

105TH CONGRESS  
1ST SESSION

# H. R. 1963

To realign functional responsibilities between the Federal Government and the government of the District of Columbia, to address funding mechanisms and sources between the Federal Government and the government of the District of Columbia, to address the financial condition of the District of Columbia government in both the short and long-term, to provide mechanisms for improving the economy of the District of Columbia, to improve the ability of the District of Columbia government to match its resources with its responsibilities, to further improve the efficiency of the District of Columbia government, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 9, 1997

Mr. DAVIS of Virginia (for himself, Ms. NORTON, Mrs. MORELLA, Mr. HORN, Ms. ROS-LEHTINEN, Mr. ALLEN, Mr. WOLF, Mr. MORAN of Virginia, Mr. HOYER, and Mr. WYNN) introduced the following bill; which was referred to the Committee on Government Reform and Oversight, and in addition to the Committees on Ways and Means, Commerce, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To realign functional responsibilities between the Federal Government and the government of the District of Columbia, to address funding mechanisms and sources between the Federal Government and the government of the District of Columbia, to address the financial condition of the District of Columbia government in both the short and long-term, to provide mechanisms for im-

proving the economy of the District of Columbia, to improve the ability of the District of Columbia government to match its resources with its responsibilities, to further improve the efficiency of the District of Columbia government, 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       “National Capital Revitalization and Self-Government Im-  
 6       provement Act of 1997”.

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—DISTRICT OF COLUMBIA RETIREMENT FUNDS**

Sec. 101. Short title.

**Subtitle A—General Provisions**

Sec. 111. Obligation of Federal government to make payments for pension li-  
 abilities.

Sec. 112. Findings and declaration of policy.

Sec. 113. Definitions.

**Subtitle B—Freezing of Existing Program**

Sec. 121. Freeze of service under the retirement program.

Sec. 122. Disability benefits after the service freeze.

Sec. 123. Death benefits after the service freeze.

**Subtitle C—Retirement Trust**

Sec. 131. Creation of Retirement Trust.

Sec. 132. Transfer of assets and obligations.

Sec. 133. Allocation of assets.

Sec. 134. Treatment of Retirement Trust.

Sec. 135. Selection of Trustee.

Sec. 136. Powers and duties of the Secretary.

Sec. 137. Payments after depletion of Retirement Trust assets.

Sec. 138. Federal information sharing.

Sec. 139. Responsibilities and powers of the Trustee.

Subtitle D—District Government

- Sec. 141. Interim administration.
- Sec. 142. Records transfer.
- Sec. 143. Final reconciliation.
- Sec. 144. Replacement plan.

Subtitle E—The Actuarial Board

- Sec. 151. Establishment of the actuarial board.
- Sec. 152. General duties of the actuarial board.

Subtitle F—Federal Supplemental Fund

- Sec. 161. Establishment of the Federal Supplemental Fund.
- Sec. 162. Assets of the Federal Supplemental Fund.
- Sec. 163. Payments from the Federal Supplemental Fund.
- Sec. 164. Determination of costs under the Federal Supplemental Fund.
- Sec. 165. Payments into the Federal Supplemental Fund.
- Sec. 166. Investment of assets of Federal Supplemental Fund.

Subtitle G—Judges Retirement Program

- Sec. 171. Reference to new Federal program.

Subtitle H—Enforcement

- Sec. 181. Judicial review.
- Sec. 182. Jurisdiction and venue.
- Sec. 183. Limitations of actions.
- Sec. 184. Misappropriation.

Subtitle I—Miscellaneous

- Sec. 191. Severability of provisions.
- Sec. 192. Full faith and credit.
- Sec. 193. Other laws.
- Sec. 194. Comptroller general.

TITLE II—ASSISTANCE UNDER MEDICAID PROGRAM

- Sec. 201. Findings.
- Sec. 202. Increase in Federal Medical Assistance Percentage under medicaid.

TITLE III—CRIMINAL JUSTICE

Subtitle A—Corrections

- Sec. 301. Bureau of prisons.
- Sec. 302. Corrections trustee.
- Sec. 303. Authority of trustee and bureau of prisons.
- Sec. 304. Priority placement for employees of the District of Columbia.
- Sec. 305. Amendments related to persons with a mental disease or defect.
- Sec. 306. Litigation authority of corrections trustee.
- Sec. 307. Permitting expenditure of funds to carry out certain sewer agreement.

Subtitle B—Compliance With Truth-in-Sentencing

- Sec. 311. Requiring compliance with truth-in-sentencing guidelines.
- Sec. 312. Requiring enactment of legislation maximizing effectiveness of Drug Court.
- Sec. 313. Truth in Sentencing Compliance Commission.
- Sec. 314. Truth in Sentencing Monitoring Agency.
- Sec. 315. Certain claims not litigable.
- Sec. 316. Evaluation.
- Sec. 317. Continuing responsibility to ensure compliance with this act.

#### Subtitle C—Offender Supervision and Parole

- Sec. 331. Parole.
- Sec. 332. Pretrial Services, Defense Services, Parole, Adult Probation and Offender Supervision Trustee.
- Sec. 333. Offender Supervision, Defender and Courts Services Agency.
- Sec. 334. Authorization of appropriations.

#### Subtitle D—District of Columbia Courts

### PART 1—TRANSFER OF ADMINISTRATION AND FINANCING OF COURTS TO FEDERAL GOVERNMENT

- Sec. 341. Authorization of appropriations.
- Sec. 342. Administration of courts under District of Columbia Code.
- Sec. 343. Budgeting and financing requirements for courts under Home Rule Act.
- Sec. 344. Auditing of accounts of court system.
- Sec. 345. Miscellaneous budgeting and financing requirements for courts under District law.
- Sec. 346. Other provisions relating to administration of District of Columbia courts.

### PART 2—JUDICIAL RETIREMENT PROGRAM

- Sec. 351. Judicial Retirement and Survivors Annuity Fund.
- Sec. 352. Termination of current fund and program.
- Sec. 353. Conforming amendments.

### PART 3—MISCELLANEOUS CONFORMING AND ADMINISTRATIVE PROVISIONS

- Sec. 361. Treatment of courts under miscellaneous District laws.
- Sec. 362. Representation of indigents in criminal cases.

#### Subtitle E—Pretrial Services Agency and Public Defender Service

- Sec. 371. Amendments affecting Pretrial Services Agency.
- Sec. 372. Amendments affecting Public Defender Service.

#### Subtitle F—Miscellaneous Provisions

- Sec. 381. Technical assistance and research.
- Sec. 382. Exemption from personnel and budget ceilings for trustees and related agencies.

### TITLE IV—PRIVATIZATION OF TAX COLLECTION AND ADMINISTRATION

- Sec. 401. Findings.

Sec. 402. Authorizing Chief Financial Officer to privatize tax administration and collection.

#### TITLE V—FINANCING OF DISTRICT OF COLUMBIA DEBT

Sec. 501. Findings.

Sec. 502. Authorization for intermediate-term advances of funds by the Secretary of the Treasury to liquidate the accumulated general fund deficit of the District of Columbia.

Sec. 503. Conforming amendments.

Sec. 504. Technical corrections.

Sec. 505. Authorization for issuance of general obligation bonds by the District of Columbia to finance or refund its accumulated general fund deficit.

#### TITLE VI—REVENUE BONDS

Sec. 601. Short title; findings.

Sec. 602. Amendments to Home Rule Charter provision governing revenue bonds.

Sec. 603. Clarification of treatment of revenue bonds under Financial Responsibility and Management Assistance Act.

#### TITLE VII—DISTRICT OF COLUMBIA ECONOMIC DEVELOPMENT CORPORATION

##### Subtitle A—General Provisions

Sec. 701. Short title.

Sec. 702. Findings.

Sec. 703. Purposes.

Sec. 704. Definitions.

##### Subtitle B—District of Columbia Economic Development Corporation Charter

Sec. 711. Establishment.

Sec. 712. Status of Corporation.

Sec. 713. Board of directors.

Sec. 714. Officers and employees.

Sec. 715. Political activity.

Sec. 716. Reports, plans, and evaluations.

Sec. 717. Gifts; procurement of goods and services; and disposition of property.

##### Subtitle C—Operations of the Corporation

Sec. 721. General powers.

Sec. 722. Economic development plans.

Sec. 723. Financial assistance.

Sec. 724. Eminent domain.

Sec. 725. Regulatory relief powers.

##### Subtitle D—Capitalization and Finance

Sec. 731. Authorization of appropriations.

Sec. 732. Project revenue obligations issued by Corporation.

Sec. 733. Deposit and investment of funds.

Sec. 734. No taxing power.

Subtitle E—Miscellaneous Provisions

- Sec. 741. Legal actions involving Corporation.
- Sec. 742. Judicial review of financial assistance determinations and rules.
- Sec. 743. Relationship to other laws.
- Sec. 744. Relationship to rest of District government.

Subtitle F—Sunset Provisions

- Sec. 751. Suspension of new financial assistance.
- Sec. 752. Termination of affairs.
- Sec. 753. Dissolution of Corporation.

TITLE VIII—DISTRICT OF COLUMBIA GOVERNMENT BUDGET;  
EFFECTIVE DATE

- Sec. 801. Elimination of the annual Federal payment to the District of Columbia.
- Sec. 802. Requirement that the District of Columbia balance its budget in FY 1998.
- Sec. 803. Permitting expedited submission and approval of consensus budget and financial plan.
- Sec. 804. Increase in maximum amount of permitted District borrowing.

TITLE IX—MISCELLANEOUS PROVISIONS

Subtitle A—Regulatory Reform in the District of Columbia

- Sec. 901. Review and revision of regulations and permit and application processes.
- Sec. 902. Repeal of Clean Air Compliance Fee Act of 1994.
- Sec. 903. Repeal of Federal charter of Group Hospitalization and Medical Services, Inc.
- Sec. 904. Exemption of certain contracts from Council review.

Subtitle B—Other Miscellaneous Provisions

- Sec. 911. Revisions to Financial Responsibility and Management Assistance Act.
- Sec. 912. Cooperative agreements between Federal agencies and Metropolitan Police Department.
- Sec. 913. Permitting garnishment of wages of officers and employees of District of Columbia government.
- Sec. 914. Permitting excess appropriations by Water and Sewer Authority for capital projects.
- Sec. 915. Requiring certain Federal officials to provide notice before carrying out activities affecting real property located in District of Columbia.
- Sec. 916. Short title of Home Rule Act.

Subtitle C—Effective Date; General Provisions

- Sec. 921. Effective date.
- Sec. 922. Technical assistance.
- Sec. 923. Liability.

1                   **TITLE I—DISTRICT OF**  
2                   **COLUMBIA RETIREMENT FUNDS**

3   **SEC. 101. SHORT TITLE.**

4           This title may be cited as the “District of Columbia  
5 Retirement Protection Act of 1997”.

6                   **Subtitle A—General Provisions**

7   **SEC. 111. OBLIGATION OF FEDERAL GOVERNMENT TO**  
8                   **MAKE PAYMENTS FOR PENSION LIABILITIES.**

9           (a) IN GENERAL.—The Federal Government shall  
10 make payments in accordance with the provisions of this  
11 title to finance all liabilities associated with the pension  
12 plans for police officers, firefighters, and teachers of the  
13 District of Columbia, including the unfunded liability  
14 which was transferred by Congress to the District of Co-  
15 lumbia government under the District of Columbia Retire-  
16 ment Reform Act of 1979.

17           (b) NO REVERSION OF LIABILITY TO DISTRICT.—At  
18 no point after the effective date of this title may the re-  
19 sponsibility or any part thereof assigned to the Federal  
20 Government under subsection (a) revert to the District of  
21 Columbia.

22   **SEC. 112. FINDINGS AND DECLARATION OF POLICY.**

23           (a) The Congress finds that—

24                   (1) the retirement programs for the police offi-  
25           cers and firefighters, teachers and judges of the Dis-

1        trict of Columbia had significant unfunded liabilities  
2        totaling approximately \$1,900,000,000 when the  
3        Federal government transferred those programs to  
4        the District of Columbia, and those liabilities have  
5        since increased to nearly \$4,800,000,000, an in-  
6        crease which is almost entirely attributable to the  
7        accumulation of interest on the value which existed  
8        at the time of transfer;

9            (2) the District of Columbia has fully met its  
10       financial obligations under the District of Columbia  
11       Retirement Reform Act of 1979 (Public Law 96–  
12       122);

13           (3) the District of Columbia Retirement Board  
14       has fulfilled all of its obligations and fiduciary re-  
15       sponsibilities and its members and staff are thanked  
16       and congratulated for their service;

17           (4) the growth of the unfunded liabilities of the  
18       four pension funds listed above did not occur be-  
19       cause of any action taken or any failure to act that  
20       lay within the power of the District of Columbia gov-  
21       ernment or the Retirement Board;

22           (5) an unfunded pension liability of nearly  
23       \$5,000,000,000 would be beyond the resources of  
24       any municipal government to fully fund;



1           (6) the presence of the unfunded pension liabil-  
2           ity is having and will continue to have a negative im-  
3           pact on the District of Columbia's credit rating as  
4           it is a legal obligation and the total unfunded liabil-  
5           ity exceeds the total General Obligation debt of the  
6           District, and the costs associated with this liability  
7           are a contributing cause of the District's ongoing fi-  
8           nancial crisis;

9           (7) the obligations of the District associated  
10          with these pension programs in fiscal year 1997 rep-  
11          resents nearly 10 percent of the District's revenue;

12          (8) the annual Federal contribution toward  
13          these costs under the District of Columbia Retire-  
14          ment Reform Act has remained \$52,000,000;

15          (9) if the unfunded pension liability situation is  
16          not resolved, in 2004 the District of Columbia would  
17          be responsible for annual costs exceeding  
18          \$800,000,000, a figure which would be impossible to  
19          meet without catastrophic impact on the District  
20          government's resources and programs;

21          (10) the financial resources of the District of  
22          Columbia are not adequate to discharge the un-  
23          funded liabilities of the retirement programs; and

1           (11) the level of benefits and funding of the  
2           current retirement programs were authorized by var-  
3           ious Acts of Congress.

4           (b) It is the policy of this title—

5           (1) to relieve the District of Columbia govern-  
6           ment of the responsibility for the unfunded liabilities  
7           transferred to it by the Federal government;

8           (2) to assume the moral and legal responsibility  
9           for paying the benefits (including all unfunded liabil-  
10          ities which existed as of the day prior to introduc-  
11          tion of this legislation) for the retirement plans of  
12          teachers, police, and firefighters;

13          (3) to provide for a responsible Federal system  
14          for payment of benefits accrued prior to the date of  
15          introduction of this legislation; and

16          (4) to require the establishment of replacement  
17          plans by the District of Columbia government for  
18          the current retirement plans for teachers, and police  
19          and firefighters.

20   **SEC. 113. DEFINITIONS.**

21          For purposes of this title, the following definitions  
22          shall apply:

23          (1) The term “Actuarial Board” means the De-  
24          partment of the Treasury Retirement Board of Ac-  
25          tuaries established under subtitle E.

1           (2) The term “Code” means the Internal Reve-  
2 nue Code of 1986.

3           (3) The term “contract” means the contract  
4 under section 135 between the Secretary and the  
5 Trustee.

6           (4) The term “District Government” means, as  
7 appropriate, the District government as defined by  
8 section 305(5) of the District of Columbia Financial  
9 Responsibility and Management Assistance Act of  
10 1995 or the District of Columbia Retirement Board  
11 as defined in section 102(5) of the Reform Act.

12           (5) The term “employee” means a teacher, or  
13 a member of the Metropolitan Police Force or the  
14 Fire Department of the District of Columbia as de-  
15 fined in the retirement program.

16           (6) The term “employee contributions” means  
17 amounts deducted and withheld from the salaries of  
18 teachers and members of the Metropolitan Police  
19 Force and Fire Department of the District of Co-  
20 lumbia and paid to the Retirement Fund (and, in  
21 the case of teachers, amounts of additional deposits  
22 paid to the Retirement Fund), pursuant to the re-  
23 tirement program.

24           (7) The term “ERISA” means the Employee  
25 Retirement Income Security Act of 1974.

1           (8) The term “Federal Supplemental Fund”  
2       means the Federal Supplemental District of Colum-  
3       bia Pension Fund created under section 161.

4           (9) The term “freeze date” means the date on  
5       which legislation to enact this title is introduced in  
6       the House of Representatives.

7           (10) The term “person” means an individual,  
8       partnership, joint venture, corporation, mutual com-  
9       pany, joint-stock company, trust, estate, unincor-  
10      porated organization, association, or employee orga-  
11      nization.

12          (11) The term “Reform Act” means the Dis-  
13      trict of Columbia Retirement Reform Act (Public  
14      Law 96–122).

15          (12) The term “replacement plan” means the  
16      plan described in section 144.

17          (13) The term “replacement plan adoption  
18      date” means the date upon which upon which the  
19      legislation establishing the replacement plan becomes  
20      effective, or the first day after the expiration of the  
21      1-year period which begins on the date of the enact-  
22      ment of this Act, whichever occurs first.

23          (14) The term “Retirement Fund” means the  
24      District of Columbia Police Officers and Fire Fight-  
25      ers Retirement Fund and the District of Columbia

1 Teachers Retirement Fund, as defined in the Re-  
2 form Act.

3 (15) The term “Retirement Program” means  
4 any of the retirement programs for teachers and  
5 members of the Metropolitan Police Force and Fire  
6 Department, as described in section 102(7) of the  
7 Reform Act as in effect on the day before the freeze  
8 date.

9 (16) The term “Retirement Trust” means the  
10 District of Columbia Retirement Trust Fund created  
11 under section 131.

12 (17) The term “Secretary” means the Secretary  
13 of the Treasury or the Secretary’s designee.

14 (19) The term “Trustee” means the person or  
15 persons designated by the Secretary under section  
16 135.

## 17 **Subtitle B—Freezing of Existing** 18 **Program**

### 19 **SEC. 121. FREEZE OF SERVICE UNDER THE RETIREMENT** 20 **PROGRAM.**

21 Service after the freeze date shall not be credited  
22 under the retirement program for purposes of determining  
23 the amount of benefits an employee has accrued. Such  
24 service shall continue to be credited for all other purposes.

1 **SEC. 122. DISABILITY BENEFITS AFTER THE SERVICE**  
2 **FREEZE.**

3 In the case of a disability retirement in which disabil-  
4 ity retirement benefits commence after the freeze date, the  
5 only benefit payable from the Retirement Trust or the  
6 Federal Supplemental Fund with respect to disability is  
7 the deferred retirement benefit or normal retirement bene-  
8 fit the employee would receive if the employee left service  
9 on the day before disability retirement benefits commence.

10 **SEC. 123. DEATH BENEFITS AFTER THE SERVICE FREEZE.**

11 In the case of a benefit under the retirement program  
12 that is payable on the death of an employee or former em-  
13 ployee, and that is not determined by the length of service  
14 of the employee or former employee, the benefit payable  
15 from the Retirement Trust or the Federal Supplemental  
16 Fund shall be limited to the percentage of the entire bene-  
17 fit represented by a fraction, the numerator of which is  
18 the number of months of the employee's service prior to  
19 the freeze date, and the denominator of which is the total  
20 number of months of the employee's service.

21 **Subtitle C—Retirement Trust**

22 **SEC. 131. CREATION OF RETIREMENT TRUST.**

23 There is established on the books of the Treasury the  
24 District of Columbia Retirement Trust Fund, which shall  
25 be administered by the Trustee. The assets of the Retire-  
26 ment Trust shall be used for the purpose of paying bene-

1 fits under this title, the reasonable and necessary expenses  
2 of administering the Retirement Trust as determined pur-  
3 suant to the contract in section 135(b), and for such other  
4 purposes as are specified in this title.

5 **SEC. 132. TRANSFER OF ASSETS AND OBLIGATIONS.**

6 (a) Except as provided in subsection (b) and in sec-  
7 tion 133, all obligations of the retirement program as of  
8 the freeze date and all assets of the Retirement Fund as  
9 of the replacement plan adoption date shall be transferred  
10 to the Retirement Trust as of the replacement plan adop-  
11 tion date.

12 (b) Subsection (a) shall not apply to any employee  
13 contributions made after the freeze date, nor to any inter-  
14 est thereon (computed at a rate and in a manner deter-  
15 mined by the Secretary).

16 (c) The assets of the Retirement Trust are hereby  
17 made available for investment in private securities and all  
18 other investments deemed appropriate by the Secretary,  
19 and for the payments of benefits and necessary adminis-  
20 trative expenses.

21 **SEC. 133. ALLOCATION OF ASSETS.**

22 (a) Except for the assets designated under subsection  
23 (b) and the contributions under section 132(b), all assets  
24 of the Retirement Fund shall be transferred to the Retire-  
25 ment Trust in accordance with the direction of the Sec-

1 retary. The District Government shall promptly take all  
 2 steps, and execute all documents, that the Secretary  
 3 deems necessary to effect the transfer.

4 (b) The Secretary shall designate assets with a value  
 5 of \$1.275 billion that shall not be transferred under sub-  
 6 section (a). The Secretary's designation and valuation of  
 7 the assets shall be final and binding.

8 **SEC. 134. TREATMENT OF RETIREMENT TRUST.**

9 (a) For purposes of the Code and ERISA—

10 (1) the Retirement Trust shall be treated as a  
 11 trust described in section 401(a) of the Code which  
 12 is exempt from taxation under section 501(a) of the  
 13 Code;

14 (2) any transfer to, or distribution from, the  
 15 Retirement Trust shall be treated in the same man-  
 16 ner as a transfer to or distribution from a trust de-  
 17 scribed in section 401(a) of the Code; and

18 (3) the system of benefits under the Retirement  
 19 Trust shall be treated as a governmental plan under  
 20 section 414(d) of the Code and sections 3(32) and  
 21 4021(b)(2) of ERISA.

22 (b) The Code shall apply to the Retirement Trust  
 23 only to the extent the Secretary determines that applica-  
 24 tion of the Code is consistent with the administration of  
 25 this title.



1 **SEC. 135. SELECTION OF TRUSTEE.**

2 (a) As soon as practicable after enactment of this  
3 title, the Secretary shall select a Trustee to carry out the  
4 responsibilities and duties specified in this title and de-  
5 fined by the contract.

6 (b) The Secretary shall enter into a contract with the  
7 Trustee to carry out the purposes of this title. The con-  
8 tract shall provide for the management, investment, con-  
9 trol and auditing of Retirement Trust assets, the payment  
10 of benefits under this title from the Retirement Trust and  
11 such other matters as the Secretary deems appropriate.

12 **SEC. 136. POWERS AND DUTIES OF THE SECRETARY.**

13 (a) The Secretary is authorized to issue regulations  
14 to implement, interpret, administer and carry out the pur-  
15 poses of this title, and, in the Secretary's discretion, those  
16 regulations may have retroactive effect.

17 (b) The Secretary shall enforce the provisions of this  
18 title and the contract, and shall monitor the administra-  
19 tion of the Retirement Trust.

20 (c) The Secretary is authorized to requisition from  
21 the Retirement Fund such sums as are necessary to ad-  
22 minister the Retirement Trust and Actuarial Board until  
23 assets are transferred to the Retirement Trust. After as-  
24 sets are transferred to the Retirement Trust, such admin-  
25 istrative payments shall be made from the Retirement  
26 Trust pursuant to subsection (d).

1 (d) All payments for necessary administrative ex-  
2 penses of the Retirement Trust shall be set forth in an  
3 annual budget, which is subject to the certification and  
4 approval of the Secretary.

5 **SEC. 137. PAYMENTS AFTER DEPLETION OF RETIREMENT**  
6 **TRUST ASSETS.**

7 (a) Not later than 18 months before the time that  
8 assets remaining in the Retirement Trust are projected  
9 to be insufficient to pay benefits and necessary adminis-  
10 trative expenses when due, the Secretary shall so advise  
11 the President and the Congress.

