

Public Law 104-28
104th Congress

An Act

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.

Sept. 6, 1995
[H.R. 2108]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

District of
Columbia
Convention
Center and
Sports Arena
Authorization
Act of 1995.

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

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

(b) **TABLE OF CONTENTS.**—The table of contents of 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.

TITLE I—CONVENTION CENTER

SEC. 101. PERMITTING WASHINGTON CONVENTION CENTER AUTHORITY TO EXPEND REVENUES FOR CONVENTION CENTER ACTIVITIES.

(a) **PERMITTING EXPENDITURE WITHOUT APPROPRIATION.**—The fourth sentence of section 446 of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 47-304, D.C. Code) shall not apply with respect to any revenues of the District of Columbia which are attributable to the enactment of title III of the Washington Convention Center Authority Act of

1994 (D.C. Law 10-188) and which are obligated or expended for the activities described in subsection (b).

(b) **ACTIVITIES DESCRIBED.**—The activities described in this paragraph are—

(1) the operation and maintenance of the existing Washington Convention Center; and

(2) preconstruction activities with respect to a new convention center in the District of Columbia, including land acquisition and the conducting of environmental impact studies, architecture and design 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 10-315)) and which are transferred by the Mayor of the District of Columbia to the designated authority pursuant to section 302(a-1)(3) of the Omnibus Budget Support Act of 1994 (sec. 47-2752(a-1)(3), D.C. Code) (as amended by section 2(b) of the Arena Tax Payment and Use Amendment Act of 1995).

(b) **TREATMENT OF DEBT CREATED.**—Any debt created pursuant to subsection (a) shall not—

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

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

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

(c) **DESIGNATED AUTHORITY DEFINED.**—The term “designated authority” means the Redevelopment Land Agency or such other District of Columbia government agency or instrumentality des-

igned by the Mayor of the District of Columbia for purposes of carrying out any arena preconstruction activities.

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

(a) **IN GENERAL.**—The District of Columbia (including the designated authority described in section 201(c)) may pledge as security for any borrowing undertaken pursuant to section 201(a) any revenues of the District of Columbia which are attributable to the sports arena tax imposed as a result of the enactment of D.C. Act 10-128 (as amended by the Arena Tax Amendment Act of 1994 (D.C. Law 10-315)), upon the transfer of such revenues by the Mayor of the District of Columbia to the designated authority pursuant to section 302(a-1)(3) of the Omnibus Budget Support Act of 1994 (sec. 47-2752(a-1)(3), D.C. Code) (as amended by section 2(b) of the Arena Tax Payment and Use Amendment Act of 1995).

(b) **EXCLUSION OF PLEDGED REVENUES FROM CALCULATION OF ANNUAL AGGREGATE LIMIT ON DEBT.**—Any revenues pledged as security by the District of Columbia pursuant to subsection (a) shall be excluded from the determination of the dollar amount equivalent to 14 percent of District revenues under section 603(b)(3)(A) of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 47-313(b)(3)(A), D.C. Code).

SEC. 203. NO APPROPRIATION NECESSARY FOR ARENA PRECONSTRUCTION ACTIVITIES.

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

- (1) Borrowing conducted pursuant to section 201(a).
- (2) The pledging of revenues as security for such borrowing pursuant to section 202(a).
- (3) The payment of principal, interest, premium, debt servicing, contributions to reserves, or other costs associated with such borrowing.
- (4) Other obligations or expenditures made to carry out any arena preconstruction activity described in section 204.

SEC. 204. ARENA PRECONSTRUCTION ACTIVITIES DESCRIBED.

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

- (1) The acquisition of real property (or rights in real property) to serve as the site of the sports arena and related facilities.
- (2) The clearance, preparation, grading, and development of the site of the sports arena and related facilities, including the demolition of existing buildings.
- (3) The provision of sewer, water, and other utility facilities and infrastructure related to the sports arena.
- (4) The financing of a Metrorail connection to the site and other Metrorail modifications related to the sports arena.
- (5) The relocation of employees and facilities of the District of Columbia government displaced by the construction of the sports arena and related facilities.
- (6) The use of environmental, legal, and consulting services (including services to obtain regulatory approvals) for the construction of the sports arena.

(7) The financing of administrative and transaction costs incurred in borrowing funds pursuant to section 201(a), including costs incurred in connection with the issuance, sale, and delivery of bonds, notes, or other obligations.

(8) The financing of other activities of the District of Columbia government associated with the development and construction of the sports arena, including the reimbursement of the District of Columbia government or others for costs incurred prior to the date of the enactment of this Act which were related to the sports arena, so long as the designated authority determines that such costs are adequately documented and that the incurring of such costs was reasonable.

TITLE III—WAIVER OF CONGRESSIONAL REVIEW

SEC. 301. WAIVER OF CONGRESSIONAL REVIEW OF ARENA TAX PAY- MENT AND USE AMENDMENT ACT OF 1995.

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

Approved September 6, 1995.

LEGISLATIVE HISTORY—H.R. 2108:

HOUSE REPORTS: No. 104-227 (Comm. on Government Reform and Oversight).
CONGRESSIONAL RECORD, Vol. 141 (1995):

Aug. 4, considered and passed House.

Aug. 11, considered and passed Senate.