or expenditures made to
17 carry out any arena preconstruction activity de-
18 scribed in section 204.

19 **SEC. 204. ARENA PRECONSTRUCTION ACTIVITIES DE-**
20 **SCRIBED.**

21 The arena preconstruction activities described in this
22 section are as follows:

23 (1) The acquisition of real property (or rights
24 in real property) to serve as the site of the sports
25 arena and related facilities.

1 (2) The clearance, preparation, grading, and
2 development of the site of the sports arena and re-
3 lated facilities, including the demolition of existing
4 buildings.

5 (3) The provision of sewer, water, and other
6 utility facilities and infrastructure related to the
7 sports arena.

8 (4) The financing of a Metrorail connection to
9 the site and other Metrorail modifications related to
10 the sports arena.

11 (5) The relocation of employees and facilities of
12 the District of Columbia government displaced by
13 the construction of the sports arena and related fa-
14 cilities.

15 (6) The use of environmental, legal, and con-
16 sulting services (including services to obtain regu-
17 latory approvals) for the construction of the sports
18 arena.

19 (7) The financing of administrative and trans-
20 action costs incurred in borrowing funds pursuant to
21 section 201(a), including costs incurred in connec-
22 tion with the issuance, sale, and delivery of bonds,
23 notes, or other obligations.

24 (8) The financing of other activities of the Dis-
25 trict of Columbia government associated with the de-

1 velopment and construction of the sports arena, in-
2 cluding the reimbursement of the District of Colum-
3 bia government or others for costs incurred prior to
4 the date of the enactment of this Act which were re-
5 lated to the sports arena, so long as the designated
6 authority determines that such costs are adequately
7 documented and that the incurring of such costs was
8 reasonable.

9 **TITLE III—WAIVER OF**
10 **CONGRESSIONAL REVIEW**

11 **SEC. 301. WAIVER OF CONGRESSIONAL REVIEW OF ARENA**
12 **TAX PAYMENT AND USE AMENDMENT ACT OF**
13 **1995.**

14 Notwithstanding section 602(c)(1) of the District of
15 Columbia Self-Government and Governmental Reorganiza-
16 tion Act, the Arena Tax Payment and Use Amendment
17 Act of 1995 (D.C. Act 11-115) shall take effect on the
18 date of the enactment of this Act.

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