12 (b) Before all available assets of the Retirement  
13 Trust have been depleted, the Secretary shall determine  
14 whether payment of benefits and necessary administrative  
15 expenses under this title shall be made by—

16 (1) continuation of the Retirement Trust using  
17 payments from the Federal Supplemental Fund; or

18 (2) discontinuance of the Retirement Trust,  
19 and

20 (A) direct payment by the Secretary from  
21 the Federal Supplemental Fund; or

22 (B) payment from the Federal Supple-  
23 mental Fund through another department or  
24 agency of the United States.

1       (c) If the Secretary determines that the Retirement  
2 Trust shall be discontinued after it has been depleted of  
3 assets, the Secretary shall appoint a successor to the  
4 Trustee to administer the payment of benefits under this  
5 title, and said appointee shall have the powers given to  
6 the Trustee in this subtitle and subtitle D.

7       (d) The Secretary shall make appropriate arrange-  
8 ments to implement the determinations made in this sub-  
9 section.

10       (e) The arrangements for payments of benefits after  
11 the Retirement Trust has been depleted of assets shall be  
12 subject to the same treatment as similar arrangements  
13 under section 134.

14 **SEC. 138. FEDERAL INFORMATION SHARING.**

15       (a) Except with respect to taxpayer returns and re-  
16 turn information subject to section 6103 of the Internal  
17 Revenue Code of 1986, the Secretary may—

18           (1) secure directly from any department or  
19 agency of the United States information necessary  
20 to enable the Secretary to verify or confirm benefit  
21 determinations under this title; and

22           (2) by regulation authorize the Trustee to re-  
23 view such information for purposes of administering  
24 this title and the contract.

1 (b) The Internal Revenue Code of 1986 is amended  
2 as follows:

3 (1) In section 6103(l), as amended by section  
4 1206(a) of the Taxpayer Bill of Rights 2, by adding  
5 at the end the following new paragraph:

6 “(16) DISCLOSURE OF RETURN INFORMATION  
7 FOR PURPOSES OF ADMINISTERING THE DISTRICT  
8 OF COLUMBIA RETIREMENT PROTECTION ACT OF  
9 1997.—

10 “(A) IN GENERAL.—Upon written request  
11 available return information (including such in-  
12 formation disclosed to the Social Security Ad-  
13 ministration under paragraph (1) or (5) of this  
14 subsection), relating to the amount of wage in-  
15 come (as defined in section 3121(a) or  
16 3401(a)), the name, address, and identifying  
17 number assigned under section 6109, of payors  
18 of wage income, taxpayer identity (as defined in  
19 subsection 6103(b)(6)), and the occupational  
20 status reflected on any return filed by, or with  
21 respect to, any individual with respect to whom  
22 eligibility for, or the correct amount of, benefits  
23 under the District of Columbia Retirement Pro-  
24 tection Act of 1997, is sought to be determined,  
25 shall be disclosed by the Commissioner of Social

1 Security, or to the extent not available from the  
2 Social Security Administration, by the Sec-  
3 retary, to any duly authorized officer or em-  
4 ployee of the Department of the Treasury, or a  
5 Trustee or any designated officer or employee  
6 of a Trustee (as defined in the District of Co-  
7 lumbia Retirement Protection Act of 1997), or  
8 any actuary engaged by a Trustee under the  
9 terms of the District of Columbia Retirement  
10 Protection Act of 1997, whose official duties re-  
11 quire such disclosure, solely for the purpose of,  
12 and to the extent necessary in, determining an  
13 individual s eligibility for, or the correct amount  
14 of, benefits under the District of Columbia Re-  
15 tirement Protection Act of 1997.

16 “(B) DISCLOSURE FOR USE IN JUDICIAL  
17 OR ADMINISTRATIVE PROCEEDINGS RETURN.—  
18 Information disclosed to any person under this  
19 paragraph may be disclosed in a judicial or ad-  
20 ministrative proceeding relating to the deter-  
21 mination of an individual s eligibility for, or the  
22 correct amount of, benefits under the District  
23 of Columbia Retirement Protection Act of  
24 1997.”.

1           (2) In section 6103(a)(3), by striking “(6) or  
2           (12)” and inserting “(6), (12), or (16)”;

3           (3) In section 6103(i)(7)(B)(i), by inserting  
4           after “(other than an agency referred to in subpara-  
5           graph (A))” and before the word “for” the words  
6           “or by a Trustee as defined in the District of Co-  
7           lumbia Retirement Protection Act of 1997,”.

8           (4) In section 6103(p)(3)(A), by striking “or  
9           (15)” and inserting “(15), or (16)”.

10          (5) In section 6103(p)(4) in the matter preced-  
11          ing subparagraph (A), by striking “or (12)” and in-  
12          serting “(12), or (16), or any other person described  
13          in subsection (l)(16)”.

14          (6) In section 6103(p)(4)(F)(i), by striking “or  
15          (9),” and inserting “(9), or (16), or any other per-  
16          son described in subsection (1)(16)”.

17          (7) In section 6103(p)(4)(F) in the matter fol-  
18          lowing clause (iii)—

19                (A) by inserting after “any such agency,  
20                body or commission” and before the words “for  
21                the General Accounting Office” the words “, in-  
22                cluding an agency or any other person described  
23                in subsection (l)(16),”;

24                (B) by striking “such agency, body, or  
25                commission” and inserting “such agency, body,

1 or commission, including an agency or any  
 2 other person described in subsection (l)(16),”;

3 (C) by striking “or (12)(B)” and inserting  
 4 “, (12)(B), or (16)”;

5 (D) by inserting after the words “any  
 6 agent,” and before the words “this paragraph  
 7 shall” the words “or any person including an  
 8 agent described in subsection (l)(16),”;

9 (E) by inserting after the words “such  
 10 agent” and before “(except that” the words “or  
 11 other person”; and

12 (F) by inserting after the words “an  
 13 agent,” and before the words “any report” the  
 14 words “or any person including an agent de-  
 15 scribed in subsection (l)(16),”.

16 (8) In section 7213(a)(2), by striking “or  
 17 (15),” and inserting “(15), or (16)”.

18 (c) The Secretary may issue regulations governing  
 19 the confidentiality of the information obtained pursuant  
 20 to subsections (a) and (b).

21 **SEC. 139. RESPONSIBILITIES AND POWERS OF THE TRUST-**

22 **EE.**

23 (a) The Trustee shall perform its obligations under  
 24 this title and the contract.

1       (b)(1) In accordance with procedures approved by the  
2 Secretary, the Trustee shall provide to any participant or  
3 beneficiary whose claim for benefits under this title has  
4 been denied in whole or in part—

5               (A) written notice of such denial, setting  
6 forth the specific reasons for the denial in a  
7 manner calculated to be understood by the av-  
8 erage plan participant; and

9               (B) reasonable opportunity for review of  
10 the benefit determination.

11       (2) Any factual determination made by the  
12 Trustee shall be presumed correct unless rebutted by  
13 clear and convincing evidence. The Trustee's inter-  
14 pretation and construction of the benefit provisions  
15 of the retirement program and this title shall be en-  
16 titled to great deference.

17       (c) The Trustee may monitor and review the benefit  
18 eligibility of persons receiving benefits under this title.  
19 Notwithstanding any other provision of law, the Trustee  
20 is authorized to correct any errors in benefit determina-  
21 tions, and is further authorized to recoup or recover any  
22 benefit overpayments.

23       (d) The Trustee shall engage an enrolled actuary (as  
24 defined in section 7701(a)(35) of the Code) who is a mem-  
25 ber of the American Academy of Actuaries who shall per-



1 form an annual actuarial valuation (in a manner and form  
 2 determined by the Secretary) of the Retirement Trust and  
 3 the Federal Supplemental Fund for obligations assumed  
 4 by the Federal Government under this title for benefits  
 5 and necessary administrative expenses under the retire-  
 6 ment program. The valuation shall use methods and as-  
 7 sumptions approved by the Actuarial Board under section  
 8 164. An annual report by the enrolled actuary shall be  
 9 provided to the Secretary, the Trustee and the Actuarial  
 10 Board. Each report shall project when assets in the Re-  
 11 tirement Trust will be insufficient to pay benefits and nec-  
 12 essary administrative expenses when due.

13 (e) The Trustee shall report to the Secretary, in a  
 14 form and manner and at such intervals as the Secretary  
 15 may prescribe, on any matters or transactions relating to  
 16 the Retirement Trust, including financial matters, as the  
 17 Secretary may require.

## 18 **Subtitle D—District Government**

### 19 **SEC. 141. INTERIM ADMINISTRATION.**

20 (a) After the enactment of this title the District Gov-  
 21 ernment shall continue to discharge its duties and respon-  
 22 sibilities under the retirement program and Retirement  
 23 Fund, as modified by subtitle B, until such time as the  
 24 District Government is notified by the Secretary that the

1 Secretary has directed the Trustee to commence such du-  
2 ties and responsibilities.

3 (b) The District Government's reasonable and nec-  
4 essary expenses incurred pursuant to its responsibilities  
5 under subsection (a) shall be reimbursed from the Retire-  
6 ment Trust.

7 (c) The District Government shall reimburse the Re-  
8 tirement Fund for any benefits paid inconsistent with sub-  
9 title B from the Retirement Fund between the freeze date  
10 and the replacement plan adoption date.

11 **SEC. 142. RECORDS TRANSFER.**

12 Within 30 days after the Secretary or the Trustee  
13 requests, the District Government shall furnish copies of  
14 all records, documents, information, or data the Secretary  
15 or the Trustee deems necessary to carry out their respon-  
16 sibilities under this title and the contract. Upon request,  
17 the Secretary or the Trustee shall be granted direct access  
18 to such information systems, records, documents, informa-  
19 tion or data as will enable them to carry out their respon-  
20 sibilities under this title or the contract. The District Gov-  
21 ernment shall reimburse the Retirement Trust for all  
22 costs, including benefit costs, that are attributable to er-  
23 rors or omissions in the transferred records that are iden-  
24 tified within 3 years after such records are transferred.

1 **SEC. 143. FINAL RECONCILIATION.**

2 As soon as practicable after the replacement plan  
3 adoption date, the District Government shall furnish the  
4 Trustee a final reconciliation of accounts in connection  
5 with the transfer of assets and obligations to the Retirement  
6 Trust. The allocation of assets under section 133  
7 shall be adjusted in accordance with this reconciliation.

8 **SEC. 144. REPLACEMENT PLAN.**

9 (a) No later than one year from the date of enactment  
10 of this title, or such later time as the Secretary may  
11 prescribe, the District Government shall adopt a replacement  
12 plan to be effective as of the freeze date.

13 (b) If the District Government fails to adopt a replacement  
14 plan within the period prescribed in subsection  
15 (a), the retirement program applicable to police, firefighters,  
16 and teachers hired on or after October 1, 1996  
17 (as provided under the laws of the District of Columbia  
18 in effect as of June 1, 1997), including all requirements  
19 of the program regarding benefits, contributions, and cost-of-living  
20 adjustments, shall apply with respect to all police,  
21 firefighters, and teachers employed by the District as of  
22 the expiration of the period prescribed in subsection (a).

23 **Subtitle E—The Actuarial Board**

24 **SEC. 151. ESTABLISHMENT OF THE ACTUARIAL BOARD.**

25 (a) There is established in the Department of the  
26 Treasury a Department of the Treasury Retirement Board

1 of Actuaries. The Actuarial Board shall consist of three  
2 members, who shall be appointed by the Secretary from  
3 among enrolled actuaries who are members of the Amer-  
4 ican Academy of Actuaries.

5 (b)(1) Except as provided in paragraph (2), the mem-  
6 bers of the Actuarial Board shall serve for a term of six  
7 (6) years, except that a member of the Actuarial Board  
8 appointed to fill a vacancy occurring before the end of the  
9 term for which a predecessor was appointed shall only  
10 serve until the end of such term. A member may serve  
11 after the end of the term until a successor has taken of-  
12 fice. A member of the Actuarial Board may be removed  
13 by the Secretary for misconduct or failure to perform the  
14 functions of the Actuarial Board, and for no other reason.

15 (2) Of the members of the Actuarial Board who are  
16 first appointed under this subsection, one each shall be  
17 appointed for terms ending 2, 4, and 6 years, respectively,  
18 after the date of appointment, as designated by the Sec-  
19 retary at the time of appointment.

20 (c) A member of the Actuarial Board who is not oth-  
21 erwise an employee of the United States is entitled to re-  
22 ceive pay at the daily equivalent of the annual rate of basic  
23 pay of the highest rate of basic pay then currently being  
24 paid under the General Schedule of subchapter III of  
25 chapter 53 of title 5, United States Code, for each day

1 the member is engaged in the performance of the duties  
2 of the Actuarial Board and is entitled to travel expenses,  
3 including a per diem allowance, in accordance with section  
4 5703 of title 5, United States Code.

5 **SEC. 152. GENERAL DUTIES OF THE ACTUARIAL BOARD.**

6 The Actuarial Board shall review the actuarial valu-  
7 ation reports produced by the enrolled actuary engaged  
8 by the Trustee, and report to the Secretary and Congress  
9 annually on the actuarial status of the Retirement Trust  
10 and the Federal Supplemental Fund and shall furnish its  
11 advice and opinion on matters referred to it by the Sec-  
12 retary.

13 **Subtitle F—Federal Supplemental**  
14 **Fund**

15 **SEC. 161. ESTABLISHMENT OF THE FEDERAL SUPPLE-**  
16 **MENTAL FUND.**

17 There is established on the books of the Treasury the  
18 Federal Supplemental District of Columbia Pension Fund,  
19 which shall be administered by the Secretary. The Federal  
20 Supplemental Fund shall be used for the accumulation of  
21 funds in order to finance obligations of the Federal Gov-  
22 ernment for benefits and necessary administrative ex-  
23 penses under the provisions of this title.

1 **SEC. 162. ASSETS OF THE FEDERAL SUPPLEMENTAL FUND.**

2       There shall be deposited into the Federal Supple-  
3 mental Fund the following, which shall constitute the as-  
4 sets of the Federal Supplemental Fund:

5           (1) Amounts paid into the Federal Supple-  
6 mental Fund under the provisions of this title.

7           (2) Any amount appropriated to the Federal  
8 Supplemental Fund.

9           (3) Any return on investment of the assets of  
10 the Federal Supplemental Fund.

11 **SEC. 163. PAYMENTS FROM THE FEDERAL SUPPLEMENTAL**  
12 **FUND.**

13       The assets of the Federal Supplemental Fund are  
14 hereby made available for the payments of benefits and,  
15 to the extent and in such amounts as are provided in ad-  
16 vance in appropriations acts, necessary administrative ex-  
17 penses upon the depletion of the assets of the Retirement  
18 Trust, except that in making payment for such benefits  
19 from the Fund, the Secretary may not provide for more  
20 than one cost-of-living adjustment during a year to any  
21 annuity paid from such Fund.

22 **SEC. 164. DETERMINATION OF COSTS UNDER THE FEDERAL**  
23 **SUPPLEMENTAL FUND.**

24       (a) Not later than six months after the Actuarial  
25 Board is first appointed, the Actuarial Board shall deter-  
26 mine the amount that is the present value as of the freeze

1 date of future benefits payable from the Federal Supple-  
2 mental Fund, which shall be the original unfunded liability  
3 of the Federal Supplemental Fund. The Actuarial Board  
4 shall determine an amortization schedule for the liquida-  
5 tion of the original unfunded liability over a 30-year pe-  
6 riod.

7 (b)(1) The Actuarial Board shall determine on an an-  
8 nual basis an amortization methodology and schedule for  
9 the amortization of the change in unfunded liability of the  
10 Federal Supplemental Fund due to the following:

11 (A) A change in benefits.

12 (B) A net experience gain or loss.

13 (C) A change in actuarial assumptions.

14 (D) A change in actuarial methods.

15 (2) The Actuarial Board shall determine on an an-  
16 nual basis the amount of the necessary administrative ex-  
17 penses of the Federal Supplemental Fund. This deter-  
18 mination is subject to the review and approval of the Sec-  
19 retary.

20 (c) All determinations under this section shall be  
21 made using methods and assumptions approved by the Ac-  
22 tuarial Board (including assumptions of interest rates and  
23 inflation) and in accordance with generally accepted actu-  
24 arial principles and practices.

1 (d) The Secretary shall provide for the keeping of  
2 such records as are necessary for determining the actuar-  
3 ial status of the Federal Supplemental Fund.

4 **SEC. 165. PAYMENTS INTO THE FEDERAL SUPPLEMENTAL**  
5 **FUND.**

6 (a) The Actuarial Board annually shall determine  
7 and certify to the Secretary the sum of the amount in sec-  
8 tion 164(a), the normal cost under section 164(b)(1), and  
9 the amount of amortization payments under section  
10 164(b)(2). The sum of such amounts may not be less than  
11 zero. To this sum shall be added the amount of necessary  
12 administrative expenses in section 164(b)(3).

13 (b) At the end of each applicable fiscal year the Sec-  
14 retary shall promptly pay into the Federal Supplemental  
15 Fund from the General Fund of the Treasury the amount  
16 certified under subsection (a).

17 (c) The first applicable fiscal year under subsection  
18 (b) is the first fiscal year that ends more than six months  
19 after the replacement plan adoption date.

20 **SEC. 166. INVESTMENT OF ASSETS OF FEDERAL SUPPLE-**  
21 **MENTAL FUND.**

22 The Secretary shall invest such portion of the Federal  
23 Supplemental Fund as is not in the judgment of the Sec-  
24 retary required to meet current withdrawals. Such invest-  
25 ments shall be in public debt securities with maturities



1 suitable to the needs of the Federal Supplemental Fund,  
 2 as determined by the Secretary, and bearing interest at  
 3 rates determined by the Secretary, taking into consider-  
 4 ation current market yields on outstanding marketable ob-  
 5 ligations of the United States of comparable maturities.  
 6 The income on such investments shall be credited to and  
 7 form a part of the Federal Supplemental Fund.

## 8       **Subtitle G—Judges Retirement** 9                               **Program**

### 10 **SEC. 171. REFERENCE TO NEW FEDERAL PROGRAM.**

11       For provisions describing the retirement program for  
 12 judges and judicial personnel of the District of Columbia,  
 13 see part 2 of subtitle D of title III.

## 14       **Subtitle H—Enforcement**

### 15 **SEC. 181. JUDICIAL REVIEW.**

16       (a) A civil action may be brought—

17               (1) by a participant or beneficiary to enforce or  
 18 clarify rights to benefits from the Retirement Trust  
 19 or Federal Supplemental Fund under this title;

20               (2) by the Trustee—

21                       (A) to enforce any claim arising (in whole  
 22 or in part) under this title or the contract; or

23                       (B) to recover benefits improperly paid  
 24 from the Retirement Trust or Federal Supple-  
 25 mental Fund or to clarify a participant's or

1 beneficiary's rights to benefits from the Retirement Trust or Federal Supplemental Fund; and  
2  
3 (3) by the Secretary to enforce any provision of  
4 this title or the contract.

5 (b) The Retirement Trust may sue and be sued as  
6 an entity.

7 (c) This subtitle shall be the exclusive means for  
8 bringing actions against the Retirement Trust, the Trust-  
9 ee or the Secretary under this title.

10 **SEC. 182. JURISDICTION AND VENUE.**

11 (a) The United States District Court for the District  
12 of Columbia shall have exclusive jurisdiction and venue,  
13 regardless of the amount in controversy, of—

14 (1) civil actions brought by participants or  
15 beneficiaries pursuant to this title, and

16 (2) any other action otherwise arising (in whole  
17 or part) under this title or the contract.

18 (b) Notwithstanding any other provision of law, any  
19 order of the United States District Court for the District  
20 of Columbia issued pursuant to an action described in sub-  
21 section (a) that concerns the validity or enforceability of  
22 any provision of this title or seeks injunctive relief against  
23 the Secretary or Trustee under this title shall be  
24 reviewable only pursuant to a notice of appeal to the Unit-

1 ed States Court of Appeals for the District of Columbia  
2 Circuit.

3 (c) Notwithstanding any other provision of law, re-  
4 view by the Supreme Court of the United States of a deci-  
5 sion of the Court of Appeals that is issued pursuant to  
6 subsection (b) may be had only if the petition for relief  
7 is filed within 20 calendar days after the entry of such  
8 decision.

9 (d) No order of any court granting declaratory or in-  
10 junctive relief against the Secretary or the Trustee shall  
11 take effect during the pendency of the action before such  
12 court, during the time an appeal may be taken, or (if an  
13 appeal is taken or petition for certiorari filed) during the  
14 period before the court has entered its final order dispos-  
15 ing of the action.

16 **SEC. 183. LIMITATIONS OF ACTIONS.**

17 (a) Any civil action by a participant or beneficiary  
18 for benefits under this title shall be commenced within 180  
19 days of a final benefit determination.

20 (b) Any civil action for breach of the contract or vio-  
21 lation of this title shall be commenced within the later of—

22 (1) six years after the last action that con-  
23 stituted a breach of the contract or violation of this  
24 title or, in the case of an omission, six years after

1 the last date on which the breach or violation could  
2 have been cured; or

3 (2) three years after the earliest date on which  
4 the plaintiff knew or could have reasonably been ex-  
5 pected to have known of the cause of action.

6 (c) Notwithstanding subsection (b), any action  
7 against the Secretary arising (in whole or part) under this  
8 title or the contract shall be commenced within one year  
9 of the events giving rise to the cause of action.

10 **SEC. 184. MISAPPROPRIATION.**

11 The provisions of section 664 of title 18, United  
12 States Code, shall apply to the Retirement Trust and the  
13 Federal Supplemental Fund.

14 **Subtitle I—Miscellaneous**

15 **SEC. 191. SEVERABILITY OF PROVISIONS.**

16 If any provision of this title, or the application of  
17 such provision to any person or circumstances, shall be  
18 held invalid, the remainder of this title, or the application  
19 of such provision to persons or circumstances other than  
20 those as to which it is held invalid, shall not be affected  
21 thereby.

22 **SEC. 192. FULL FAITH AND CREDIT.**

23 Federal obligations for benefits under this title are  
24 backed by the full faith and credit of the United States.

1 **SEC. 193. OTHER LAWS.**

2 (a) Nothing in this title shall be deemed to alter or  
3 amend in any way the provisions of existing law (including  
4 the Reform Act) relating to the program of annuities,  
5 other retirement benefits, or medical benefits for members  
6 and officers, retired members and officers, and survivors  
7 thereof, of the United States Park Police force, the United  
8 States Secret Service, or the United States Secret Service  
9 Uniformed Division.

10 (b) This title supersedes any provision of the Reform  
11 Act inconsistent with this title and the regulations there-  
12 under.

13 (c) Notwithstanding section 144 of the Reform Act,  
14 no Federal payment is authorized to be appropriated to  
15 the Retirement Fund after fiscal year 1997.

16 **SEC. 194. COMPTROLLER GENERAL.**

17 (a) The Comptroller General of the United States is  
18 authorized to conduct evaluations of the administration of  
19 this title to ensure that the Retirement Trust and Federal  
20 Supplemental Fund are being properly administered and  
21 shall report the findings of such evaluations to the Sec-  
22 retary and the Congress.

23 (b) For the purpose of evaluations and reviews under  
24 subsection (a) the Comptroller General, subject to section  
25 6103 of the Code, shall have access to and the right to  
26 copy any books, accounts, records, correspondence or

1 other pertinent documents that are in the possession of  
2 the Secretary or the Trustee, or any contractor or sub-  
3 contractor of the Secretary or the Trustee.

## 4 **TITLE II—ASSISTANCE UNDER** 5 **MEDICAID PROGRAM**

### 6 **SEC. 201. FINDINGS.**

7 Congress finds the following:

8 (1) The District of Columbia has a high Medic-  
9 aid eligibility rate.

10 (2) As an urban jurisdiction with a high pov-  
11 erty rate and a segment of very high income popu-  
12 lation, the District of Columbia per capita income  
13 provides a misleading basis on which to set medical  
14 assistance rates, as the District lacks the rural and  
15 suburban populations that all states have and which  
16 tend to offset high urban Medicaid eligible popu-  
17 lations.

18 (3) The current medical assistance rate of 50  
19 percent unfairly treats the District of Columbia as  
20 if it were a state when it does not possess the req-  
21 uisite attributes of the states under the formula used  
22 to determine assistance rates.

23 (4) The size and growth of the Medicaid pro-  
24 gram severely impacts the District government's fis-  
25 cal and financial situation, threatening both the fis-

1 cal stability of the District government and the wel-  
 2 fare of District residents.

3 (5) The District of Columbia has historically  
 4 underperformed its duties and responsibilities to ad-  
 5 minister its Medicaid program efficiently and effec-  
 6 tively.

7 (6) The District of Columbia must significantly  
 8 improve its management and administration of the  
 9 Medicaid program.

10 (7) If the District of Columbia government has  
 11 designed a management improvement program and  
 12 is successfully implementing it to the best of its abil-  
 13 ity as certified by the Secretary of Health and  
 14 Human Services, the District should be eligible for  
 15 an increased medical assistance rate.

16 **SEC. 202. INCREASE IN FEDERAL MEDICAL ASSISTANCE**  
 17 **PERCENTAGE UNDER MEDICAID.**

18 (a) IN GENERAL.—Section 1905 of the Social Secu-  
 19 rity Act (42 U.S.C. 1396d) is amended by adding at the  
 20 end the following new subsection:

21 “(t)(1) Notwithstanding subsection (b), the Federal  
 22 medical assistance percentage applied under this title for  
 23 medical assistance provided by the District of Columbia  
 24 shall be increased to 70 percent for calendar quarters in  
 25 any fiscal year for which there is in effect a certification

1 by the Secretary that the District of Columbia has devel-  
2 oped and is implementing satisfactorily a plan to accom-  
3 plish each of the following goals:

4           “(A) To have in effect an effective system for  
5 the identification and collection of amounts owed by  
6 third parties for medical care and services furnished  
7 under the State plan under this title (in this sub-  
8 section referred to as the ‘DC medicaid plan’).

9           “(B) To ensure the timely audit and settlement  
10 of cost reports of institutional providers (including  
11 hospitals, nursing facilities, and intermediate care  
12 facilities for the mentally retarded) under the DC  
13 medicaid plan, including prompt elimination of the  
14 backlog of such audits and settlements.

15           “(C) To develop and implement, directly or  
16 under contract, a comprehensive health care man-  
17 agement information system for the DC medicaid  
18 plan that—

19                   “(i) standardizes data base development  
20 and management,

21                   “(ii) integrates health care delivery with a  
22 public health data system,

23                   “(iii) has the capacity to do all of the fol-  
24 lowing:



1                   “(I) To assist with eligibility verifica-  
2                   tion.

3                   “(II) To create utilization and finan-  
4                   cial profiles of providers.

5                   “(III) To identify services (including  
6                   preventive services) received by bene-  
7                   ficiaries.

8                   “(IV) To monitor the claims process-  
9                   ing and other operations of fiscal agents.

10                  “(V) To monitor the quality of care  
11                  provided under managed care contracts.

12                  “(VI) To coordinate information man-  
13                  agement with other public health programs  
14                  and functions of the District of Columbia.

15                  “(D) To develop a comprehensive behavioral  
16                  managed health care system with respect to medical  
17                  assistance under the DC medicaid plan for mental  
18                  health services, substance abuse treatment services,  
19                  and other behavioral services which is integrated  
20                  with other substance abuse and mental health grant  
21                  programs of the District of Columbia, and which in-  
22                  cludes the development of a pilot project for better  
23                  evaluation of inpatient acute psychiatric patient ad-  
24                  missions and the use (through managed care con-  
25                  tracts or otherwise) of a comprehensive risk-based

1 system for managed care of behavioral health which  
2 covers all eligible populations and services.

3 “(2) Upon first issuing a certification under para-  
4 graph (1) that the District of Columbia has developed and  
5 is implementing satisfactorily a plan described in such  
6 paragraph, the Secretary shall submit a report to Con-  
7 gress describing the process by which the Secretary made  
8 the certification (including the specific assurances made  
9 by the District of Columbia), and shall thereafter submit  
10 a report to Congress on a semiannual basis describing the  
11 actions taken by the District of Columbia to comply with  
12 each of the requirements of the plan.”.

13 (b) EFFECTIVE DATE.—The amendments made by  
14 subsection (a) shall apply to medical assistance in calendar  
15 quarters beginning on or after the later of—

16 (1) October 1, 1997; or

17 (2) the first day of the first calendar quarter  
18 beginning after the date on which the Secretary of  
19 Health and Human Services first issues a certifi-  
20 cation under section 1905(t)(1) of the Social Secu-  
21 rity Act (as added by subsection (a)).

1     **TITLE III—CRIMINAL JUSTICE**

2             **Subtitle A—Corrections**

3     **SEC. 301. BUREAU OF PRISONS.**

4             (a) FELONS SENTENCED PURSUANT TO THE TRUTH-  
5     IN-SENTENCING REQUIREMENTS.—Not later than Octo-  
6     ber 1, 2001, any person who has been convicted of a felony  
7     offense pursuant to the District of Columbia Code or the  
8     truth-in-sentencing system as described in section 311  
9     shall be designated by the Bureau of Prisons to a penal  
10    or correctional facility operated or contracted for by the  
11    Bureau of Prisons, for such term of imprisonment as the  
12    court may direct. Such persons shall be subject to any law  
13    or regulation applicable to persons committed for viola-  
14    tions of laws of the United States consistent with the sen-  
15    tence imposed.

16            (b) FELONS SENTENCED PURSUANT TO THE D.C.  
17    CODE.—Notwithstanding any other provision of law, not  
18    later than December 31, 2003, the Lorton Correctional  
19    Complex shall be closed and the felony population sen-  
20    tenced pursuant to the District of Columbia Code residing  
21    at the Lorton Correctional Complex shall be transferred  
22    to a penal or correctional facility operated or contracted  
23    for by the Bureau of Prisons. The Bureau of Prisons shall  
24    be responsible for the custody, care, subsistence, edu-  
25    cation, treatment and training of such persons.

1       (c) FACILITIES.—To ensure that proper and ade-  
2 quate facilities and personnel are available, the Bureau of  
3 Prisons:

4           (1) Shall administer existing contracts with pri-  
5 vate or public entities to house the sentenced felony  
6 population.

7           (2) Shall privatize all minimum security facili-  
8 ties and not less than least 1 medium security facil-  
9 ity with a minimum of 1000 beds.

10          (3) May contract with private or public entities  
11 to design, build, or operate new facilities that meet  
12 standards set by the American Correctional Associa-  
13 tion, except that no facility may be built on the  
14 grounds of the Lorton Reservation.

15          (4) May build new facilities at a site selected by  
16 the Bureau of Prisons, except that no facility may  
17 be built on the grounds of the Lorton Reservation.

18       (d) NATIONAL CAPITAL PLANNING.—Notwithstand-  
19 ing any other provision of law, the requirements of sec-  
20 tions 71 through 74 of title 40, United States Code (relat-  
21 ing to national capital planning) shall not apply to any  
22 actions taken by the Bureau of Prisons or its agents or  
23 employees.

24       (e) DEPARTMENT OF CORRECTIONS AUTHORITY.—  
25 The District of Columbia Department of Corrections shall

1 remain responsible for the custody, care, subsistence, edu-  
 2 cation, treatment, and training of any person convicted of  
 3 a felony offense pursuant to the District of Columbia Code  
 4 and housed at the Lorton Correctional Complex until De-  
 5 cember 31, 2003, or the date on which the last inmate  
 6 housed at the Lorton Correctional Complex comes under  
 7 authority of the Bureau of Prisons, whichever is earlier.

8 (f) LORTON CORRECTIONAL COMPLEX.—Notwith-  
 9 standing any other provision of law, to the extent the Bu-  
 10 reau of Prisons assumes functions of the Department of  
 11 Corrections under this title, the Department is no longer  
 12 responsible for such functions and the provisions of “An  
 13 Act to create a Department of Corrections in the District  
 14 of Columbia”, approved June 27, 1946 (D.C. Code 24–  
 15 441,442) that apply with respect to such functions are no  
 16 longer applicable. Any property on which the Lorton Cor-  
 17 rectional Complex is located shall be transferred to the  
 18 Department of the Interior.

19 **SEC. 302. CORRECTIONS TRUSTEE.**

20 (a) APPOINTMENT AND REMOVAL OF TRUSTEE.—

21 (1) APPOINTMENT.—The Attorney General, in  
 22 consultation with the Chairman of the District of  
 23 Columbia Financial Responsibility and Management  
 24 Assistance Authority (hereafter in this title referred  
 25 to as the “D.C. Control Board”) and the Mayor of

1 the District of Columbia, shall appoint a Corrections  
2 Trustee, who shall be an independent officer of the  
3 government of the District of Columbia, to oversee  
4 operations of the District of Columbia Department  
5 of Corrections until the Bureau of Prisons has des-  
6 ignated all felony offenders sentenced under the Dis-  
7 trict of Columbia Code to a penal or correctional fa-  
8 cility operated or contracted for by the Bureau of  
9 Prisons under section 301.

10 (2) REMOVAL.—The Corrections Trustee may  
11 be removed by the Mayor with the concurrence of  
12 the Attorney General. The Attorney General shall  
13 have the authority to remove the Corrections Trust-  
14 ee for misfeasance or malfeasance in office. At the  
15 request of the Corrections Trustee, the District of  
16 Columbia Financial Responsibility and Management  
17 Assistance Authority may exercise any of its powers  
18 and authorities on behalf of the Corrections Trustee.

19 (b) DUTIES OF TRUSTEE.—Beginning on the date of  
20 appointment and continuing until the felony population  
21 sentenced pursuant to the District of Columbia Code re-  
22 siding at the Lorton Correctional Complex is transferred  
23 to a penal or correctional facility operated or contracted  
24 for by the Bureau of Prisons, the Corrections Trustee

1 shall carry out the following responsibilities (notwithstand-  
2 ing any law of the District of Columbia to the contrary):

3 (1) Exercise financial oversight over the Dis-  
4 trict of Columbia Department of Corrections and al-  
5 locate funds as enacted in law or as otherwise allo-  
6 cated, including funds for short term improvements  
7 which are necessary for the safety and security of  
8 staff, inmates and the community.

9 (2) Purchase any necessary goods or services on  
10 behalf of the District of Columbia Department of  
11 Corrections consistent with Federal procurement  
12 regulations as they apply to the Bureau of Prisons.

13 (3) In consultation with the Bureau of Prisons,  
14 implement a personnel system.

15 (c) FUNDING.—

16 (1) IN GENERAL.—Funds available for the Cor-  
17 rections Trustee, staff and all necessary and appro-  
18 priate operations shall be made available to the ex-  
19 tent provided in appropriations acts to the Correc-  
20 tions Trustee. Funding requests shall be proposed  
21 by the Corrections Trustee to the President and  
22 Congress for each Fiscal Year. To the extent author-  
23 ized by law, the Federal Government shall provide  
24 funds for the incarceration of the felony population  
25 sentenced pursuant to the District of Columbia Code

1 through the Corrections Trustee to the District of  
2 Columbia Department of Corrections.

3 (2) REIMBURSEMENT TO BUREAU OF PRIS-  
4 ONS.—Upon receipt of Federal funds, the Correc-  
5 tions Trustee shall immediately provide an advance  
6 reimbursement to the Bureau of Prisons of all funds  
7 identified by the Congress for construction of new  
8 prisons and major renovations, which shall remain  
9 available until expended. The Bureau of Prisons  
10 shall be responsible and accountable for determining  
11 how these funds shall be used for renovation and  
12 construction, including type, security level, and loca-  
13 tion of new facilities.

14 (3) ACCOUNTABILITY AND REPORTS.—The Dis-  
15 trict of Columbia Department of Corrections and the  
16 Bureau of Prisons shall maintain accountability for  
17 funds reimbursed from the Corrections Trustee, and  
18 shall provide expense reports by project at the re-  
19 quest of the Corrections Trustee.

20 (d) COMPENSATION AND DETAILEES.—The Correc-  
21 tions Trustee shall be compensated at a rate not to exceed  
22 the basic pay payable for Level IV of the Executive Sched-  
23 ule. The Corrections Trustee may appoint and fix the pay  
24 of additional staff without regard to the provisions of the  
25 District of Columbia Code governing appointments and



1 salaries, without regard to the provisions of title 5, United  
 2 States Code, governing appointments in the competitive  
 3 service, and without regard to the provisions of chapter  
 4 51 and subchapter III of chapter 53 of title 5, United  
 5 States Code, relating to classification and General Sched-  
 6 ule pay rates. Upon request of the Corrections Trustee,  
 7 the head of any Federal department or agency may, on  
 8 a reimbursable or nonreimbursable basis, provide services  
 9 and detail any personnel of that department or agency to  
 10 the Corrections Trustee to assist in carrying out his du-  
 11 ties.

12 (e) PROCUREMENT AND JUDICIAL REVIEW.—The  
 13 provisions of the District of Columbia Code governing pro-  
 14 curement shall not apply to the Corrections Trustee. The  
 15 Corrections Trustee may seek judicial enforcement of his  
 16 authority to carry out his duties.

17 (f) PRESERVATION OF RETIREMENT AND CERTAIN  
 18 OTHER RIGHTS OF FEDERAL EMPLOYEES WHO BECOME  
 19 EMPLOYED BY THE CORRECTIONS TRUSTEE.—

20 (1) IN GENERAL.—A Federal employee who,  
 21 within 3 days after separating from the Federal  
 22 Government, is appointed Corrections Trustee or be-  
 23 comes employed by the Corrections Trustee—

24 (A) may elect, for purposes of the retire-  
 25 ment system in which that individual last par-

1 anticipated before so separating, to have such in-  
2 dividual's period of service with the Corrections  
3 Trustee treated in the same way as if per-  
4 formed in the position within the Federal Gov-  
5 ernment from which separated, subject to the  
6 requisite employee deductions and agency con-  
7 tributions being currently deposited in the ap-  
8 propriate fund; and

9 (B) if, after serving with the Corrections  
10 Trustee, such employee becomes reemployed by  
11 the Federal Government, he shall be entitled to  
12 credit for the full period of such individual's  
13 service with the Corrections Trustee, for pur-  
14 poses of determining the applicable leave ac-  
15 crual rate.

16 (2) RETIREMENT.—

17 (A) CONTRIBUTIONS.—For purposes of  
18 subparagraph (A) of paragraph (1)—

19 (i) the employee deductions referred  
20 to in such paragraph shall be made from  
21 basic pay for service with the Corrections  
22 Trustee, and shall be computed using the  
23 same percentage as would then apply if the  
24 individual were instead serving in the posi-

1                   tion within the Federal Government from  
2                   which separated; and

3                   (ii) the agency contributions referred  
4                   to in such paragraph shall be made by the  
5                   Corrections Trustee.

6                   (B) DOUBLE COVERAGE NOT PER-  
7                   MITTED.—An individual who makes an election  
8                   under paragraph (1)(A) shall be ineligible, while  
9                   such election remains in effect, to participate in  
10                  any retirement system for employees of the gov-  
11                  ernment of the District of Columbia.

12                 (3) REGULATIONS.—The Office of Personnel  
13                 Management shall prescribe such regulations as may  
14                 be necessary to carry out this subsection. Regula-  
15                 tions to carry out paragraph (1)(A) shall be pre-  
16                 scribed in consultation with the office or agency of  
17                 the government of the District of Columbia having  
18                 jurisdiction over any retirement system referred to  
19                 in paragraph (2)(B).

20 **SEC. 303. AUTHORITY OF TRUSTEE AND BUREAU OF PRIS-**  
21 **ONS.**

22                 (a) MEMORANDUM OF UNDERSTANDING.—The Cor-  
23                 rections Trustee may enter into a Memorandum of Under-  
24                 standing with the Bureau of Prisons to allow the Correc-  
25                 tions Trustee to enter into contracts with public or private

1 entities to lease beds or facilities for a period of time that  
2 may extend longer than the trusteeship. To the extent that  
3 such contracts affect incarcerated felony offenders, the  
4 Bureau of Prisons shall assume administration of the con-  
5 tracts when the Bureau of Prisons gains authority over  
6 incarcerated felony offenders sentenced pursuant to the  
7 District of Columbia Code.

8 (b) SEPARATION OF PRISONERS.—The Corrections  
9 Trustee and the Bureau of Prisons may house the felony  
10 population sentenced pursuant to the District of Columbia  
11 Code in any facility that meets the requirements of the  
12 American Correctional Association. The Corrections  
13 Trustee and the Bureau of Prisons may construct or cause  
14 to be constructed any such facility at sites determined by  
15 the Bureau of Prisons or the Corrections Trustee, but in  
16 no case at the Lorton Reservation.

17 (c) REDUCTION AND ELIMINATION OF LORTON COR-  
18 RECTIONAL COMPLEX.—The Corrections Trustee and the  
19 Bureau of Prisons shall have a mission to reduce and  
20 empty the Lorton Correctional Complex through all means  
21 authorized, as soon as possible.

22 **SEC. 304. PRIORITY PLACEMENT FOR EMPLOYEES OF THE**  
23 **DISTRICT OF COLUMBIA.**

24 (a) ESTABLISHMENT.—As soon as practicable after  
25 appointment, the Corrections Trustee shall establish a pri-

1 ority placement program to facilitate employment place-  
 2 ment for employees of the District of Columbia who are  
 3 scheduled to be separated from service due to the assump-  
 4 tion of authority by the Corrections Trustee.

5 (b) PROVISIONS.—The priority placement program  
 6 shall include provisions under which a vacant position  
 7 shall not be filled by the appointment or transfer of any  
 8 individual from outside of the District of Columbia correc-  
 9 tions system if there is available any individual within the  
 10 system who meets all qualification and suitability require-  
 11 ments of the Bureau of Prisons.

12 **SEC. 305. AMENDMENTS RELATED TO PERSONS WITH A**  
 13 **MENTAL DISEASE OR DEFECT.**

14 Title 18, United States Code, is amended as follows:

15 (1) Section 4246 is amended—

16 (A) in subsection (a) by inserting “in the  
 17 custody of the Bureau of Prisons” after “cer-  
 18 tifies that a person”; and

19 (B) by adding at the end the following new  
 20 subsection:

21 “(h) DEFINITION.—As used in this chapter the term  
 22 “State” includes the District of Columbia.”.

23 (2) Section 4247(a) is amended—

24 (A) in paragraph (1)(D) by striking “and”  
 25 after the semi-colon;

1 (B) in paragraph (2) by striking the period  
 2 and inserting “; and”; and

3 (C) by adding at the end the following new  
 4 paragraph:

5 “(3) ‘State’ includes the District of Columbia.”.

6 (3) Section 4247(j) of title 18, United States  
 7 Code, is amended by striking “This chapter does”  
 8 and inserting “Sections 4241, 4242, 4243, and 4244  
 9 do’.

10 **SEC. 306. LITIGATION AUTHORITY OF CORRECTIONS**  
 11 **TRUSTEE.**

12 (a) CORPORATION COUNSEL.—Subject to subsection  
 13 (b), the Corporation Counsel of the District of Columbia  
 14 shall provide litigation services to the Corrections Trustee,  
 15 except that the Trustee may instead elect, either generally  
 16 or in relation to particular cases or classes of cases, to  
 17 hire necessary staff and personnel or enter into contracts  
 18 for the provision of litigation services at the Trustee’s ex-  
 19 pense.

20 (b) ATTORNEY GENERAL.—

21 (1) IN GENERAL.—Notwithstanding subsection  
 22 (a), with respect to any litigation involving the Cor-  
 23 rections Trustee, the Attorney General may—

24 (A) direct the litigation on behalf of the  
 25 Trustee; and

1 (B) provide on a reimbursable or non-reim-  
2 bursable basis litigation services for the Trustee  
3 at the Trustee's request or on the Attorney  
4 General's own initiative.

5 (2) APPROVAL OF SETTLEMENT.—With respect  
6 to any litigation involving the Corrections Trustee,  
7 the Trustee may not agree to any settlement involv-  
8 ing any form of equitable relief without the approval  
9 of the Attorney General. The Trustee shall provide  
10 to the Attorney General such notice and reports con-  
11 cerning litigation as the Attorney General may di-  
12 rect.

13 (3) DISCRETION.—Any decision to exercise any  
14 authority under this subsection shall be in the sole  
15 discretion of the Attorney General and shall not be  
16 reviewable in any court.

17 **SEC. 307. PERMITTING EXPENDITURE OF FUNDS TO CARRY**  
18 **OUT CERTAIN SEWER AGREEMENT.**

19 Notwithstanding the fourth sentence of section 446  
20 of the District of Columbia Self-Government and Govern-  
21 mental Reorganization Act, the District of Columbia is au-  
22 thorized to obligate or expend such funds as may be nec-  
23 essary during a fiscal year (beginning with fiscal year  
24 1997) to carry out the Sewage Delivery System and Ca-  
25 pacity Purchase Agreement between Fairfax County and

1 the District of Columbia with respect to Project Number  
 2 K00301, without regard to the amount appropriated for  
 3 such purpose in the budget of the District of Columbia  
 4 for the fiscal year.

## 5           **Subtitle B—Compliance With** 6                   **Truth-in-Sentencing**

### 7   **SEC. 311. REQUIRING COMPLIANCE WITH TRUTH-IN-SEN-** 8                   **TENCING GUIDELINES.**

9           (a) IN GENERAL.—In accordance with the procedures  
 10 described in subsection (b), any person convicted of a fel-  
 11 ony offense under a law applicable exclusively to the Dis-  
 12 trict of Columbia shall be sentenced in accordance with  
 13 a sentencing system which meets the truth-in-sentencing  
 14 requirements applicable to a State receiving a truth-in-  
 15 sentencing incentive grant under section 20104 of the Vio-  
 16 lent Crime Control and Law Enforcement Act of 1994.

17           (b) PROCEDURES FOR ADOPTION OF SYSTEM.—If  
 18 the District of Columbia does not enact the sentencing  
 19 system described in subsection (a) by October 1, 1997,  
 20 as determined by the head of the agency responsible for  
 21 administering the program of grants referred to in sub-  
 22 section (a)—

23                   (1) the District of Columbia Truth in Sentenc-  
 24           ing Compliance Commission (in accordance with sec-



1       tion 313) shall develop such a sentencing system;  
2       and

3               (2) the system developed shall apply with re-  
4       spect to persons convicted of a felony after the sys-  
5       tem is developed.

6   **SEC. 312. REQUIRING ENACTMENT OF LEGISLATION MAXI-**  
7                   **MIZING EFFECTIVENESS OF DRUG COURT.**

8       (a) IN GENERAL.—In accordance with the procedures  
9       described in subsection (b), there shall be enacted for the  
10      District of Columbia provisions designed to maximize the  
11      effectiveness of the drug court of the Superior Court of  
12      the District of Columbia.

13      (b) PROCEDURES FOR ADOPTION OF SYSTEM.—If  
14      the District of Columbia does not enact the provisions de-  
15      scribed in subsection (a) by October 1, 1997, as deter-  
16      mined by the Chief Judge of the Superior Court of the  
17      District of Columbia not later than October 31, 1997, the  
18      Chief Judge shall so notify the President, Congress, and  
19      the District government.

20      (c) REVIEW OF ENACTED PROVISIONS.—

21              (1) IN GENERAL.—If the District of Columbia  
22      enacts the provisions described in subsection (a) by  
23      October 1, 1997, the Chief Judge of the Superior  
24      Court of the District of Columbia shall review the ef-  
25      fectiveness of such provisions during the first 1-year

1 period for which such provisions are in effect. Not  
 2 later than 30 days after the expiration of such 1-  
 3 year period, the Chief Judge shall submit a report  
 4 to the President, Congress, and the District govern-  
 5 ment which includes the Chief Judge's assessment  
 6 of the effectiveness of the provisions.

7 (2) RECOMMENDATIONS BY CHIEF JUDGE.—If  
 8 the Chief Judge finds in the report submitted under  
 9 paragraph (1) that the provisions enacted by the  
 10 District of Columbia have not maximized the effec-  
 11 tiveness of the Drug Court of the Superior Court of  
 12 the District of Columbia, the Chief Judge shall sub-  
 13 mit a report to the President, Congress, and the  
 14 District government which includes such rec-  
 15 ommendations for revisions to such provisions as the  
 16 Chief Judge considers appropriate.

17 **SEC. 313. TRUTH IN SENTENCING COMPLIANCE COMMIS-**  
 18 **SION.**

19 (a) ESTABLISHMENT.—

20 (1) IN GENERAL.—There is established as an  
 21 independent agency of the government of the Dis-  
 22 trict of Columbia the District of Columbia Truth in  
 23 Sentencing Compliance Commission (hereafter in  
 24 this section referred to as the “Commission”) which

1 shall be composed of 7 voting members and 2 non-  
2 voting members.

3 (2) NO ESTABLISHMENT IF COUNCIL ADOPTS  
4 SYSTEM.—If the District of Columbia enacts a sen-  
5 tencing system which meets the requirements of sec-  
6 tion 311(a) by October 1, 1997, the Commission  
7 shall not be established and this section shall not  
8 take effect.

9 (b) MEMBERSHIP.—

10 (1) VOTING MEMBERS.—Not later than 30 days  
11 after the enactment of this title, the seven voting  
12 members of the Commission shall be appointed as  
13 follows:

14 (A) The Attorney General, or a designee of  
15 the Attorney General appointed by the Attorney  
16 General.

17 (B) Two judges of the District of Columbia  
18 Superior Court shall be appointed by the Chief  
19 Judge of the Court. In a case in which the  
20 Chief Judge does not appoint two judges within  
21 30 days, the Chief Judge and the second most  
22 senior judge shall serve on the Commission.

23 (C) One member of the District of Colum-  
24 bia Council shall be appointed by the chair-  
25 person of the Council. In a case in which the

1 chairperson of the Council does not appoint a  
2 representative within 30 days, the chairperson  
3 or chairperson pro tempore of the Council shall  
4 serve on the Commission.

5 (D) The director of the Department of  
6 Corrections of the District of Columbia, or  
7 other senior official of the District of Columbia  
8 government with official responsibilities for  
9 criminal justice matters shall be appointed by  
10 the Mayor of the District of Columbia.

11 (E) One representative of the District of  
12 Columbia Public Defender Service shall be ap-  
13 pointed by the Director of such Service. In a  
14 case in which the Director of the Public De-  
15 fender Service does not appoint a representative  
16 within 30 days, the Director shall serve on the  
17 Commission.

18 (F) One representative of the United  
19 States Attorney for the District of Columbia  
20 shall be appointed by the United States Attor-  
21 ney. In a case in which the United States At-  
22 torney for the District of Columbia does not ap-  
23 point a representative within 30 days, the Unit-  
24 ed States Attorney shall serve on the Commis-  
25 sion.

1           (2) NONVOTING MEMBERS.—Not later than 30  
2       days after the enactment of this title, the 2 nonvot-  
3       ing ex-officio members of the Commission shall be  
4       appointed as follows:

5           (A) One representative of the Federal Bu-  
6       reau of Prisons shall be appointed by the Direc-  
7       tor of the Federal Bureau of Prisons. In a case  
8       in which the Director of the Federal Bureau of  
9       Prisons does not appoint a representative with-  
10      in 30 days, the Director shall serve on the Com-  
11      mission.

12          (B) One representative of the Office of  
13      Corporation Counsel of the District of Columbia  
14      shall be appointed by the Corporation Counsel  
15      of the District of Columbia. In a case in which  
16      the Corporation Counsel of the District of Co-  
17      lumbia does not appoint a representative within  
18      30 days, the Corporation Counsel shall serve on  
19      the Commission.

20          (3) CHAIRPERSON.—. The Attorney General, or  
21      the Attorney General's designee, shall be the chair-  
22      person of the Commission and shall have the duty  
23      to convene meetings of the Commission to ensure  
24      that it fulfills its responsibilities.

25          (4) TERMS.—

1 (A) IN GENERAL.—Each member shall be  
2 appointed for the life of the Commission.

3 (B) REMOVAL.— A member shall be sub-  
4 ject to removal only for neglect of duty, malfea-  
5 sance in office, or other good cause shown.

6 (C) VACANCY.— Any vacancy in the Com-  
7 mission shall be filled in the same manner as  
8 the original appointment.

9 (5) COMPENSATION.—Members of the Commis-  
10 sion may not receive additional pay, allowances, or  
11 benefits by reason of their service on the Commis-  
12 sion. Each member of the Commission shall receive  
13 travel expenses, including per diem in lieu of subsist-  
14 ence, in accordance with sections 5702 and 5703 of  
15 title 5, United States Code.

16 (c) DUTIES.—

17 (1) ADOPTION OF SENTENCING SYSTEM.—

18 (A) IN GENERAL.—Not later than 18  
19 months after the date of enactment of this Act,  
20 the Commission shall develop and adopt a sen-  
21 tencing system which meets the requirements of  
22 section 311(a). In developing the sentencing  
23 system, the Commission is authorized to dis-  
24 regard any provisions in the District of Colum-  
25 bia Code relating to the maximum and mini-

1           mum prison terms applicable to offenses under  
2           the Code as are necessary to accomplish its du-  
3           ties, and shall not be reviewable in any court.  
4           An affirmative vote of at least six members of  
5           the Commission is necessary to adopt the sen-  
6           tencing system.

7           (B) REPORT UPON FAILURE TO ADOPT  
8           SYSTEM.—If, within 18 months after the date  
9           of enactment of this Act, the Commission fails  
10          to adopt a sentencing system which meets the  
11          requirements of section 311(a)—

12                 (i) the Commission shall submit a re-  
13                 port to the President, Congress, and the  
14                 District government describing its activi-  
15                 ties under this section and containing such  
16                 recommendations as the Commission con-  
17                 siders appropriate; and

18                 (ii) upon the submission of such re-  
19                 port, the Commission shall immediately  
20                 terminate.

21          (2) TRANSMISSION TO COUNCIL AND CON-  
22          GRESS.—The Commission shall transmit to Congress  
23          and the District government the system adopted  
24          under this subsection, including a listing of rec-

ommended amendments or repeals to the District of Columbia Code.

(d) EXECUTIVE DIRECTOR.—

(1) APPOINTMENT.—The Commission may appoint an Executive Director who shall conduct or supervise the general affairs of the Commission. Such person shall report to the chairperson.

(2) SALARY.—

(A) FULL-TIME FEDERAL EMPLOYEE.—If the Executive Director is a full-time Federal employee, he or she shall receive no additional compensation. The Executive Director and any additional personnel shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(B) NON FULL-TIME FEDERAL EMPLOYEE.—If the Executive Director is not a full-time Federal employee, he or she shall receive compensation at a rate determined by the Commission not exceeding Level VI of the Senior Executive Service Schedule (5 U.S.C. 5382).

(e) STAFF.—

(1) APPOINTMENT.—With the approval of the chairperson, the Executive Director may appoint ad-



ditional personnel, without regard to the provisions of title 5 of the United States Code, governing appointments in the competitive service, or of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(2) SALARY OF OTHER PERSONNEL.—

(A) FULL-TIME FEDERAL EMPLOYEE.—If a person appointed by the Executive Director is a full-time Federal employee, he or she shall receive no additional compensation. The Executive Director and any additional personnel shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(B) NON FULL-TIME FEDERAL EMPLOYEE.—If a person appointed by the Executive Director is a not a full-time Federal employee, the Executive Director, with the approval of the Commission, shall fix the compensation of such additional personnel. Such compensation shall not exceed the annual maximum rate of pay for a position above GS-15 of the General Schedule (5 U.S.C. 5108).

1       (f) USE OF FEDERAL OR DISTRICT EMPLOYEES.—

2   Upon request of the Chairperson, the head of any Federal  
3   or District of Columbia department or agency may detail,  
4   on a reimbursable or non reimbursable basis, any of the  
5   personnel of that department or agency to the Commission  
6   to assist it in carrying out its duties. Such personnel shall  
7   be considered Federal employees for pay and retirement  
8   purposes.

9       (g) POWERS.—

10           (1) HEARINGS.—The Commission shall hold  
11   public hearings, review appropriate sentencing guide-  
12   line models, consult with sentencing reform experts,  
13   and solicit written comments from interested mem-  
14   bers of the public, at such times as the Commission  
15   deems necessary or appropriate.

16           (2) DATA COLLECTION.—The Superior Court of  
17   the District of Columbia, the District of Columbia  
18   Department of Corrections, and any other Federal  
19   agency or District of Columbia agency shall provide  
20   to the Commission any data necessary to enable it  
21   to carry out this Act.

22           (3) OTHER ANCILLARY POWERS.—The Commis-  
23   sion is authorized—

24                   (A) to conduct periodic training programs  
25                   of instruction in sentencing techniques for judi-

1 cial and other personnel, and other persons con-  
2 nected with the sentencing process;

3 (B) to hold hearings and call witnesses  
4 that might assist the Commission in the exer-  
5 cise of its powers;

6 (C) to perform such other functions as  
7 may be necessary to carry out the purposes of  
8 this section; and

9 (D) except as otherwise provided, to con-  
10 duct business, exercise powers, and fulfill duties  
11 by the vote of a majority of the members  
12 present at any meeting.

13 (4) PROHIBITION OF CAPITAL PUNISHMENT AU-  
14 THORITY.—The Commission shall not have authority  
15 to provide for capital punishment under any law ap-  
16 plicable exclusively to the District of Columbia.

17 (h) REPORTS TO CONGRESS.—The Commission shall  
18 transmit to Congress a copy of the sentencing system it  
19 adopts.

20 (i) LITIGATION AUTHORITY.—

21 (1) CORPORATION COUNSEL.—Subject to para-  
22 graph (2), the Corporation Counsel of the District of  
23 Columbia shall provide litigation services to the  
24 Commission, except that the Commission may in-  
25 stead elect, either generally or in relation to particu-

1       lar cases or classes of cases, to hire necessary staff  
2       and personnel or enter into contracts for the provi-  
3       sion of litigation services at the Commission's ex-  
4       pense.

5               (2) ATTORNEY GENERAL.—

6               (A) IN GENERAL.—Notwithstanding para-  
7       graph (1), with respect to any litigation involv-  
8       ing the Commission, the Attorney General  
9       may—

10              (i) direct the litigation on behalf of  
11       the Commission; and

12              (ii) provide on a reimbursable or non-  
13       reimbursable basis litigation services for  
14       the Commission at the Commission's re-  
15       quest or on the Attorney General's own  
16       initiative.

17              (B) APPROVAL OF SETTLEMENT.—With  
18       respect to any litigation involving the Commis-  
19       sion, the Commission may not agree to any set-  
20       tlement involving any form of equitable relief  
21       without the approval of the Attorney General.  
22       The Commission shall provide to the Attorney  
23       General such notice and reports concerning liti-  
24       gation as the Attorney General may direct.

1 (C) DISCRETION.—Any decision to exercise  
2 any authority under this paragraph shall be in  
3 the sole discretion of the Attorney General and  
4 shall not be reviewable in any court.

5 (j) TERMINATION.—

6 (1) SENTENCING SYSTEM ADOPTED.—If, within  
7 18 months after the date of enactment of this Act,  
8 the Commission adopts a sentencing system that  
9 meets the requirements of section 311(a), the Com-  
10 mission shall terminate 90 days after such adoption.

11 (2) SENTENCING SYSTEM NOT ADOPTED.—If,  
12 within 18 months after the date of enactment of this  
13 Act, the Commission fails to adopt a sentencing sys-  
14 tem that meets the requirements of section 311(a),  
15 the Commission shall immediately terminate.

16 (k) AUTHORIZATION OF APPROPRIATIONS.—There  
17 are authorized to be appropriated to the Commission  
18 through the State Justice Institute such sums as may be  
19 necessary to carry out its purposes. Such sums as are ap-  
20 propriated shall remain available until expended.

21 **SEC. 314. TRUTH IN SENTENCING MONITORING AGENCY.**

22 (a) ESTABLISHMENT.—Upon the establishment of a  
23 sentencing system for the District of Columbia which  
24 meets the requirements of section 311(a), there is estab-  
25 lished in the Department of Justice the District of Colum-

1   bia Truth in Sentencing Monitoring Agency (hereafter in  
2   this section referred to as the “Agency”) which shall be  
3   composed of 3 voting members and 2 nonvoting members.

4       (b) MEMBERSHIP.—

5           (1) VOTING MEMBERS.—The Agency shall con-  
6       sist of three voting members, including a chair-  
7       person, appointed by the President by and with the  
8       consent of the Senate, who have knowledge with re-  
9       spect to criminal justice matters, including the  
10      truth-in-sentencing requirements applicable to a  
11      State receiving a truth-in-sentencing incentive grant  
12      under section 20104 of the Violent Crime Control  
13      and Law Enforcement Act of 1994.

14          (2) NONVOTING MEMBERS.—The Agency shall  
15      be composed of 2 nonvoting ex-officio members as  
16      follows:

17           (A) The United States Attorney for the  
18           District of Columbia, or a designee of the Unit-  
19           ed States Attorney.

20           (B) The Director of the District of Colum-  
21           bia Public Defender Service, or a designee of  
22           the Director.

23          (3) TERMS.—

1 (A) IN GENERAL.—Except as provided in  
2 subparagraph (B), each member of the Agency  
3 shall be appointed for a term of 6 years.

4 (B) APPOINTMENT FOR INITIAL TERM.—  
5 As designated by the President at the time of  
6 appointment for the initial term—

7 (i) 1 member shall be appointed for a  
8 term of 2 years;

9 (ii) 1 members shall be appointed for  
10 a term of 4 years; and

11 (iii) 1 members shall be appointed for  
12 a term of 6 years.

13 (4) COMPENSATION.—Members of the Agency  
14 may not receive additional pay, allowances, or bene-  
15 fits by reason of their service to the Agency. Each  
16 member of the Agency shall receive travel expenses,  
17 including per diem in lieu of subsistence, in accord-  
18 ance with sections 5702 and 5703 of title 5, United  
19 States Code.

20 (c) MONITORING OF SENTENCING PRACTICES.—

21 (1) IN GENERAL.—The Agency shall monitor  
22 sentencing practices of the District of Columbia.

23 (2) TRANSMISSION OF CERTAIN COUNCIL ACTS  
24 TO AGENCY.—Any Act of the Council transmitted to  
25 Congress pursuant to section 602(c)(2) of the Dis-

1        trict of Columbia Self-Government and Govern-  
2        mental Reorganization Act shall be transmitted si-  
3        multaneously to the Agency for review.

4            (3) REVIEW TO DETERMINE CONTINUED COM-  
5        PLIANCE.—If the Agency finds that an Act of the  
6        Council transmitted under paragraph (2) or a  
7        change in the truth-in-sentencing requirements ap-  
8        plicable to a State receiving a truth-in-sentencing in-  
9        centive grant under section 20104 of the Violent  
10      Crime Control and Law Enforcement Act of 1994  
11      would cause the sentencing system of the District of  
12      Columbia to fail to meet the requirements described  
13      in section 311(a), the Agency shall submit such find-  
14      ing to the President, Congress, and the District gov-  
15      ernment.

16      (d) POWERS.—

17            (1) HEARINGS.—The Agency shall hold public  
18      hearings, review appropriate sentencing guideline  
19      models, consult with sentencing reform experts, and  
20      solicit written comments from interested members of  
21      the public, at such times as the Agency deems nec-  
22      essary or appropriate.

23            (2) DATA COLLECTION.—

24            (A) IN GENERAL.—The Superior Court of  
25      the District of Columbia, the District of Colum-



1           bia Department of Corrections, and any other  
2           Federal agency or District of Columbia agency  
3           shall provide to the Agency any data necessary  
4           to enable it to carry out this Act.

5           (B) OFFENDERS SENTENCED IN SUPERIOR  
6           COURT.—The Superior Court shall submit to  
7           the Agency, in connection with offenders sen-  
8           tenced in the Superior Court, such information  
9           as is determined to be relevant to the sentenc-  
10          ing system. The Agency shall provide to the At-  
11          torney General such data as are requested for  
12          planning, statistical analysis or projecting fu-  
13          ture prison population levels.

14          (3) OTHER ANCILLARY POWERS.—The Agency  
15          is authorized—

16                (A) to conduct periodic training programs  
17                of instruction in sentencing techniques for judi-  
18                cial and other personnel, and other persons con-  
19                nected with the sentencing process;

20                (B) to hold hearings and call witnesses  
21                that might assist the Agency in the exercise of  
22                its powers;

23                (C) to perform such other functions as  
24                may be necessary to carry out the purposes of  
25                this section; and

1                   (D) except as otherwise provided, to con-  
2                   duct business, exercise powers, and fulfill duties  
3                   by the vote of a majority of the members  
4                   present at any meeting.

5           (e) REPORTS TO CONGRESS.—Beginning one year  
6 after its initial establishment, the Agency shall transmit  
7 an annual report of its activities to Congress. The Agency  
8 shall also provide Congress with a copy of any additions  
9 to or amendments of the guidelines adopted by the Agen-  
10 cy.

11          (f) AUTHORIZATION OF APPROPRIATIONS.—There  
12 are authorized to be appropriated to the Agency through  
13 the State Justice Institute such sums as may be necessary  
14 to carry out its purposes. Such sums as are appropriated  
15 shall remain available until expended.

16 **SEC. 315. CERTAIN CLAIMS NOT LITIGABLE.**

17          Nothing in this Act shall be construed to create a  
18 right of any person to challenge in any court a sentence  
19 imposed in a criminal case prosecuted under a law applica-  
20 ble exclusively to the District of Columbia on the grounds  
21 that such sentence is or is not similar to that of com-  
22 parable offenders convicted of comparable offenses under  
23 the United States Code or that in any other respect the  
24 sentencing system adopted under this title does not meet  
25 the requirements of section 311(a).

1 **SEC. 316. EVALUATION.**

2 Four years after any sentencing system enacted  
3 under this title takes effect, the National Institute of Jus-  
4 tice shall evaluate the sentencing system to determine the  
5 success of the sentencing system in accomplishing its pur-  
6 poses.

7 **SEC. 317. CONTINUING RESPONSIBILITY TO ENSURE COM-**  
8 **PLIANCE WITH THIS ACT.**

9 (a) ATTORNEY GENERAL.—The Attorney General  
10 shall, after the date of enactment of this Act, inform the  
11 Council of the District of Columbia, the Congress, and the  
12 Agency of—

13 (1) changes in the laws of the United States  
14 and the District of Columbia, including changes in  
15 sentencing guidelines, commentary, and policy state-  
16 ments; and

17 (2) any results of the four-year evaluation de-  
18 scribed in section 316 that require, or may require,  
19 amendment of the statutes or sentencing guidelines  
20 of the District of Columbia.

21 (b) COUNCIL.—The Council shall develop legislation  
22 that ensures that the requirements of this Act are met.

23 (c) AGENCY.—The Agency shall promulgate guide-  
24 lines that ensure that the requirements of this Act are  
25 met.

1     **Subtitle C—Offender Supervision**  
2                     **and Parole**

3     **SEC. 331. PAROLE.**

4         (a) PAROLING JURISDICTION.—

5             (1) JURISDICTION OF PAROLE COMMISSION TO  
6         DENY PAROLE OR IMPOSE CONDITIONS.—Not later  
7         than one year after date of the enactment of this  
8         Act, the United States Parole Commission shall as-  
9         sume the jurisdiction and authority of the Board of  
10        Parole of the District of Columbia to grant and deny  
11        parole, and to impose conditions upon an order of  
12        parole, in the case of any imprisoned felon who is el-  
13        igible for parole or reparole under the District of Co-  
14        lumbia Code. The Parole Commission shall have ex-  
15        clusive authority to amend or supplement any regu-  
16        lation interpreting or implementing the parole laws  
17        of the District of Columbia with respect to felons,  
18        provided that the Commission adheres to the rule-  
19        making procedures set forth in section 4218 of title  
20        18, United States Code.

21            (2) JURISDICTION OF PAROLE COMMISSION TO  
22        REVOKE PAROLE OR MODIFY CONDITIONS.—On the  
23        date in which the District of Columbia Offender Su-  
24        pervision, Defender, and Courts Services Agency is  
25        established under section 333, the United States Pa-

1       role Commission shall assume any remaining powers,  
2       duties, and jurisdiction of the Board of Parole of the  
3       District of Columbia, including jurisdiction to revoke  
4       parole and to modify the conditions of parole, with  
5       respect to felons.

6           (3) JURISDICTION OF SUPERIOR COURT.—On  
7       the date in which the District of Columbia Offender  
8       Supervision, Defender, and Courts Services Agency  
9       is established under section 333, the Superior Court  
10      of the District of Columbia shall assume the juris-  
11      diction and authority of the Board of Parole of the  
12      District of Columbia to grant, deny, and revoke pa-  
13      role, and to impose and modify conditions of parole,  
14      with respect to misdemeanants.

15      (b) ABOLITION OF THE BOARD OF PAROLE.—On the  
16      date in which the District of Columbia Offender Super-  
17      vision, Defender, and Courts Services Agency is estab-  
18      lished under section 333, the Board of Parole established  
19      in the District of Columbia Board of Parole Amendment  
20      Act of 1987 shall be abolished.

21      (c) RULEMAKING AND LEGISLATIVE RESPONSIBILITY  
22      FOR PAROLE MATTERS.—The Parole Commission shall  
23      exercise the authority vested in it by this section pursuant  
24      to the parole laws and regulations of the District of Co-  
25      lumbia regarding, except that the Council of the District

1 of Columbia and the Board of Parole of the District of  
 2 Columbia may not revise any such laws or regulations (as  
 3 in effect on the date of the enactment of this Act) without  
 4 the concurrence of the Attorney General.

5 (d) INCREASE IN THE AUTHORIZED NUMBER OF  
 6 UNITED STATES PAROLE COMMISSIONERS.—Section 2(c)  
 7 of the Parole Commission Phaseout Act of 1996 (Public  
 8 Law 104–232) is amended to read as follows:

9 “(c) The United States Parole Commission shall have  
 10 no more than five members.”.

11 **SEC. 332. PRETRIAL SERVICES, DEFENSE SERVICES, PA-**  
 12 **ROLE, ADULT PROBATION AND OFFENDER**  
 13 **SUPERVISION TRUSTEE.**

14 (a) APPOINTMENT AND REMOVAL.—

15 (1) APPOINTMENT.—The Attorney General, in  
 16 consultation with the Chairman of the District of  
 17 Columbia Financial Responsibility and Management  
 18 Assistance Authority (hereafter in this section re-  
 19 ferred to as the “D.C. Control Board”) and the  
 20 Mayor of the District of Columbia, shall appoint a  
 21 Pretrial Services, Defense Services, Parole, Adult  
 22 Probation and Offender Supervisions Trustee, who  
 23 shall be an independent officer of the government of  
 24 the District of Columbia, to effectuate the reorga-  
 25 nization and transition of functions and funding re-

1       lating to pretrial services, defense services, parole,  
2       adult probation and offender supervision.

3           (2) REMOVAL.—The Trustee may be removed  
4       by the Mayor with the concurrence of the Attorney  
5       General. The Attorney General shall have the au-  
6       thority to remove the Trustee for misfeasance or  
7       malfeasance in office. At the request of the Trustee,  
8       the District of Columbia Financial Responsibility  
9       and Management Assistance Authority may exercise  
10      any of its powers and authorities on behalf of the  
11      Trustee.

12      (b) AUTHORITY.—Beginning on the date of appoint-  
13      ment, and continuing until the District of Columbia Of-  
14      fender Supervision, Defender, and Courts Services Agency  
15      is established under section 332, the Trustee shall—

16           (1) have the authority to exercise all powers  
17      and functions authorized for the Director of the Dis-  
18      trict of Columbia Offender Supervision, Defender  
19      and Courts Services Agency;

20           (2) have the authority to direct the actions of  
21      all agencies of the District of Columbia whose func-  
22      tions will be assumed by or within the District of  
23      Columbia Offender Supervision, Defender and  
24      Courts Services Agency, and of the Board of Parole  
25      of the District of Columbia, including the authority

1 to discharge or replace any officers or employees of  
2 these agencies;

3 (3) exercise financial oversight over all agencies  
4 of the District of Columbia whose functions will be  
5 assumed by or within the District of Columbia Of-  
6 fender Supervision, Defender and Courts Services  
7 Agency, and over the Board of Parole of the District  
8 of Columbia, and allocate funds to these agencies as  
9 appropriated by Congress and allocated by the Presi-  
10 dent;

11 (4) receive and transmit to the District of Co-  
12 lumbia Pretrial Services Agency all funds appro-  
13 priated for such agency; and

14 (5) receive and transmit to the District of Co-  
15 lumbia Public Defender Service all funds appro-  
16 priated for such agency.

17 (c) COMPENSATION.—The Trustee shall be com-  
18 pensated at a rate not to exceed the basic pay payable  
19 for Level IV of the Executive Schedule. The Trustee may  
20 appoint and fix the pay of additional staff without regard  
21 to the provisions of the District of Columbia Code govern-  
22 ing appointments and salaries, without regard to the pro-  
23 visions of title 5, United States Code, governing appoint-  
24 ments in the competitive service, and without regard to  
25 the provisions of chapter 51 and subchapter III of Chapter



1 53 of title 5, United States Code, relating to classification  
 2 and General Schedule pay rates. Upon request of the  
 3 Trustee, the head of any Federal department or agency  
 4 may, on a reimbursable or non-reimbursable basis, provide  
 5 services and/or detail any personnel of that department  
 6 or agency to the Trusteeship to assist in carrying out its  
 7 duties.

8 (d) PROCUREMENT AND JUDICIAL REVIEW.—The  
 9 provisions of the District of Columbia Code governing pro-  
 10 curement shall not apply to the Trustee. The Trustee may  
 11 enter into such contracts as the Trustee considers appro-  
 12 priate to carry out the Trustee's duties. The Trustee may  
 13 seek judicial enforcement of the Trustee's authority to  
 14 carry out the Trustee's duties.

15 (e) PRESERVATION OF RETIREMENT AND CERTAIN  
 16 OTHER RIGHTS OF FEDERAL EMPLOYEE WHO BECOMES  
 17 THE TRUSTEE.—

18 (1) IN GENERAL.—A Federal employee who,  
 19 within 3 days after separating from the Federal  
 20 Government, is appointed Trustee, or becomes em-  
 21 ployed by the Trustee—

22 (A) may elect, for purposes of the retire-  
 23 ment system in which that individual last par-  
 24 ticipated before so separating, to have such in-  
 25 dividual's period of service with the Trustee

1 treated in the same way as if performed in the  
2 position within the Federal Government from  
3 which separated, subject to the requisite em-  
4 ployee deductions and agency contributions  
5 being currently deposited in the appropriate  
6 fund; and

7 (B) if, after serving as or with the Trustee,  
8 such employee becomes reemployed by the Fed-  
9 eral Government, he shall be entitled to credit  
10 for the full period of such individual's service as  
11 Trustee, for purposes of determining the appli-  
12 cable leave accrual rate.

13 (2) RETIREMENT.—

14 (A) CONTRIBUTIONS.—For purposes of  
15 subparagraph (A) of paragraph (1)—

16 (i) the employee deductions referred  
17 to in such paragraph shall be made from  
18 basic pay for service as or with the Trust-  
19 ee, and shall be computed using the same  
20 percentage as would then apply if the indi-  
21 vidual were instead serving in the position  
22 within the Federal Government from which  
23 separated; and

1 (ii) the agency contributions referred  
2 to in such paragraph shall be made by the  
3 Trustee.

4 (B) DOUBLE COVERAGE NOT PER-  
5 MITTED.—An individual who makes an election  
6 under paragraph (1)(A) shall be ineligible, while  
7 such election remains in effect, to participate in  
8 any retirement system for employees of the gov-  
9 ernment of the District of Columbia.

10 (3) REGULATIONS.—The Office of Personnel  
11 Management shall prescribe such regulations as may  
12 be necessary to carry out this subsection. Regula-  
13 tions to carry out paragraph (1)(A) shall be pre-  
14 scribed in consultation with the office or agency of  
15 the government of the District of Columbia having  
16 jurisdiction over any retirement system referred to  
17 in subsection (2) (B).

18 (f) FUNDING.—Funds available for operation of the  
19 Trustee shall be made available to the extent provided in  
20 appropriations acts to the Trustee, through the State Jus-  
21 tice Institute. Funding requests shall be proposed by the  
22 Trustee to the President and Congress for each Fiscal  
23 Year.

24 (g) LITIGATION AUTHORITY.—

1           (1) CORPORATION COUNSEL.—Subject to para-  
2       graph (2), the Corporation Counsel of the District of  
3       Columbia shall provide litigation services to the  
4       Trustee, except that the Trustee may instead elect,  
5       either generally or in relation to particular cases or  
6       classes of cases, to hire necessary staff and person-  
7       nel or enter into contracts for the provision of litiga-  
8       tion services at the Trustee’s expense.

9           (2) ATTORNEY GENERAL.—

10           (A) IN GENERAL.—Notwithstanding para-  
11       graph (2), with respect to any litigation involv-  
12       ing the Trustee, the Attorney General may—

13               (i) direct the litigation on behalf of  
14       the Trustee; and

15               (ii) provide on a reimbursable or non-  
16       reimbursable basis litigation services for  
17       the Trustee at the Trustee’s request or on  
18       the Attorney General’s own initiative.

19           (B) APPROVAL OF SETTLEMENT.—With  
20       respect to any litigation involving the Trustee,  
21       the Trustee may not agree to any settlement in-  
22       volving any form of equitable relief without the  
23       approval of the Attorney General. The Trustee  
24       shall provide to the Attorney General such no-

1           tice and reports concerning litigation as the At-  
 2           torney General may direct.

3           (C) DISCRETION.—Any decision to exercise  
 4           any authority under this paragraph shall be in  
 5           the sole discretion of the Attorney General and  
 6           shall not be reviewable in any court.

7           (h) CERTIFICATION.—The District of Columbia Of-  
 8           fender Supervision, Defender, and Courts Services Agency  
 9           shall assume its duties pursuant to section 333 when,  
 10          within the period beginning one year after the date of the  
 11          enactment of this title and ending three years after the  
 12          date of the enactment of this title, the Trustee certifies  
 13          to the Attorney General and the Attorney General concurs  
 14          that the Agency can carry out the functions described in  
 15          section 333 and the United States Parole Commission can  
 16          carry out the functions described in section 331.

17       **SEC. 333. OFFENDER SUPERVISION, DEFENDER AND**  
 18               **COURTS SERVICES AGENCY.**

19          (a) ESTABLISHMENT.—There is established within  
 20          the executive branch of the Federal Government the Dis-  
 21          trict of Columbia Offender Supervision, Defender, and  
 22          Courts Services Agency (hereafter in this section referred  
 23          to as the “Agency”) which shall assume its duties not less  
 24          than one year or more than three years after the enact-  
 25          ment of this Act.

1 (b) DIRECTOR.—

2 (1) APPOINTMENT AND COMPENSATION.—The  
3 Agency shall be headed by a Director appointed by  
4 the President, by and with the advice and consent  
5 of the Senate, for a term of six years. The Director  
6 shall be compensated at the rate prescribed for Level  
7 IV of the Executive Schedule, and may be removed  
8 from office prior to the expiration of term only for  
9 neglect of duty, malfeasance in office, or other good  
10 cause shown.

11 (2) POWERS AND DUTIES OF DIRECTOR.—The  
12 Director shall—

13 (A) submit annual appropriation requests  
14 for the Agency to the Office of Management  
15 and Budget;

16 (B) determine, in consultation with the  
17 Chief Judge of the United States District Court  
18 for the District of Columbia, the Chief Judge of  
19 the Superior Court of the District of Columbia,  
20 and the Chairman of the United States Parole  
21 Commission, uniform supervision and reporting  
22 practices for the Agency;

23 (C) hire and supervise supervision officers  
24 and support staff for the Agency;

1 (D) direct the use of funds made available  
2 to the Agency;

3 (E) enter into such contracts, leases, and  
4 cooperative agreements as may be necessary for  
5 the performance of the Agency's functions, in-  
6 cluding contracts for substance abuse and other  
7 treatment and rehabilitative programs;

8 (F) develop and operate intermediate sanc-  
9 tions programs for sentenced offenders; and

10 (G) arrange for the supervision of District  
11 of Columbia paroled offenders in jurisdictions  
12 outside the District of Columbia.

13 (c) FUNCTIONS.—

14 (1) IN GENERAL.—The Agency shall provide su-  
15 pervision, through qualified supervision officers, for  
16 offenders on probation, parole, and supervised re-  
17 lease pursuant to the District of Columbia Code.  
18 The Agency shall carry out its responsibilities on be-  
19 half of the court or agency having jurisdiction over  
20 the offender being supervised.

21 (2) SUPERVISION OF RELEASED OFFENDERS.—

22 The Agency shall supervise any offender who is re-  
23 leased from imprisonment for any term of supervised  
24 release imposed by the Superior Court of the Dis-  
25 trict of Columbia. Such offender shall be subject to

1 the authority of the United States Parole Commis-  
2 sion until completion of the term of supervised re-  
3 lease. The United States Parole Commission shall  
4 have and exercise the same authority as is vested  
5 in the United States district courts by paragraphs  
6 (d) through (i) of section 3583 of title 18, United  
7 States Code, except that—

8 (A) the procedures followed by the Com-  
9 mission in exercising such authority shall be  
10 those set forth in chapter 311 of title 18, Unit-  
11 ed States Code; and

12 (B) an extension of a term of supervised  
13 release under subsection (e)(2) of section 3583  
14 may only be ordered by the Superior Court  
15 upon motion from the Commission.

16 (3) SUPERVISION OF PROBATIONERS.—The  
17 Agency shall supervise all offenders placed on proba-  
18 tion by the Superior Court of the District of Colum-  
19 bia. The Agency shall carry out the conditions of re-  
20 lease imposed by the Superior Court, and shall make  
21 such reports to the Superior Court with respect to  
22 an individual on probation as the Superior Court  
23 may require.

24 (4) SUPERVISION OF DISTRICT OF COLUMBIA  
25 PAROLEES.—The Agency shall supervise all individ-



1 uals on parole pursuant to the District of Columbia  
2 Code. The Agency shall carry out the conditions of  
3 release imposed by the United States Parole Com-  
4 mission or, with respect to a misdemeanor, by the  
5 Superior Court of the District of Columbia, and  
6 shall make such reports to the Commission or Court  
7 with respect to an individual on parole supervision  
8 as the Commission or Court may require.

9 (d) AUTHORITY OF OFFICERS.—The supervision offi-  
10 cers of the Agency shall have and exercise the same powers  
11 and authority as are granted by law to United States Pro-  
12 bation and Pretrial Officers.

13 (e) PRETRIAL SERVICES AGENCY AND PUBLIC DE-  
14 FENDER SERVICE.—

15 (1) INDEPENDENT ENTITIES.—The District of  
16 Columbia Pretrial Services Agency established by  
17 subchapter I of chapter 13 title 23, District of Co-  
18 lumbia Code, and the District of Columbia Public  
19 Defender Service established by title III of the Dis-  
20 trict of Columbia Court Reform and Criminal Proce-  
21 dure Act of 1970 (D.C. Code, sec. 1-2701 et seq.)  
22 shall function as independent entities within the  
23 Agency.

24 (2) SUBMISSION ON BEHALF OF PRETRIAL  
25 SERVICES.—The Director of the Agency shall sub-

1 mit, on behalf of the District of Columbia Pretrial  
2 Services Agency and with the approval of the Direc-  
3 tor of the Pretrial Services Agency, an annual ap-  
4 propriation request to the Office of Management and  
5 Budget. Such request shall be separate from the re-  
6 quest submitted for the Agency.

7 (3) SUBMISSION ON BEHALF OF PUBLIC DE-  
8 FENDER SERVICE.—The Director of the Agency  
9 shall submit, on behalf of the District of Columbia  
10 Public Defender Service and with the approval of  
11 the Director of the Public Defender Service, an an-  
12 nual appropriation request to the Office of Manage-  
13 ment and Budget. Such request shall be separate  
14 from that submitted for the Agency.

15 **SEC. 334. AUTHORIZATION OF APPROPRIATIONS.**

16 There are authorized to be appropriated through the  
17 State Justice Institute in each fiscal year such sums as  
18 may be necessary for the following:

19 (1) District of Columbia Pretrial Services Agen-  
20 cy.

21 (2) District of Columbia Public Defender Serv-  
22 ice.

23 (3) Supervision of offenders on probation, pa-  
24 role, or supervised release for offenses under the  
25 District of Columbia Code.

1           (4) Operation of the parole system for offenders  
 2           convicted of offenses under the District of Columbia  
 3           Code.

4           (5) Operation of the Trusteeship described in  
 5           section 335.

## 6       **Subtitle D—District of Columbia** 7                               **Courts**

### 8       **PART 1—TRANSFER OF ADMINISTRATION AND FI-** 9           **NANCING OF COURTS TO FEDERAL GOVERN-** 10          **MENT**

#### 11       **SEC. 341. AUTHORIZATION OF APPROPRIATIONS.**

12          (a) AUTHORIZATIONS.—There are authorized to be  
 13       appropriated through the State Justice Institute in each  
 14       fiscal year such sums as may be necessary for the follow-  
 15       ing:

16               (1) The Superior Court of the District of Co-  
 17               lumbia.

18               (2) The District of Columbia Court of Appeals.

19               (3) The Executive Office for the District of Co-  
 20               lumbia Courts.

21               (4) The District of Columbia court system.

22          (b) SUBMISSION TO OMB.—The Executive Office of  
 23       the District of Columbia Courts shall include in its sub-  
 24       missions to the Office of Management and Budget and  
 25       the Congress, the budget and appropriations requests of

1 the Superior Court for the District of Columbia, the Dis-  
2 trict of Columbia Court of Appeals, and the District of  
3 Columbia court system.

4 **SEC. 342. ADMINISTRATION OF COURTS UNDER DISTRICT**  
5 **OF COLUMBIA CODE.**

6 (a) SUBMISSION OF ANNUAL BUDGET REQUESTS BY  
7 JOINT COMMITTEE ON JUDICIAL ADMINISTRATION.—Sec-  
8 tion 11–1701(b)(4), District of Columbia Code, is amend-  
9 ed to read as follows:

10 “(4) Submission of the annual budget requests  
11 of the District of Columbia Court of Appeals and the  
12 Superior Court through the Executive Officer of the  
13 District of Columbia Courts as the integrated budget  
14 of the District of Columbia court system, except that  
15 such requests may be modified upon the concurrence  
16 of four of the five members of the Joint Commit-  
17 tee.”.

18 (b) AUDIT OF ACCOUNTS OF COURTS.—Section 11–  
19 1723(a)(3), District of Columbia Code, is amended to read  
20 as follows:

21 “(3) The Fiscal Officer shall be responsible for  
22 the approval of vouchers and the internal auditing of  
23 the accounts of the courts and shall arrange for an  
24 annual independent audit of the accounts of the  
25 courts.”.

1       (c) APPOINTMENT AND REMOVAL OF COURT PER-  
2   SONNEL.—Section 11–1725(b) of the District of Columbia  
3   Code is amended to read as follows:

4       “(b) The Executive Officer shall appoint, and may  
5   remove, the Director of Social Services, the clerks of the  
6   courts, the Auditor-Master, and all other nonjudicial per-  
7   sonnel for the courts (other than the Register of Wills and  
8   personal law clerks and secretaries of the judges) as may  
9   be necessary, subject to—

10           “(1) regulations approved by the Joint Commit-  
11   tee; and

12           “(2) the approval of the chief judge of the court  
13   to which the personnel are or will be assigned.

14       “Appointments and removals of court personnel shall  
15   not be subject to the laws, rules, and limitations applicable  
16   to District of Columbia employees.”.

17       (d) PROCUREMENT OF EQUIPMENT AND SUP-  
18   PLIES.—Section 11–1742(b), District of Columbia Code,  
19   is amended to read as follows:

20       “(b) The Executive Officer shall be responsible for  
21   the procurement of necessary equipment, supplies, and  
22   services for the courts and shall have power, subject to  
23   applicable law, to reimburse the District of Columbia gov-  
24   ernment for services provided and to contract for such  
25   equipment, supplies, and services as may be necessary.”.

1 (e) BUDGET AND EXPENDITURES.—

2 (1) IN GENERAL.—Section 11–1743, District of  
3 Columbia Code, is amended to read as follows:

4 **“§ 11–743. Annual Budget and Expenditures.**

5 “(a) The Joint Committee shall prepare and submit  
6 through the Executive Officer of the District of Columbia  
7 Courts annual estimates of the expenditures and appro-  
8 priations necessary for the maintenance and operations of  
9 the District of Columbia court system. All such estimates  
10 shall be included in the budget without revision by the  
11 President but subject to the President’s recommendations.

12 “(b) The District of Columbia Courts may make such  
13 expenditures as may be necessary to execute efficiently the  
14 functions vested in the Courts.

15 “(c) All expenditures of the Courts shall be allowed  
16 and paid upon presentation of itemized vouchers signed  
17 by the certifying officer designated by the Joint Commit-  
18 tee. All such expenditures shall be paid out of moneys ap-  
19 propriated for purposes of the Courts.”.

20 (2) CLERICAL AMENDMENT.—The item relating  
21 to section 11–1743 in the table of sections for sub-  
22 chapter III of chapter 17 of title 11, District of Co-  
23 lumbia Code, is amended to read as follows:

“11–1743. Annual budget and expenditures.”.

1 **SEC. 343. BUDGETING AND FINANCING REQUIREMENTS**  
2 **FOR COURTS UNDER HOME RULE ACT.**

3 (a) BUDGET OF COURTS.—Section 445 of the Dis-  
4 trict of Columbia Self-Government and Governmental Re-  
5 organization Act (DC Code, Title 11 App.) is amended  
6 to read as follows:

7 “SEC. 445. The District of Columbia courts shall pre-  
8 pare and annually submit through the Executive Office of  
9 the District of Columbia Courts to the Office of Manage-  
10 ment and Budget, for inclusion in the annual budget, an-  
11 nual estimates of the expenditures and appropriations nec-  
12 essary for the maintenance and operation of the District  
13 of Columbia court system. The courts shall submit as part  
14 of their budgets both a multiyear plan and a multiyear  
15 capital improvements plan and shall submit a statement  
16 presenting qualitative and quantitative descriptions of  
17 court activities and the status of efforts to comply with  
18 reports of the Comptroller General of the United States.”.

19 (b) FINANCIAL DUTIES OF THE MAYOR.—Section  
20 448(a)(6) of such Act (DC Code, sec. 47–310(a)(6)) is  
21 amended to read as follows:

22 “(6) supervise and be responsible for the levy-  
23 ing and collection of all taxes, special assessments,  
24 license fees, and other revenues of the District, as  
25 required by law, and receive all moneys receivable by  
26 the District from the Federal Government or from

1       any agency or instrumentality of the District, except  
2       that this paragraph shall not apply to moneys from  
3       the District of Columbia Courts.”.

4       (c) FUNDS OF THE DISTRICT.—Section 450 of such  
5   Act (DC Code, sec. 47–130), is amended to read as fol-  
6   lows:

7       “SEC. 450. The General Fund of the District shall  
8   be composed of those District revenues which on the effec-  
9   tive date of this title are paid into the Treasury of the  
10   United States and credited either to the General Fund of  
11   the District or its miscellaneous receipts, but shall not in-  
12   clude any revenues which are applied by law to any special  
13   fund existing on the date of enactment of this title. The  
14   Council may from time to time establish such additional  
15   special funds as may be necessary for the efficient oper-  
16   ation of the government of the District. All money received  
17   by any agency, officer, or employee of the District in its  
18   or his official capacity shall belong to the District govern-  
19   ment and shall be paid promptly to the Mayor for deposit  
20   in the appropriate fund, except that all money received  
21   by the District of Columbia Courts shall be deposited in  
22   the Treasury of the United States.”.

23       (d) REDUCTIONS IN BUDGETS OF INDEPENDENT  
24   AGENCIES.—Section 453(c) of such Act (DC Code, sec.  
25   47–304.1(c)) is amended to read as follows:



1       “(c) Subsection (a) shall not apply to amounts appro-  
 2       priated or otherwise made available to the Council or to  
 3       the District of Columbia Financial Responsibility and  
 4       Management Assistance Authority established under sec-  
 5       tion 101(a) of the District of Columbia Financial Respon-  
 6       sibility and Management Assistance Act of 1995.”.

7       (e) TREATMENT OF COURT FEES IN CALCULATION  
 8       OF LIMITS ON DISTRICT BORROWING.—Section 603 of  
 9       such Act (DC Code, sec. 47–313) is amended—

10               (1) in subsection (b)—

11                       (A) in paragraph (1)—

12                               (i) in the first sentence, by striking  
 13                               “less court fees, any fees” and inserting  
 14                               “less any fees”; and

15                               (ii) in the second sentence, by striking  
 16                               “section 2501 , title 47 of the District of  
 17                               Columbia Code, as amended” and inserting  
 18                               “title VI of the District of Columbia Reve-  
 19                               nue Act of 1939”;

20                       (B) in paragraph (3)(A), by striking “less  
 21       court fees, any fees” and inserting “less any  
 22       fees”; and

23               (2) in subsection (c), by striking the last sen-  
 24       tence (relating to budget estimates of the District of  
 25       Columbia courts).

1 **SEC. 344. AUDITING OF ACCOUNTS OF COURT SYSTEM.**

2 (a) **POWERS OF DISTRICT OF COLUMBIA AUDITOR.**—

3 Section 455 of the District of Columbia Self-Government  
4 and Governmental Reorganization Act (DC Code, sec. 47–  
5 117) is amended by adding at the end the following new  
6 subsection:

7 “(g) This section shall not apply to the District of  
8 Columbia Courts or the accounts and operations thereof.”

9 (b) **SUBMISSION OF GAO AUDIT REPORTS TO MAYOR**  
10 **AND COUNCIL.**—Section 715(b) of title 31, United States  
11 Code (DC Code, sec. 47–118.1(b)), is amended by striking  
12 “and the Mayor” and inserting “and (other than the audit  
13 reports of the District of Columbia Courts) the Mayor”.

14 (c) **INDEPENDENT ANNUAL AUDIT.**—Section 4 of  
15 Public Law 94–399 (DC Code, sec. 47–119) is amended  
16 by adding at the end the following new subsection:

17 “(d) This section shall not apply to the District of  
18 Columbia Courts or the financial operations thereof.”

19 **SEC. 345. MISCELLANEOUS BUDGETING AND FINANCING**  
20 **REQUIREMENTS FOR COURTS UNDER DIS-**  
21 **TRICT LAW.**

22 (a) **DEPOSIT OF PUBLIC FUNDS.**—Section 2(21) of  
23 the District of Columbia Depository Act of 1977 (DC  
24 Code, sec. 47–341(21)) is amended by striking “a court,  
25 agency” and inserting “an agency”.

1 (b) REPROGRAMMING OF BUDGET AMOUNTS.—Sec-  
 2 tion 4(h) of D.C. Law 3–100 (DC Code, sec. 47–363(h))  
 3 is amended by striking “the District of Columbia courts,”.

4 (c) CONTROL OF GRANT FUNDS.—(1) Section 3(1)  
 5 of D.C. Law 3–104 (DC Code, sec. 47–382(1)) is amended  
 6 to read as follows:

7 “(1) ‘Agency’ means the highest organizational  
 8 structure of the District at which budgeting data is  
 9 aggregated, but shall not include the District of Co-  
 10 lumbia Courts.”

11 (2) Section 4(b) of D.C. Law 3–104 (DC Code, sec.  
 12 47–383(b)) is amended to read as follows:

13 “(b) The Trustees of the University of the District  
 14 of Columbia, the Board of Education, and the D.C. Gen-  
 15 eral Hospital Commission shall submit to the Mayor two  
 16 copies of the application and completed approval form, as  
 17 an advisory notice, concurrent with submitting the appli-  
 18 cation and completed approval form to a grant-making  
 19 agency in accordance with rules and regulations issued  
 20 pursuant to subsection (c) of this section.”.

21 **SEC. 346. OTHER PROVISIONS RELATING TO ADMINISTRA-**  
 22 **TION OF DISTRICT OF COLUMBIA COURTS.**

23 (a) JUROR FEES.—Section 11–1912(a), District of  
 24 Columbia Code, is amended to read as follows:

1       “(a) Notwithstanding section 602(a) of the District  
 2 of Columbia Self-Government and Governmental Reorga-  
 3 nization Act, grand and petit jurors serving in the Supe-  
 4 rior Court shall receive fees and expenses at rates estab-  
 5 lished by the Board of Judges of the Superior Court”, ex-  
 6 cept that such fees and expenses may not exceed the re-  
 7 spective rates paid to such jurors in the Federal system.”.

8       (b) COMPENSATION OF NONJUDICIAL PERSONNEL  
 9 TIED TO COMPENSATION FOR FEDERAL EMPLOYEES.—  
 10 Section 11–1726, District of Columbia Code, is amend-  
 11 ed—

12               (1) by striking “without” and inserting “with”;  
 13       and

14               (2) by striking “and District of Columbia Gov-  
 15 ernments” and inserting “Government”.

## 16       **PART 2—JUDICIAL RETIREMENT PROGRAM**

### 17       **SEC. 351. JUDICIAL RETIREMENT AND SURVIVORS ANNU-** 18               **ITY FUND.**

19       (a) ESTABLISHMENT OF FUND.—Section 11–1570,  
 20 District of Columbia Code, is amended to read as follows:

#### 21       **“§ 11–1570. The District of Columbia Judicial Retire-** 22               **ment and Survivors Annuity Fund.**

23       “(a) There is established in the Treasury a fund  
 24 known as the District of Columbia Judicial Retirement

1 and Survivors Annuity Fund, which shall consist of the  
2 following assets:

3 “(1) Amounts deposited by, or deducted and  
4 withheld from the salary and retired pay of, a judge  
5 under section 1563 or 1567 of this title, which shall  
6 be credited to an individual account of the judge.

7 “(2) Amounts transferred from the District of  
8 Columbia Judges’ Retirement Fund under section  
9 124(c)(1) of the District of Columbia Retirement  
10 Reform Act.

11 “(3) Any return on investment of the assets of  
12 the fund.

13 “(b) Amounts in the fund are available for the pay-  
14 ment of judges’ retirement salaries, annuities, refunds,  
15 and allowances under this subchapter.

16 “(c) The chief judges of the District of Columbia  
17 Court of Appeals and Superior Court of the District of  
18 Columbia shall submit to the President an annual estimate  
19 of the expenditures and appropriations necessary for the  
20 maintenance and operation of the fund, and such supple-  
21 mental and deficiency estimates as may be required from  
22 time to time for the same purposes, according to law.

23 “(d)(1) The chief judge may cause periodic examina-  
24 tions of the retirement fund to be made by an actuary,

1 who may be an actuary employed by another department  
2 of the Government temporarily assigned for the purpose.

3 “(2)(A) Subject to the availability of appropriations,  
4 there shall be deposited in the Treasury to the credit of  
5 the retirement fund, not later than the close of each fiscal  
6 year, such amounts as may be required to reduce to zero  
7 the unfunded liability (if any) of the fund. Such deposits  
8 shall be taken from sums available for that fiscal year for  
9 the payment of the expenses of the Court.

10 “(B) For purposes of subparagraph (A) of this para-  
11 graph, the term ‘unfunded liability’, with respect to any  
12 fiscal year, means the amount estimated by the chief  
13 judges to be equal to the excess (as of the close of that  
14 fiscal year) of—

15 “(i) the present value of all benefits payable  
16 from the fund (determined on an annual basis in ac-  
17 cordance with section 9503 of title 31, United States  
18 Code), over

19 “(ii) the sum of—

20 “(I) the present values of future deduc-  
21 tions under sections 11–1563 and 11–1567;  
22 and

23 “(II) the balance in the fund as of the  
24 close of the fiscal year.

1       “(C) Amounts deposited in the retirement fund under  
 2 this paragraph shall not be credited to the account of any  
 3 individual.

4       “(e) The Secretary of the Treasury shall invest from  
 5 time to time in interest-bearing securities of the United  
 6 States, such portions of the fund as in such Secretary’s  
 7 judgment may not be immediately required for payment  
 8 from the fund.

9       “(f) None of the moneys mentioned in this sub-  
 10 chapter (including moneys in the District of Columbia  
 11 Judges’ Retirement Fund) shall be assignable, either in  
 12 law or in equity, or be subject to execution, levy, attach-  
 13 ment, garnishment, or other legal process.”.

14       (b) CLERICAL AMENDMENT.—The table of sections  
 15 for subchapter III of chapter 15 of title 11, District of  
 16 Columbia Code, is amended by amending the item relating  
 17 to section 11–1570 to read as follows:

“11–1570. The District of Columbia Judicial Retirement and Survivors Annuity  
 Fund.”.

18   **SEC. 352. TERMINATION OF CURRENT FUND AND PRO-**  
 19                                   **GRAM.**

20       (a) TERMINATION OF JUDGES’ RETIREMENT  
 21 FUND.—Section 124 of the District of Columbia Retire-  
 22 ment Reform Act (DC Code, sec. 1–714) is amended by  
 23 striking subsection (c) and inserting the following:

1       “(c)(1) Notwithstanding any other provision of this  
2 Act or the amendments made by this Act, upon the date  
3 provided for the transfer of assets of the Retirement Fund  
4 described in title I of the National Capital Revitalization  
5 and Self-Government Improvement Act of 1997, the assets  
6 of the District of Columbia Judges’ Retirement Fund es-  
7 tablished under subsection (a) shall be transferred to the  
8 District of Columbia Judicial Retirement and Survivors  
9 Annuity Fund under section 11–1570, District of Colum-  
10 bia Code, and no amounts shall be deposited into the Dis-  
11 trict of Columbia Judges’ Retirement Fund after the date  
12 on which the assets are so transferred.

13       “(2) The District of Columbia Judges’ Retirement  
14 Fund established under subsection (a) shall be continued  
15 in the Treasury and appropriated for the purposes pro-  
16 vided in this Act until such time as all amounts in such  
17 Fund have been expended or transferred to the District  
18 of Columbia Judicial Retirement and Survivors Annuity  
19 Fund pursuant to paragraph (1). Thereafter any pay-  
20 ments of retirement salaries, annuities, refunds, and al-  
21 lowances for judicial personnel of the District of Columbia  
22 shall be paid from the District of Columbia Judicial Re-  
23 tirement and Survivors Annuity Fund in accordance with  
24 subchapter III of chapter 15 of title 11, District of Colum-  
25 bia Code.”.



1 (b) REMOVAL OF JUDGES FROM RETIREMENT  
 2 BOARD.—Section 121(b)(1)(A) of the District of Colum-  
 3 bia Retirement Reform Act (DC Code, sec. 1–  
 4 711(b)(1)(A)) is amended—

5 (1) in the matter preceding clause (i), by strik-  
 6 ing “13” and inserting “11”;

7 (2) by striking clause (vii); and

8 (3) by redesignating clauses (viii) and (ix) as  
 9 clauses (vii) and (viii).

10 **SEC. 353. CONFORMING AMENDMENTS.**

11 (a) TRANSFER OF AUTHORITY OVER FUND TO SEC-  
 12 RETARY OF TREASURY.—Title 11, District of Columbia  
 13 Code, is amended as follows:

14 (1) In sections 11–1561(8)(C), 11–1562(c),  
 15 11–1563(b), 11–1563(c), 11–1564(d)(6), 11–  
 16 1564(d)(7), 11–1566(a), and 11–1570(c), by strik-  
 17 ing “Commissioner [Mayor]” each place it appears  
 18 and inserting “Secretary of the Treasury”.

19 (2) In sections 11–1566(b)(2), 11–1567(a), 11–  
 20 1567(b), by striking “Mayor” each place it appears  
 21 and inserting “Secretary of the Treasury”.

22 (3) In sections 11–1564(d)(2)(A) and 11–  
 23 1568.1(1)(B), by striking “Mayor of the District of  
 24 Columbia” each place it appears and inserting “Sec-  
 25 retary of the Treasury”.

1           (4) In section 11–1563(a), by striking “paid to  
2           the Custodian of Retirement Funds (as defined in  
3           section 102(6) of the District of Columbia Retirement Reform Act)” and inserting “paid to the Secretary of the Treasury”.

6           (b) DEFINITION OF FUND.—Section 11–1561(4),  
7 District of Columbia Code, is amended to read as follows:  
8           “(4) The term ‘fund’ means the District of Columbia Judicial Retirement and Survivors Annuity  
9           Fund established by sections 11–1570.”.

11          (c) TREATMENT OF FEDERAL SERVICE OF  
12 JUDGES.—Section 11–1564(d)(4), District of Columbia  
13 Code, is amended by striking “Judges’ Retirement Fund  
14 established by section 124(a) of the District of Columbia  
15 Retirement Reform Act” and inserting “Judicial Retirement and Survivors Annuity Fund under section 11–  
16 1570”.

## 18       **PART 3—MISCELLANEOUS CONFORMING AND**

### 19                   **ADMINISTRATIVE PROVISIONS**

#### 20       **SEC. 361. TREATMENT OF COURTS UNDER MISCELLANEOUS** 21                   **DISTRICT LAWS.**

22          (a) FINANCIAL RESPONSIBILITY AND MANAGEMENT  
23 ASSISTANCE ACT.—Paragraph (5) of section 305 of the  
24 District of Columbia Financial Responsibility and Man-

1 agement Assistance Act of 1995 (DC Code, sec. 47–  
2 393(5)) is amended to read as follows:

3           “(5) The term ‘District government’ means the  
4 government of the District of Columbia, including  
5 any department, agency or instrumentality of the  
6 government of the District of Columbia; any inde-  
7 pendent agency of the District of Columbia estab-  
8 lished under part F of title IV of the District of Co-  
9 lumbia Self-Government and Governmental Reorga-  
10 nization Act or any other agency, board, or commis-  
11 sion established by the Mayor or the Council; the  
12 Council of the District of Columbia; and any other  
13 agency, public authority, or public benefit corpora-  
14 tion which has the authority to receive monies di-  
15 rectly or indirectly from the District of Columbia  
16 (other than monies received from the sale of goods,  
17 the provision of services, or the loaning of funds to  
18 the District of Columbia), except that such term  
19 does not include the Authority.”.

20           (b) MERIT PERSONNEL ACT.—(1) Section 201 of the  
21 District of Columbia Comprehensive Merit Personnel Act  
22 of 1978 (DC Code, sec. 1–602.1) is amended—

23           (A) by striking “(a) Except as provided in sub-  
24 section (b) or unless” and inserting “Unless”; and

25           (B) by striking subsection (b).

1       (2) Section 301(13) of the District of Columbia Com-  
 2 prehensive Merit Personnel Act of 1978 (DC Code, sec.  
 3 1–603.1(13)) is amended by striking “, the Superior  
 4 Court of the District of Columbia, and the District of Co-  
 5 lumbia Court of Appeals shall be considered independent  
 6 agencies” and inserting “shall be considered an independ-  
 7 ent agency”.

8       **SEC. 362. REPRESENTATION OF INDIGENTS IN CRIMINAL**  
 9                                   **CASES.**

10       (a) BUDGET.—Section 11–2607, District of Colum-  
 11 bia Code, is amended to read as follows:

12       **“§ 11–2607. Preparation of Budget.**

13               “The joint committee shall prepare and include in its  
 14 annual budget requests for the District of Columbia court  
 15 system estimates of the expenditures and appropriations  
 16 necessary for furnishing representation by private attor-  
 17 neys to persons entitled to representation in accordance  
 18 with section 2601 of this title.”.

19       (b) AUTHORIZATION OF APPROPRIATIONS.—Section  
 20 11–2608 of the District of Columbia Code is amended to  
 21 read as follows:

22       **“§ 11–2608. Authorization of appropriations.**

23               “There are authorized to be appropriated through the  
 24 State Justice Institute to the District of Columbia Public  
 25 Defender Service such sums as may be necessary to pay

1 for representation by private attorneys and related serv-  
 2 ices under this chapter. When so specified in appropriation  
 3 Acts, such appropriations shall remain available until ex-  
 4 pended.”.

5 (d) REPEAL AUTHORITY OF COUNCIL.—

6 (1) IN GENERAL.—Section 11–2609, District of  
 7 Columbia Code, is repealed.

8 (2) CLERICAL AMENDMENT.—The table of sec-  
 9 tions for chapter 26 of title 11, District of Columbia  
 10 Code, is amended by striking the item relating to  
 11 section 11–2609.

## 12 **Subtitle E—Pretrial Services Agen-** 13 **cy and Public Defender Service**

### 14 **SEC. 371. AMENDMENTS AFFECTING PRETRIAL SERVICES** 15 **AGENCY.**

16 (a) IN GENERAL.—Sections 23–1304 through 23–  
 17 1308 of the District of Columbia Code are amended to  
 18 read as follows:

19 **“§ 23–1304. Executive committee; composition; ap-**  
 20 **pointment and qualifications of Director.**

21 “(a) The agency shall be advised by an executive com-  
 22 mittee of seven members, of which four members shall  
 23 constitute a quorum. The Executive Committee shall be  
 24 composed of the following persons or their designees: the  
 25 Chief Judge of the United States Court of Appeals for

1 the District of Columbia Circuit, the Chief Judge of the  
2 United States District Court for the District of Columbia,  
3 the Chief Judge of the District of Columbia Court of Ap-  
4 peals, the Chief Judge of the Superior Court of the Dis-  
5 trict of Columbia, the United States Attorney for the Dis-  
6 trict of Columbia, the Director of the District of Columbia  
7 Public Defender Service, and the Director of the District  
8 of Columbia Offender Supervision, Defender and Courts  
9 Services Agency.

10 “(b) The Chief Judge of the United States Court of  
11 Appeals for the District of Columbia Circuit and the Chief  
12 Judge of the United States District Court for the District  
13 of Columbia, in consultation with the other members of  
14 the executive committee, shall appoint a Director of the  
15 agency who shall be a member of the bar of the District  
16 of Columbia.

17 **“§ 23–1305. Duties of director; compensation.**

18 “(a) The Director of the agency shall be responsible  
19 for the supervision and execution of the duties of the agen-  
20 cy. The Director shall be compensated as a member of  
21 the Senior Executive Service pursuant to subchapter VIII  
22 of chapter 53 of title 5, United States Code.

1   **“§ 23–1306. Chief assistant and other agency person-**  
2                   **nel; compensation.**

3           “The Director shall employ a chief assistant who  
4 shall be compensated as a member of the Senior Executive  
5 Service pursuant to section 5382 of title 5, United States  
6 Code. The Director shall employ such agency personnel  
7 as may be necessary properly to conduct the business of  
8 the agency. All employees other than the chief assistant  
9 shall receive compensation that is comparable to levels of  
10 compensation established for Federal pretrial services  
11 agencies.

12   **“§ 23–1307. Annual reports.**

13           “(a) The Director shall each year submit to the exec-  
14 utive committee and to the Director of the District of Co-  
15 lumbia Offender Supervision, Defender and Courts Serv-  
16 ices Agency a report as to the Pretrial Services Agency’s  
17 administration of its responsibilities for the previous fiscal  
18 year. The Director shall include in the report a statement  
19 of financial condition, revenues, and expenses for the past  
20 fiscal year.

21   **“§ 23–1308. Appropriation; budget.**

22           “There are authorized to be appropriated through the  
23 State Justice Institute in each fiscal year such sums as  
24 may be necessary to carry out the provisions of this sub-  
25 chapter. Funds appropriated by Congress for the District  
26 of Columbia Pretrial Services Agency shall be received by

1 the Director of the District of Columbia Offender Super-  
 2 vision, Defender and Courts Services Agency, and shall  
 3 be disbursed by that Director to and on behalf of the Dis-  
 4 trict of Columbia Pretrial Services Agency. The District  
 5 of Columbia Pretrial Services Agency shall submit to the  
 6 Director of the District of Columbia Offender Supervision,  
 7 Defender and Courts Services Agency at the time and in  
 8 the form prescribed by that Director, reports of its activi-  
 9 ties and financial position and its proposed budget.”.

10 (b) CLERICAL AMENDMENT.—The table of sections  
 11 for subchapter I of chapter 13 of title 23, District of Co-  
 12 lumbia Code, is amended by striking the items relating  
 13 to sections 23–1304 through 23–1308 and inserting the  
 14 following:

“23–1304. Executive committee; composition; appointment and qualifications of  
 Director.

“23–1305. Duties of director; compensation.

“23–1306. Chief assistant and other agency personnel; compensation.

“23–1307. Annual reports.

“23–1308. Appropriation; budget.

15 **SEC. 372. AMENDMENTS AFFECTING PUBLIC DEFENDER**  
 16 **SERVICE.**

17 (a) BOARD OF TRUSTEES.—Section 303(a) of the  
 18 District of Columbia Court Reform and Criminal Proce-  
 19 dure Act of 1970 (DC Code, sec. 1–2703(a)) is amended  
 20 to read as follows:

21 “(a) The Service shall be advised on matters of gen-  
 22 eral policy by a Board of Trustees.”.



1 (b) APPOINTMENT OF DIRECTOR AND DEPUTY DI-  
2 RECTOR.—Section 304 of such Act (DC Code, sec. 1–  
3 2704) is amended to read as follows:

4 **“SEC. 304. DIRECTOR AND DEPUTY DIRECTOR; APPOINT-**  
5 **MENT; DUTIES; MEMBERSHIP IN BAR RE-**  
6 **QUIRED.**

7 “The Chief Judge of the United States Court of Ap-  
8 peals for the District of Columbia Circuit and the Chief  
9 Judge of the United States District Court for the District  
10 of Columbia, in consultation with the persons described  
11 in subparagraphs (B) through (D) of section 303(b)(1)  
12 and the Board of Trustees, shall appoint a Director and  
13 Deputy Director of the Service. The Director shall be re-  
14 sponsible for the supervision and execution of the duties  
15 of the Service. The Deputy Director shall assist the Direc-  
16 tor and shall perform such duties as the Director may pre-  
17 scribe. The Director and Deputy Director shall be mem-  
18 bers of the bar of the District of Columbia. The Director  
19 of the District of Columbia Offender Supervision, De-  
20 fender and Courts Services Agency shall fix the compensa-  
21 tion of the Director and the Deputy Director, but the com-  
22 pensation of the Director shall not exceed the compensa-  
23 tion received by the United States Attorney for the Dis-  
24 trict of Columbia.”.

1       (c) ANNUAL REPORT AND AUDIT.—Section 306 of  
2 such Act (DC Code, sec. 1–2706) is amended—

3           (1) in subsection (a)—

4               (A) by striking “Board of Trustees” and  
5 inserting “Director”, and

6               (B) by striking “and to the Mayor of the  
7 District of Columbia” and inserting “to the Di-  
8 rector of the District of Columbia Offender Su-  
9 pervision, Defender and Courts Services Agen-  
10 cy, and to the Office of Management and Budg-  
11 et”; and

12          (2) in subsection (b)—

13           (A) by striking “Board of Trustees” and  
14 inserting “Director”; and

15           (B) by striking “the Administrative Office  
16 of the United States Courts” and inserting “the  
17 Director of the District of Columbia Offender  
18 Supervision, Defender and Courts Services  
19 Agency”.

20       (d) APPROPRIATIONS.—Section 307 of such Act (DC  
21 Code, sec. 1–2707) is amended—

22           (1) by amending subsection (a) to read as fol-  
23 lows:

24       “(a) There are authorized to be appropriated through  
25 the State Justice Institute in each fiscal year such sums

1 as may be necessary to carry out the provisions of this  
 2 chapter. Funds appropriated by Congress for the District  
 3 of Columbia Public Defender Service shall be received by  
 4 the Director of the District of Columbia Offender Super-  
 5 vision, Defender and Courts Services Agency, and shall  
 6 be disbursed by that Director to and on behalf of the Serv-  
 7 ice. The Service shall submit to the Director of the Dis-  
 8 trict of Columbia Offender Supervision, Defender and  
 9 Courts Services Agency, at the time and in the form pre-  
 10 scribed by that Director, reports of its activities and finan-  
 11 cial position and its proposed budget.”; and

12 (2) in subsection (b), by striking “Upon ap-  
 13 proval of the Board of Trustees, the” and inserting  
 14 “The” .

## 15 **Subtitle F—Miscellaneous** 16 **Provisions**

### 17 **SEC. 381. TECHNICAL ASSISTANCE AND RESEARCH.**

18 There are authorized to be appropriated to the Na-  
 19 tional Institute of Justice in each fiscal year (beginning  
 20 with fiscal year 1998) such sums as may be necessary for  
 21 the following activities:

22 (1) Research and demonstration projects, eval-  
 23 uations, and technical assistance to assess and ana-  
 24 lyze the crime problem in the District of Columbia,  
 25 and to improve the ability of the criminal justice and

1 other systems and entities in the District of Colum-  
2 bia to prevent, solve, and punish crimes.

3 (2) The establishment of a locally-based cor-  
4 poration or institute in the District of Columbia sup-  
5 porting research and demonstration projects relating  
6 to the prevention, solution, or punishment of crimes  
7 in the District of Columbia, including the provision  
8 of related technical assistance.

9 **SEC. 382. EXEMPTION FROM PERSONNEL AND BUDGET**  
10 **CEILINGS FOR TRUSTEES AND RELATED**  
11 **AGENCIES.**

12 The Trustees described in sections 301 and 335 of  
13 this title, and the activities of the agencies over which the  
14 Trustees exercise financial oversight pursuant to those  
15 sections, shall not be subject to the personnel or budget  
16 limitations which otherwise apply to the District of Colum-  
17 bia or its agencies.

18 **TITLE IV—PRIVATIZATION OF**  
19 **TAX COLLECTION AND AD-**  
20 **MINISTRATION**

21 **SEC. 401. FINDINGS.**

22 Congress finds as follows:

23 (1) The District of Columbia government has  
24 historically had a poor record of determining and

1 collecting all revenue it is due under its revenue  
2 code.

3 (2) The impact on the District's financial condi-  
4 tion of poor administration and collection is signifi-  
5 cant and has contributed both to the size of its accu-  
6 mulated operating deficit and to the difficulty in bal-  
7 ancing the budget going forward.

8 (3) More complete collection of taxes would not  
9 only increase District of Columbia revenues, but  
10 would give residents and businesses a sense of equity  
11 and that all were paying their fair share.

12 (4) Once District tax processing and collection  
13 is competently managed it will be possible for the  
14 District government to accurately assess the true  
15 value of its many taxes and determine that some  
16 may be reduced or eliminated without a significant  
17 negative impact on revenues.

18 (5) Any reduction or elimination of non-produc-  
19 tive or counterproductive taxes or taxes which cost  
20 more to administer than they produce in revenue  
21 would significantly improve the negative atmosphere  
22 surrounding the District of Columbia tax system and  
23 its enforcement.

1 **SEC. 402. AUTHORIZING CHIEF FINANCIAL OFFICER TO**  
2 **PRIVATIZE TAX ADMINISTRATION AND COL-**  
3 **LECTION.**

4 The Chief Financial Officer of the District of Colum-  
5 bia may enter into contracts with a private entity for the  
6 administration and collection of taxes of the District of  
7 Columbia.

8 **TITLE V—FINANCING OF DIS-**  
9 **TRICT OF COLUMBIA ACCU-**  
10 **MULATED DEFICIT**

11 **SEC. 501. FINDINGS.**

12 Congress finds as follows:

13 (1) The District of Columbia government sold  
14 accumulated deficit financing bonds in 1991.

15 (2) Between 1991 and the end of fiscal year  
16 1997 the District of Columbia government is ex-  
17 pected to accumulate an operating deficit in excess  
18 of \$500,000,000.

19 (3) Requiring the District of Columbia budget  
20 for fiscal year 1998 to be balanced will ensure that  
21 no further addition is made to the accumulated oper-  
22 ating deficit.

23 (4) In every other example of an American city  
24 in financial crisis, a vital and necessary component  
25 of recovery was to finance the accumulated operat-  
26 ing deficit.

1           (5) Carrying forward an accumulated operating  
 2       deficit of more than \$500,000,000 has a significant  
 3       negative impact on the District of Columbia's cash  
 4       flow and financial condition and on its ability to im-  
 5       prove its credit rating.

6           (6) It is not feasible to carry forward such a  
 7       debt with an expectation of paying it off gradually  
 8       from future budget surpluses.

9           (7) Financing the accumulated deficit would  
 10      improve the District's cash management position  
 11      and allow more normal cash management tech-  
 12      niques.

13 **SEC. 502. AUTHORIZATION FOR INTERMEDIATE-TERM AD-**  
 14 **VANCES OF FUNDS BY THE SECRETARY OF**  
 15 **THE TREASURY TO LIQUIDATE THE ACCUMU-**  
 16 **LATED GENERAL FUND DEFICIT OF THE DIS-**  
 17 **TRICT OF COLUMBIA.**

18       Title VI of the District of Columbia Revenue Act of  
 19 1939 (DC Code, sec. 47-3401 et seq.) is amended—

20           (1) by redesignating sections 602 through 605  
 21       as sections 603 through 606, respectively; and

22           (2) by inserting after section 601 the following:

1   **“SEC. 602. INTERMEDIATE-TERM ADVANCES FOR LIQUIDA-**  
2                   **TION OF DEFICIT.**

3           “(a) IN GENERAL.—If the conditions in subsection  
4 (b) are satisfied, the Secretary shall make an advance of  
5 funds from time to time, out of any money in the Treasury  
6 not otherwise appropriated and to the extent provided in  
7 advance in annual appropriations Acts, for the purpose of  
8 assisting the District government in liquidating the out-  
9 standing accumulated operating deficit of the general fund  
10 of the District government existing as of September 30,  
11 1997.

12          “(b) CONDITIONS TO MAKING ANY INTERMEDIATE-  
13 TERM ADVANCE.—The Secretary shall make an advance  
14 under this section if—

15               “(1) the Mayor delivers to the Secretary the fol-  
16       lowing instruments, in form and substance satisfac-  
17       tory to the Secretary—

18                   “(A) a financing agreement in which the  
19       Mayor agrees to procedures for requisitioning  
20       advances;

21                   “(B) a requisition for an advance under  
22       this section; and

23                   “(C) a promissory note evidencing the Dis-  
24       trict government’s obligation to reimburse the  
25       Treasury for the requisitioned advance, which  
26       note may be a general obligation bond issued



1 under section 461(a) of the District of Colum-  
2 bia Self-Government and Governmental Reorga-  
3 nization Act by the District government to the  
4 Secretary if the Secretary determines that such  
5 a bond is satisfactory;

6 “(2) the date on which the requisitioned ad-  
7 vance is requested to be made is not later than 3  
8 years from the date of enactment of the National  
9 Capital Revitalization and Self-Government Improve-  
10 ment Act of 1997;

11 “(3) the District government delivers to the  
12 Secretary—

13 “(A) evidence demonstrating to the satis-  
14 faction of the Secretary that, at the time of the  
15 Mayor’s requisition for an advance, the District  
16 government is effectively unable to obtain credit  
17 in the public credit markets or elsewhere in suf-  
18 ficient amounts and on sufficiently reasonable  
19 terms to meet the District government’s need  
20 for financing to accomplish the purpose de-  
21 scribed in subsection (a); and

22 “(B) a schedule setting out the anticipated  
23 timing and amounts of requisitions for advances  
24 under this section;

1           “(4) the Authority certifies to the Secretary  
2       that—

3           “(A) there is an approved financial plan  
4       and budget in effect under the District of Co-  
5       lumbia Financial Responsibility and Manage-  
6       ment Assistance Act of 1995 for the fiscal year  
7       in which the requisition is to be made;

8           “(B) at the time that the Mayor’s requis-  
9       tion for an advance is delivered to the Sec-  
10      retary, the District government is in compliance  
11      with the approved financial plan and budget;

12          “(C) both the receipt of funds from such  
13      advance and the reimbursement of Treasury for  
14      such advance are consistent with the approved  
15      financial plan and budget for the year;

16          “(D) such advance will not adversely affect  
17      the financial stability of the District govern-  
18      ment; and

19          “(E) at the time that the Mayor’s requis-  
20      tion for an advance is delivered to the Sec-  
21      retary, the District government is effectively  
22      unable to obtain credit in the public credit mar-  
23      kets or elsewhere in sufficient amounts and on  
24      sufficiently reasonable terms to meet the Dis-

1           trict government’s need for financing to accom-  
2           plish the purpose described in subsection (a);

3           “(5) the Inspector General of the District of  
4           Columbia certifies to the Secretary the information  
5           described in subparagraphs (A) through (D) of para-  
6           graph (4), and in making this certification, the In-  
7           spector General may rely upon an audit conducted  
8           by an outside auditor engaged by the Inspector Gen-  
9           eral under section 208(a)(4) of the District of Co-  
10          lumbia Procurement Practices Act of 1985 if, after  
11          reasonable inquiry, the Inspector General concurs in  
12          the findings of such audit;

13          “(6) the Secretary determines that—

14               “(A) there is reasonable assurance of reim-  
15               bursement for the requisitioned advance; and

16               “(B) the debt owed by the District govern-  
17               ment to the Treasury on account of the  
18               requisitioned advance will not be subordinate to  
19               any other debt owed by the District or to any  
20               other claims against the District; and

21          “(7) the Secretary receives from such persons  
22          as the Secretary determines to be appropriate such  
23          additional certifications and opinions relating to  
24          such matters as the Secretary determines to be ap-  
25          propriate.

1       “(c) AMOUNT OF ANY INTERMEDIATE-TERM AD-  
2 VANCE.—

3               “(1) IN GENERAL.—Except as provided in para-  
4 graph (3), if the conditions in paragraph (2) are sat-  
5 isfied, each advance made under this section shall be  
6 in the amount designated by the Mayor in the May-  
7 or’s requisition for such advance.

8               “(2) CONDITIONS APPLICABLE TO DESIGNATED  
9 AMOUNT.—Paragraph (1) applies if—

10               “(A) the Mayor certifies that the amount  
11 designated in the Mayor’s requisition for such  
12 advance is needed to accomplish the purpose  
13 described in subsection (a) within 30 days of  
14 the time that the Mayor’s requisition is deliv-  
15 ered to the Secretary; and

16               “(B) the Authority concurs in the Mayor’s  
17 certification under subparagraph (A).

18               “(3) MAXIMUM AMOUNT.—Notwithstanding  
19 paragraph (1), the aggregate amount of all advances  
20 made under this section shall not be greater than  
21 \$500,000,000.

22       “(d) MATURITY OF ANY INTERMEDIATE-TERM AD-  
23 VANCE.—

24               “(1) IN GENERAL.—Except as provided in para-  
25 graphs (2) and (3), each advance made under this

1 section shall mature on the date designated by the  
2 Mayor in the Mayor's requisition for such advance.

3 “(2) LATEST PERMISSIBLE MATURITY DATE.—  
4 Notwithstanding paragraph (1), the maturity date  
5 for any advance made under this section shall not be  
6 later than 15 years from the date on which the first  
7 advance under this section is made.

8 “(4) SECRETARY'S RIGHT TO REQUIRE EARLY  
9 REIMBURSEMENT.—Notwithstanding paragraph (1),  
10 if the Secretary determines, at any time while any  
11 advance made under this section has not been fully  
12 reimbursed, that the District is able to obtain credit  
13 in the public credit markets or elsewhere in suffi-  
14 cient amounts and on sufficiently reasonable terms,  
15 in the judgment of the Secretary, to refinance all or  
16 a portion of the unpaid balance of such advance in  
17 the public credit markets or elsewhere without ad-  
18 versely affecting the financial stability of the District  
19 government, the Secretary may require reimburse-  
20 ment for all or a portion of the unpaid balance of  
21 such advance at any time after the Secretary makes  
22 the determination.

23 “(e) INTEREST RATE.—Each advance made under  
24 this section shall bear interest at an annual rate equal to  
25 a rate determined by the Secretary at the time that the

1 Secretary makes such advance taking into consideration  
 2 the prevailing yield on outstanding marketable obligations  
 3 of the United States with remaining periods to maturity  
 4 comparable to the repayment schedule of such advance,  
 5 plus  $\frac{1}{8}$  of 1 percent.

6 “(f) OTHER TERMS AND CONDITIONS.—Each ad-  
 7 vance made under this section shall be on such other terms  
 8 and conditions, including repayment schedule, as the Sec-  
 9 retary determines to be appropriate.

10 “(g) DEPOSIT OF ADVANCES.—As provided in section  
 11 204(b) of the District of Columbia Financial Responsibil-  
 12 ity and Management Assistance Act of 1995, advances  
 13 made under this section for the account of the District  
 14 government shall be deposited by the Secretary into an  
 15 escrow account held by the Authority.”.

16 **SEC. 503. CONFORMING AMENDMENTS.**

17 (a) AMENDMENT TO SECTION 601.—Section 601 of  
 18 the District of Columbia Revenue Act of 1939 (DC Code,  
 19 sec. 47–3401) is amended—

20 (1) in subsection (c)(2)(B)(i)(IV), by striking  
 21 “602(b)” and inserting “603(b)”; and

22 (2) in subsection (d)(2)(B)(iii), by striking  
 23 “602(b)” and inserting “603(b)”.

1 (b) AMENDMENT TO SECTION 604.—Section 604 of  
2 the District of Columbia Revenue Act of 1939 (DC Code,  
3 sec. 47–3401.3) is amended—

4 (1) in subsection (a)(2)(A)(i), by striking “602”  
5 and inserting “603”; and

6 (2) in subsection (a)(2)(B)(i), by striking  
7 “602” and inserting “603”.

8 **SEC. 504. TECHNICAL CORRECTIONS.**

9 Section 601 of the District of Columbia Revenue Act  
10 of 1939 (DC Code, sec. 47–3401) is amended—

11 (1) in subsection (a)(3)(D), by striking “Sep-  
12 tember 30, 1995” and inserting “September 30,  
13 1996”;

14 (2) in subsection (b)(2)(E), by striking “Sep-  
15 tember 30, 1996” and inserting “September 30,  
16 1997”;

17 (3) in subsection (c)(2)(B)(i), by striking “Oc-  
18 tober 1, 1995” and inserting “September 30, 1995”;

19 (4) in subsection (d)(2)(B)(i)(II), by striking  
20 “September 30, 1997” and inserting “September  
21 30, 1998”;

22 (5) in subsection (d)(2)(B)(ii)—

23 (A) by striking “September 30, 1995” and  
24 inserting “October 1, 1995”; and

1 (B) by striking “September 30, 1997” and  
 2 inserting “October 1, 1997”; and  
 3 (6) in subsection (d)(2)(C)(iv), by striking  
 4 “September 30, 1997” and inserting “September  
 5 30, 1998”.

6 **SEC. 505. AUTHORIZATION FOR ISSUANCE OF GENERAL OB-**  
 7 **LIGATION BONDS BY THE DISTRICT OF CO-**  
 8 **LUMBIA TO FINANCE OR REFUND ITS ACCU-**  
 9 **MULATED GENERAL FUND DEFICIT.**

10 Section 461(a) of the District of Columbia Self-Gov-  
 11 ernment and Governmental Reorganization Act (DC Code,  
 12 sec. 47–321(a)) is amended—

13 (1) in paragraph (1), by inserting “to finance  
 14 or refund the outstanding accumulated operating  
 15 deficit of the general fund of the District of  
 16 \$500,000,000, existing as of September 30, 1997,”  
 17 after “existing as of September 30, 1990,”; and

18 (2) in paragraph (2), by inserting “existing as  
 19 of September 30, 1990” after “operating deficit”.

20 **TITLE VI—REVENUE BONDS**

21 **SEC. 601. SHORT TITLE; FINDINGS.**

22 (a) **SHORT TITLE.**—This title may be cited as the  
 23 “District of Columbia Revenue Bond Financing Authority  
 24 Improvements Act of 1997”.

25 (b) **FINDINGS.**—Congress finds as follows:



1 (A) The District of Columbia revenue bond  
2 authority was written in 1973 and contained  
3 many restrictions not imposed on states or by  
4 states on other local governments.

5 (B) The types and uses of revenue bonds  
6 have changed significantly in states and local-  
7 ities since 1973.

8 (C) The District of Columbia has never  
9 been able to use all of its annual allocation of  
10 revenue bond authority under its current re-  
11 strictions.

12 (D) The District of Columbia has suffered  
13 a lack of economic development due in part to  
14 restrictions on its use of revenue bonds.

15 (E) The District of Columbia is at a com-  
16 petitive disadvantage with its neighbors because  
17 of the antiquated and restricted nature of its  
18 revenue bond authority.

19 **SEC. 602. AMENDMENTS TO HOME RULE CHARTER PROVI-**  
20 **SION GOVERNING REVENUE BONDS.**

21 (a) **USES OF REVENUE BONDS.**—The first sentence  
22 of section 490(a)(1) of the District of Columbia Self-Gov-  
23 ernment and Governmental Reorganization Act (DC Code,  
24 sec. 47–334(a)(1)) is amended to read as follows: “The  
25 Council may by act or by resolution authorize the issuance

1 of taxable and tax-exempt revenue bonds, notes, or other  
2 obligations (including refunding bonds, notes, or other ob-  
3 ligations) to borrow money on behalf of any qualified ap-  
4 plicant to finance, refinance, or reimburse, or to assist in  
5 the financing, refinancing, or reimbursing of or for, under-  
6 takings in the areas of housing, health facilities, transit  
7 and utility facilities, sports, convention, tourism hospi-  
8 tality, and entertainment facilities, recreation facilities, fa-  
9 cilities to house and equip operations of the District gov-  
10 ernment or any District instrumentality, public infrastruc-  
11 ture development and redevelopment, elementary, second-  
12 ary, and college and university facilities, educational pro-  
13 grams which provide loans for the payment of educational  
14 expenses for and on behalf of students, facilities for gener-  
15 ating, treating, and distributing water and disposing of  
16 wastewater, pollution control facilities, solid and hazard-  
17 ous waste facilities, parking facilities, manufacturing fa-  
18 cilities, industrial and commercial development, any of the  
19 capital expenditures that the District is authorized to  
20 make, and any other property or project for the use of  
21 others that will, as determined by the Council, contribute  
22 to the health, education, safety, or welfare of, or the cre-  
23 ation or the preservation of jobs for, residents of the Dis-  
24 trict, or to economic development in the District, and any  
25 facilities or property, real or personal, used in connection

1 with or supplementing any of the foregoing, and any costs  
 2 related to the issuance, carrying, security, or liquidity or  
 3 credit enhancement of or for such bonds, notes, or other  
 4 obligations, including capitalized interest and reserves,  
 5 and the costs of bond or loan insurance, letters of credit,  
 6 and guaranteed investment, forward purchase, remarket-  
 7 ing, auction, and swap agreements.”.

8 (b) USES OF REVENUES TO PAY OR SECURE  
 9 BONDS.—The second sentence of section 490(a)(3) of the  
 10 District of Columbia Self-Government and Governmental  
 11 Reorganization Act (DC Code, sec. 47–334(a)(3)) is  
 12 amended to read as follows: “Subject to subsection (c),  
 13 any act or resolution of the Council authorizing the issu-  
 14 ance of revenue bonds, notes, or other obligations may  
 15 provide for (A) the payment of such bonds, notes, or other  
 16 obligations from any available revenues, including enter-  
 17 prise fund revenues, assets, or property ; and (B) the se-  
 18 curing of such bond, note, or other obligation by the mort-  
 19 gage of real property and the creation of a security inter-  
 20 est in available revenues, including enterprise fund reve-  
 21 nues, assets, or other property.”.

22 (c) AUTHORIZATION TO DELEGATE AUTHORITY.—

23 (1) IN GENERAL.—Section 490(a) of the Dis-  
 24 trict of Columbia Self-Government and Govern-  
 25 mental Reorganization Act (DC Code, sec. 47–

1       334(a)) is amended by adding at the end the follow-  
2       ing new paragraph:

3               “(6)(A) The Council may by act delegate to any  
4       duly created District instrumentality the authority of  
5       the Council under this section to issue taxable or  
6       tax-exempt revenue bonds, notes, or other obliga-  
7       tions for the purposes specified in this section. For  
8       purposes of this paragraph, the Council shall specify  
9       for what undertakings revenue bonds, notes, or other  
10      obligations may be issued under each delegation  
11      made pursuant to this subsection. Any such District  
12      instrumentality may exercise the authority and pow-  
13      ers incident thereto delegated to it by the Council as  
14      described in the first sentence of this paragraph  
15      (whether such delegation is made before or after the  
16      date of enactment of this subsection) only in accord-  
17      ance with this subsection and shall be consistent  
18      with this section and the terms of the delegation.  
19      The enumeration of any power in this Act shall not  
20      be construed as a limitation upon such general pow-  
21      ers.

22              “(B) Revenue bonds, notes, or other obligations  
23      issued by any District instrumentality under a dele-  
24      gation of authority described in subparagraph (A)  
25      shall be issued by resolution of that instrumentality,

1       and any such resolution shall not be considered to  
2       be an act of the Council.

3           “(C) Nothing in this paragraph shall be con-  
4       strued as restricting, impairing, or superseding the  
5       authority otherwise vested by law in independent in-  
6       strumentalities of the District government.”.

7           (2) CONFORMING AMENDMENTS.—Section 490  
8       of such Act (DC Code, sec. 47–334), as amended by  
9       the District of Columbia Water and Sewer Authority  
10      Act of 1996, is amended by striking subsections (g)  
11      and (h).

12      (d) REVENUE BONDS EXCLUDED FROM CERTAIN  
13      LIMITATIONS.—Section 490(f) of the District of Columbia  
14      Self-Government and Governmental Reorganization Act  
15      (DC Code, sec. 47–334(f)) is amended to read as follows:

16      “(f)(1) The fourth sentence of section 446 shall not  
17      apply to—

18           “(A) any amount (including the amount of  
19           any accrued interest or premium) obligated or  
20           expended from the proceeds of the sale of any  
21           revenue bond, note, or other obligation issued  
22           under this section;

23           “(B) any amount obligated or expended for  
24           the payment of the principal of, interest on, or

1           any premium for any revenue bond, note, or  
 2           other obligation issued under this section; and

3           “(C) any amount obligated or expended to  
 4           secure any revenue bond, note, or other obliga-  
 5           tion issued under this section.

6           “(2) The amount of any revenue bonds, notes,  
 7           or other obligations issued by the District or any  
 8           duly created and authorized District instrumentality  
 9           under this section shall not be taken into account in  
 10          determining whether the amount of funds borrowed  
 11          by the District during a fiscal year as general obliga-  
 12          tion bonds or Treasury capital project loans exceeds  
 13          the limitation on that amount provided in section  
 14          603(b).”.

15          (e) DEFINITIONS.—Section 490 of the District of Co-  
 16          lumbia Self-Government and Governmental Reorganiza-  
 17          tion Act (DC Code, sec. 47–334), as amended by sub-  
 18          section (c)(2), is amended by adding at the end the follow-  
 19          ing new subsection:

20          “(g) For purposes of this section:

21                 “(1) The term ‘revenue bonds, notes, or other  
 22                 obligations’ means special fund bonds, notes, or  
 23                 other obligations (including refunding bonds, notes,  
 24                 or other obligations) issued by the District or by a  
 25                 duly created and authorized District instrumentality

1 to borrow money on behalf of qualified applicants to  
2 finance, refinance, or reimburse, or to assist in the  
3 financing, refinancing, or reimbursing of or for, the  
4 undertakings referred to in subsection (a)(1), the  
5 principal of and interest, if any, on which are to be  
6 paid and secured in the manner described in this  
7 section, and which are special obligations and to  
8 which the full faith and credit of the District of Co-  
9 lumbia is not pledged.

10 “(2) The term ‘District instrumentality’ means  
11 any agency or instrumentality (including any inde-  
12 pendent agency or instrumentality), authority, com-  
13 mission, board, department, division, office, or body  
14 of the District government established by it or by  
15 the laws of the United States of America (whether  
16 established before or after the date of enactment of  
17 this subsection).

18 “(3) The term ‘available revenues’ means gross  
19 revenues and receipts, other than general fund tax  
20 receipts, lawfully available for the purpose and not  
21 otherwise exclusively committed to another purpose,  
22 including enterprise funds, grants, subsidies, con-  
23 tributions, and proceeds of revenue bonds, notes, or  
24 other obligations issued under this section.

1           “(4) The term ‘enterprise fund’ means a fund  
 2           or account for operations that are financed or oper-  
 3           ated in a manner similar to private business enter-  
 4           prises, or established so that separate determina-  
 5           tions may more readily be made periodically of reve-  
 6           nues earned, expenses incurred, or net income for  
 7           management control, accountability, capital mainte-  
 8           nance, public policy, or other purposes.”.

9   **SEC. 603. CLARIFICATION OF TREATMENT OF REVENUE**  
 10                   **BONDS UNDER FINANCIAL RESPONSIBILITY**  
 11                   **AND MANAGEMENT ASSISTANCE ACT.**

12       Section 204 of the District of Columbia Financial Re-  
 13       sponsibility and Management Assistance Act of 1995 (DC  
 14       Code, sec. 47-392.4) is amended by adding at the end  
 15       the following new subsection:

16       “(g) REVENUE BONDS NOT TREATED AS BORROW-  
 17       ING.—For purposes of this section, the issuance of any  
 18       revenue bond, note, or other obligation under section 490  
 19       of the District of Columbia Self-Government and Govern-  
 20       mental Reorganization Act shall not be considered to be  
 21       a borrowing of funds by the District.”.



1 **TITLE VII—DISTRICT OF COLUM-**  
2 **BIA ECONOMIC DEVELOP-**  
3 **MENT CORPORATION**

4 **Subtitle A—General Provisions**

5 **SEC. 701. SHORT TITLE.**

6 This title may be cited as the “District of Columbia  
7 Economic Development Corporation Act of 1997”.

8 **SEC. 702. FINDINGS.**

9 Congress finds the following:

10 (1) There is a substantial need in the District  
11 of Columbia for economic development to provide  
12 and maintain employment and tax revenues, and the  
13 District of Columbia faces unique barriers to accom-  
14 plishing and realizing economic development from its  
15 own resources.

16 (2) The District of Columbia has a unique sta-  
17 tus under the Constitution in that it is the seat of  
18 the Federal Government, but it is not a State or a  
19 political subdivision of a State.

20 (3) The government of the District of Columbia  
21 is uniquely disadvantaged, when compared to other  
22 cities which are political subdivisions of a State, in  
23 its ability to accomplish and realize economic devel-  
24 opment because it does not have any State govern-  
25 ment to perform the functions of coordinating, sup-

1       porting, and promoting economic development that  
2       State governments commonly perform for other  
3       cities.

4           (4) The government of the District of Columbia  
5       is uniquely disadvantaged, when compared to other  
6       cities, in its ability to finance economic development  
7       from local tax revenues because Federal law pre-  
8       vents the District of Columbia government from as-  
9       sessing and collecting certain local taxes.

10          (5) No other jurisdiction has all these disadvan-  
11       tages, the cumulative effect of which is greater than  
12       the sum of the effects of the individual factors.

13          (6) The Federal Government is a beneficiary of  
14       a substantial number of recurring and nonrecurring  
15       unreimbursed services provided by the government  
16       of the District of Columbia.

17          (7) It is in the national interest that the Fed-  
18       eral government assist the District of Columbia in  
19       maintaining itself as a safe, clean, and beautiful city  
20       worthy of the seat of the Federal Government of a  
21       Great Nation, a goal that will be realized only  
22       through the development of a sound local economic  
23       base in the District of Columbia.

24   **SEC. 703. PURPOSES.**

25       The purposes of this title are—

1           (1) to expand overall levels of economic output,  
2           income, and employment in the District of Columbia;

3           (2) to improve employment and business oppor-  
4           tunities in distressed neighborhoods and for low-in-  
5           come residents throughout the District of Columbia;

6           (3) to enhance the capacity of public and pri-  
7           vate organizations to facilitate the expansion of em-  
8           ployment and business opportunities;

9           (4) to increase the rate of private sector invest-  
10          ment in the District of Columbia;

11          (5) to develop comprehensive strategies for the  
12          economic development of the District of Columbia as  
13          a whole and for particular areas, neighborhoods,  
14          transportation corridors, and economic sectors of the  
15          District of Columbia, and to identify projects and  
16          activities to fulfill the strategies;

17          (6) to assist the implementation of, or imple-  
18          ment, projects throughout the District of Columbia  
19          (including a new or expanded convention center and  
20          infrastructure projects) that can yield substantial  
21          economic benefits for its residents;

22          (7) to enhance the institutional capacity of the  
23          government of the District of Columbia to accom-  
24          plish and realize economic development; and

1           (8) to ameliorate the consequences of the lim-  
2       ited tax base and taxing authority of the District of  
3       Columbia, as described in section 702.

4   **SEC. 704. DEFINITIONS.**

5       For purposes of this title:

6           (1) APPOINTED BOARD MEMBER.—The term  
7       “appointed Board member” or “appointed Board  
8       members” means a Board member or Board mem-  
9       bers appointed under section 713(b)(1)(A).

10          (2) BOARD.—The term “Board” means the  
11       board of directors of the Corporation.

12          (3) CHAIR.—The term “Chair” means the  
13       chairperson of the Board.

14          (4) CORPORATION.—The term “Corporation”  
15       means the District of Columbia Economic Develop-  
16       ment Corporation, including any subsidiary estab-  
17       lished by the Corporation (other than for purposes  
18       of subtitle B).

19          (5) DISTRESSED AREA.—The term “distressed  
20       area” means any population census tract having a  
21       poverty rate of at least 15 percent.

22          (6) DISTRICT GOVERNMENT.—The term “Dis-  
23       trict government” means the government of the Dis-  
24       trict of Columbia, including—

1 (A) any department, agency, or instrumen-  
2 tality of the government of the District of Co-  
3 lumbia;

4 (B) any independent agency of the District  
5 of Columbia established under part F of title IV  
6 of the District of Columbia Self-Government  
7 and Governmental Reorganization Act;

8 (C) any other agency, board, or commis-  
9 sion established by the Mayor or the Council;

10 (D) the courts of the District of Columbia;

11 (E) the Council; and

12 (F) any other agency, public authority, or  
13 public benefit corporation that has the author-  
14 ity to receive monies directly or indirectly from  
15 the District of Columbia (other than monies re-  
16 ceived from the sale of goods, the provision of  
17 services, or the loaning of funds to the District  
18 of Columbia),

19 except that such term does not include the Corpora-  
20 tion.

21 (7) ECONOMIC DEVELOPMENT PROJECT.—The  
22 term “economic development project” means any  
23 project—

24 (A) that is to be used or occupied by any  
25 person;

1 (B) that is located or is to be located with-  
2 in the District of Columbia;

3 (C) that the Corporation determines will  
4 tend to—

5 (i) create or retain jobs for residents  
6 of the District of Columbia;

7 (ii) maintain or increase the tax base  
8 of the economy of the District of Colum-  
9 bia;

10 (iii) maintain, expand, or diversify in-  
11 dustry in the District of Columbia;

12 (iv) promote the export of products or  
13 services beyond the boundaries of the Dis-  
14 trict of Columbia; or

15 (v) otherwise contribute to, support,  
16 or enhance existing activities that are im-  
17 portant to the economic base of the Dis-  
18 trict of Columbia; and

19 (D)(i) that is unable to obtain conventional  
20 financing in sufficient amounts and on suffi-  
21 ciently reasonable terms in the sole judgment of  
22 the Corporation; or

23 (ii) whose ability, in the judgment of the  
24 Corporation, to start, continue to operate, ex-  
25 pand, or maintain operations or relocate to the

1 District of Columbia is dependent upon finan-  
2 cial assistance.

3 (8) EX OFFICIO BOARD MEMBER.—The term  
4 “ex officio Board member” or “ex officio Board  
5 members” means the Board member or Board mem-  
6 bers described in section 713(b)(1)(B).

7 (9) FINANCIAL ASSISTANCE.—The term “finan-  
8 cial assistance” means any of the following provided  
9 to persons for the purchase, acquisition, construc-  
10 tion, expansion, continued operation, reconstruction,  
11 rehabilitation, repair, or placing into operation of an  
12 economic development project:

13 (A) Any loan, extension of credit, equity  
14 investment, grant, fixed contribution to a loan  
15 loss or debt service reserve fund, or any other  
16 similar form of financing or refinancing, but ex-  
17 cluding any loan guarantee, insurance of pay-  
18 ment of principal and interest, and any other  
19 similar form of credit support that provides re-  
20 course to the Corporation.

21 (B) Any exchange, lease, or conveyance of  
22 land;

23 (C) Any allocation of tax credits under sec-  
24 tion 1400D of the Internal Revenue Code of

1 1986 for qualified loans and qualified equity in-  
2 vestments.

3 (D) Any loan made from the proceeds of  
4 an issuance by the Corporation of private activ-  
5 ity bonds under section 1400F(b) of the Inter-  
6 nal Revenue Code of 1986 qualifying for tax-ex-  
7 empt treatment under section 1400C of the In-  
8 ternal Revenue Code of 1986.

9 (E) Any loan made from the proceeds of  
10 an issuance by the Corporation of project reve-  
11 nue obligations under section 732.

12 (F) Any other assistance which the Dis-  
13 trict government may authorize the Corporation  
14 to provide.

15 (10) OBLIGATION.—The term “obligation”  
16 means any bond, note, or other payment obligation.

17 (11) PERSON.—The term “person” means any  
18 natural person, partnership, corporation, or joint  
19 venture, including affiliates.

20 (12) PROJECT.—The term “project” means—

21 (A) any facility, plant, works, system,  
22 building, structure, utility, fixture, or other real  
23 property improvement, and infrastructure and  
24 site improvements relating thereto; and



1 (B) any machinery, equipment, furniture,  
2 fixture, or other personal property, and the land  
3 on which it is located or to be located, or which  
4 is reasonably necessary thereto.

5 (13) RETURN ON INVESTMENT.—The term “re-  
6 turn on investment” means any and all forms of  
7 principal or interest payments, dividends, stock dis-  
8 tributions, equity participations, options, warrants,  
9 debentures, and any and all other forms of remun-  
10 eration to the Corporation in return for any finan-  
11 cial assistance provided or offered.

12 (14) SUSPENSION DATE.—The term “suspension  
13 date” means September 30, 2007.

14 (15) TARGETED DISTRICT RESIDENT.—The  
15 term “targeted resident” means any individual—

16 (A)(i) whose principal place of abode

17 (I) is the District of Columbia; and

18 (II) is within a population census  
19 tract having a poverty rate of at least 15  
20 percent; and

21 (ii) who has an annual income less than  
22 \$28,500 (adjusted in calendar years after 1997  
23 as provided in section 1400A(d)(5) of the Inter-  
24 nal Revenue Code of 1986); or

1 (B)(i) whose principal place of abode is the  
2 District of Columbia; and

3 (ii) who is a member of a targeted group  
4 described in section 51 of the Internal Revenue  
5 Code of 1986.

6 (16) TERMINATION DATE.—The term “termi-  
7 nation date” means September 30, 2010.

8 **Subtitle B—District of Columbia**  
9 **Economic Development Cor-**  
10 **poration Charter**

11 **SEC. 711. ESTABLISHMENT.**

12 Under Article I, section 8, clause 17 of the Constitu-  
13 tion of the United States, there is established the District  
14 of Columbia Economic Development Corporation (to be  
15 known for purposes of the Revenue Reconciliation Act of  
16 1997 as the “Economic Development Corporation”).

17 **SEC. 712. STATUS OF CORPORATION.**

18 Except as otherwise provided in this title, the Cor-  
19 poration is established as a corporate body and instrumen-  
20 tality of the government of the District of Columbia, and  
21 is not established as, and is not to be considered, a depart-  
22 ment, agency, establishment or instrumentality of the  
23 United States.

1 **SEC. 713. BOARD OF DIRECTORS.**

2 (a) IN GENERAL.—The powers of the Corporation  
3 shall be vested in, and the Corporation shall be adminis-  
4 tered by, the Board.

5 (b) MEMBERSHIP.—

6 (1) IN GENERAL.—The Board shall consist of 9  
7 voting members as follows:

8 (A) APPOINTED BOARD MEMBERS.—

9 (i) PRESIDENTIAL APPOINTMENTS.—

10 Five members appointed by the President  
11 from among individuals who meet the gen-  
12 eral eligibility requirements described in  
13 subparagraph (C)—

14 (I) 4 of whom shall be individuals  
15 selected from organizations engaged  
16 in for-profit business activity, such as  
17 real estate development, retailing,  
18 manufacturing, construction, or finan-  
19 cial services; and

20 (II) 1 of whom shall be an indi-  
21 vidual selected from a community-  
22 based organization.

23 (ii) DISTRICT APPOINTMENT.—One  
24 member appointed by the Mayor, with the  
25 approval of the Council—

1 (I) from among individuals who  
2 meet the general eligibility require-  
3 ments described in subparagraph (C);  
4 and

5 (II) who shall be an individual  
6 selected from either an organization  
7 engaged in for-profit business activity  
8 or a community-based organization.

9 (B) EX OFFICIO BOARD MEMBERS.—Three  
10 ex officio Board members designated as follows:

11 (i) An officer or employee of the Fed-  
12 eral government designated by the Presi-  
13 dent from among the Office of Manage-  
14 ment and Budget, the Department of the  
15 Treasury, the Department of Commerce,  
16 the Department of Housing and Urban  
17 Development, the Department of Labor, or  
18 the Small Business Administration.

19 (ii) The Mayor or an alternate des-  
20 ignated by the Mayor from among senior  
21 officers of the District government.

22 (iii) The Chairman of the Council or  
23 an alternate designated by the Chairman  
24 from among other members of the Council

1 or senior officers of the District govern-  
2 ment.

3 (C) GENERAL ELIGIBILITY REQUIRE-  
4 MENTS.—An individual is eligible to be ap-  
5 pointed as a Board member under subpara-  
6 graph (A) if that individual—

7 (i) has expertise in economic develop-  
8 ment;

9 (ii) maintains a primary residence, or  
10 has a primary place of business, in the  
11 District of Columbia; and

12 (iii) is not an officer or employee of  
13 the Federal Government or the District  
14 government.

15 (2) CONSULTATION WITH CONGRESS.—In ap-  
16 pointing the Board members under paragraph  
17 (1)(A), the President shall consult with the Chair of  
18 the Committee on Appropriations and the Chair of  
19 the Committee on Governmental Reform and Over-  
20 sight of the House of Representatives, the Chair of  
21 the Committee on Appropriations and the Chair of  
22 the Committee on Governmental Affairs of the Sen-  
23 ate, and the Delegate to the House of Representa-  
24 tives from the District of Columbia.

1           (3) SENSE OF THE CONGRESS REGARDING AP-  
2           POINTMENTS.—It is the sense of the Congress that  
3           the President should appoint the first 6 Board mem-  
4           bers under paragraph (1)(A) as soon as practicable  
5           after the date of enactment of this title.

6           (c) CHAIR.—The President shall designate 1 of the  
7           Board members appointed by the President, at the time  
8           of that individual's appointment, to serve as the Chair of  
9           the Board.

10          (d) TERMS OF APPOINTED BOARD MEMBERS.—

11           (1) TERM.—Each of the appointed Board mem-  
12           bers shall be appointed to a term of 6 years.

13           (2) REMOVAL FOR CAUSE.—The President may  
14           remove any appointed Board member for ineffi-  
15           ciency, neglect of duty, or malfeasance in office.

16           (3) UNEXPIRED TERMS.—Any Board member  
17           appointed to fill a vacancy occurring before the end  
18           of the term to which the member's predecessor was  
19           appointed shall be appointed only for the remainder  
20           of the term.

21           (4) CONTINUATION OF SERVICE.—Each ap-  
22           pointed Board member may continue to serve after  
23           the expiration of the term of office to which the  
24           member was appointed until a successor has been  
25           appointed and qualified.

1 (5) LIMITATION ON CONSECUTIVE TERMS.—

2 The President may reappoint a Board member ap-  
 3 pointed under section 713(b)(1)(A), but no ap-  
 4 pointed Board member may consecutively serve more  
 5 than 2 terms.

6 (6) INITIAL TERMS STAGGERED.—Notwith-  
 7 standing paragraph (1)—

8 (A) of the first 5 Board members ap-  
 9 pointed under subsection (b)(1)(A)(i)—

10 (i) 2 shall be appointed for a term  
 11 that expires 6 years after the date of ap-  
 12 pointment,

13 (ii) 2 shall be appointed for a term  
 14 that expires 4 years after the date of ap-  
 15 pointment, and

16 (iii) 1 shall be appointed for a term  
 17 that expires 2 years after the date of ap-  
 18 pointment; and

19 (B) the first Board member appointed  
 20 under subsection (b)(1)(A)(ii) shall be ap-  
 21 pointed for a term that expires 2 years after  
 22 the date of appointment.

23 (e) TERMS OF EX OFFICIO BOARD MEMBERS.—Each  
 24 ex officio Board member shall serve at the pleasure of the

1 official who designated that member under subsection  
2 (b)(1)(B).

3 (f) VACANCIES.—A vacancy on the Board shall be  
4 filled in the same manner in which the original appoint-  
5 ment was made.

6 (g) QUORUM.—Five Board members shall constitute  
7 a quorum for the conduct of business.

8 (h) ADOPTION OF BYLAWS.—As soon as practicable  
9 after appointment of its members, the Board shall adopt  
10 bylaws, rules, and procedures for the governance of its af-  
11 fairs and the conduct of its business.

12 (i) MEETINGS.—The Board shall meet—

13 (1) at the times specified in the bylaws, which  
14 shall not be less than quarterly each year; and

15 (2) at other times at the call of the Chair.

16 (j) COMPENSATION.—

17 (1) NO ADDITIONAL COMPENSATION.—The  
18 Board members shall serve without compensation for  
19 their membership on the Board.

20 (2) REIMBURSEMENT FOR APPOINTED BOARD  
21 MEMBERS.—The appointed Board members may re-  
22 ceive travel, per diem, and other actual, reasonable,  
23 and necessary expenses incurred in the performance  
24 of their official duties as Board members to the  
25 same extent as officers of the United States.



1 **SEC. 714. OFFICERS AND EMPLOYEES.**

2 (a) IN GENERAL.—

3 (1) ESTABLISHMENT OF PERSONNEL SYSTEM  
4 REQUIRED.—The Board shall establish a personnel  
5 system for the Corporation and adopt written rules  
6 and procedures relating to employment matters such  
7 as appointments, compensation, and adverse actions.

8 (2) INAPPLICABILITY OF CERTAIN EMPLOY-  
9 MENT LAWS.—

10 (A) CIVIL SERVICE LAWS.—Except as oth-  
11 erwise provided in this title, the provisions of  
12 title 5, United States Code, shall not apply to  
13 the officers and employees of the Corporation.

14 (B) DISTRICT OF COLUMBIA EMPLOYMENT  
15 LAWS.—Except as otherwise provided in this  
16 title, the provisions of the District of Columbia  
17 Code governing employment with the District  
18 government shall not apply to the officers and  
19 employees of the Corporation.

20 (b) CHIEF EXECUTIVE OFFICER.—The Board shall  
21 appoint a Chief Executive Officer of the Corporation, who  
22 shall direct and supervise the general management and ad-  
23 ministrative affairs of the Corporation under terms and  
24 conditions prescribed by the Board.

25 (c) OTHER OFFICERS AND EMPLOYEES.—The Chief  
26 Executive Officer—

1           (1) shall, with the approval of the Board, ap-  
2           point a Chief Financial Officer and a General Coun-  
3           sel; and

4           (2) may appoint additional officers and employ-  
5           ees as the Chief Executive Officer determines appro-  
6           priate.

7           (d) COMPENSATION.—

8           (1) CHIEF OFFICERS.—The Board shall fix, ad-  
9           just, and administer the compensation (including  
10          benefits) for the Chief Executive Officer, the Chief  
11          Financial Officer, and the General Counsel.

12          (2) OTHER OFFICERS AND EMPLOYEES.—The  
13          Chief Executive Officer shall fix, adjust, and admin-  
14          ister the compensation (including benefits, except as  
15          provided in subsection (e)(2)) for all other officers  
16          and employees of the Corporation.

17          (3) REPORT REQUIRED.—The annual report de-  
18          scribed in section 716(a) shall describe the com-  
19          pensation structure for officers and employees of the  
20          Corporation.

21          (e) EMPLOYEE BENEFITS.—

22          (1) IN GENERAL.—The Corporation shall be au-  
23          thorized to establish and administer its own employ-  
24          ment benefits programs for individuals who become

1 employed by the Corporation other than individuals  
2 who make an election under paragraph (2)(A)(i).

3 (2) FORMER EMPLOYEES OF THE FEDERAL  
4 GOVERNMENT AND REST OF DISTRICT GOVERN-  
5 MENT.—

6 (A) IN GENERAL.—Any employee of the  
7 Federal Government or the District government  
8 who becomes employed by the Corporation

9 (i) may elect

10 (I) if the individual is an em-  
11 ployee of the Federal Government at  
12 the time of the election, to be treated,  
13 for the purposes of the programs list-  
14 ed in subparagraph (B)(i), for as long  
15 as that individual remains continu-  
16 ously employed by the Corporation, as  
17 if that individual had not separated  
18 from service with the Federal Govern-  
19 ment; and

20 (II) if the individual is an em-  
21 ployee of the District government at  
22 the time of the election, to be treated,  
23 for the purposes of the programs re-  
24 ferred to in subparagraph (B)(ii), for  
25 as long as that individual remains

1 continuously employed by the Cor-  
2 poration, as if that individual had not  
3 separated from service with the Dis-  
4 trict government; and

5 (ii) shall, if that individual subse-  
6 quently becomes reemployed by the Fed-  
7 eral Government or the District govern-  
8 ment, as the case may be, be entitled to  
9 have that individual's service with the Cor-  
10 poration treated, for purposes of determin-  
11 ing the applicable leave accrual rate, as if  
12 it had been service with the Federal gov-  
13 ernment or the District government, as the  
14 case may be.

15 (B) EFFECT OF ELECTION.—An election  
16 made by an individual under subparagraph  
17 (A)(i)

18 (i) if the individual is an employee of  
19 the Federal Government at the time of the  
20 election, shall qualify that individual and  
21 survivors of that individual for the treat-  
22 ment described in subparagraph (A)(i) for  
23 purposes of

24 (I) chapter 83 or 84 of title 5,  
25 United States Code (relating to retire-

1                   ment), as appropriate, including the  
2                   Thrift Savings Plan;

3                   (II) chapter 87 of title 5, United  
4                   States Code (relating to life insur-  
5                   ance); and

6                   (III) chapter 89 of title 5 United  
7                   States Code (relating to health insur-  
8                   ance);

9                   (ii) if the individual is an employee of  
10                  the District government at the time of the  
11                  election, shall qualify that individual and  
12                  survivors of that individual for the treat-  
13                  ment described in subparagraph (A)(i) for  
14                  purposes of the corresponding programs  
15                  offered by the District government; and

16                  (iii) shall disqualify that individual,  
17                  while the election remains in effect, from  
18                  participating in any program offered by  
19                  the Corporation corresponding to the pro-  
20                  grams referred to in clause (i).

21                  (C) CONDITIONS FOR ELECTION.—An elec-  
22                  tion made under subparagraph (A)(i) shall be  
23                  ineffective unless

24                  (i) it is made before the individual  
25                  separates from service with the Federal

1 Government or the District government, as  
2 the case may be; and

3 (ii) the individual's service with the  
4 Corporation commences within 3 days  
5 after so separating (not counting any holi-  
6 day observed by the government of the  
7 District of Columbia).

8 (D) DEDUCTIONS AND EMPLOYER CON-  
9 TRIBUTIONS.—If an individual makes an elec-  
10 tion under subparagraph (A)(i), the Corpora-  
11 tion shall be responsible for making the same  
12 deductions from pay and the same employer  
13 contributions for

14 (i) the programs listed in subpara-  
15 graph (B)(i) as would be required if the  
16 Corporation were an agency of the Federal  
17 government, if the individual is an em-  
18 ployee of the Federal government at the  
19 time of the election; and

20 (ii) the corresponding programs re-  
21 ferred to in subparagraph (B)(ii) as would  
22 be required if the Corporation were an  
23 agency of the District government, if the  
24 individual is an employee of the District  
25 government at the time of the election.

1 (E) REGULATIONS.—Any regulations nec-  
2 essary to carry out this subsection shall be pre-  
3 scribed

4 (i) by the Director of the Office of  
5 Personnel Management, to the extent that  
6 any program administered by that office is  
7 involved;

8 (ii) by the Executive Director of the  
9 Thrift Savings Plan, to the extent that the  
10 Thrift Savings Plan is involved; and

11 (iii) by the head of the corresponding  
12 office or agency of the District govern-  
13 ment, to the extent that any corresponding  
14 program administered by that office or  
15 agency is involved.

16 (F) DEFINITIONS.—

17 (i) CORRESPONDING OFFICE OR  
18 AGENCY.—For purposes of this paragraph,  
19 the term “corresponding office or agency  
20 of the District government” means the of-  
21 fice or agency in the District government  
22 responsible for administering a correspond-  
23 ing program.

24 (ii) CORRESPONDING PROGRAM.—For  
25 purposes of this paragraph, the term “cor-

1           responding program” or “corresponding  
2           programs” means any program or the pro-  
3           grams offered by the District government  
4           corresponding to any program or the pro-  
5           grams referred to in subparagraph (B)(i).

6           (f) NO POLITICAL TEST OR QUALIFICATION.—No  
7           political test or qualification shall be used in selecting, ap-  
8           pointing, promoting, or taking other personnel actions  
9           with respect to officers and employees of the Corporation.

10          (g) ASSISTANCE BY FEDERAL AGENCIES AND REST  
11          OF THE DISTRICT GOVERNMENT.—

12               (1) IN GENERAL.—Upon request of the Chair,  
13           the head of any department, agency, establishment,  
14           or instrumentality of the Federal Government or the  
15           District government may, to the extent practicable  
16           and feasible, and in the sole discretion of the head  
17           of the department, agency, establishment, or instru-  
18           mentality, make any of the personnel and other re-  
19           sources of that department, agency, establishment,  
20           or instrumentality available to the Corporation on a  
21           reimbursable or nonreimbursable basis.

22               (2) STATUS OF DETAILED PERSONNEL.—Any  
23           personnel detailed to the Corporation under para-  
24           graph (1) shall not be considered employees of the



1 Corporation, but rather shall remain employees of  
2 the government that detailed them.

3 **SEC. 715. POLITICAL ACTIVITY.**

4 The Corporation may not expend any funds to influ-  
5 ence legislation (other than in connection with testimony  
6 by a Board member or an officer or employee of the Cor-  
7 poration before a committee of the Congress or the Coun-  
8 cil of the District of Columbia, or in responding to a writ-  
9 ten request from a Member of Congress or the Council  
10 or a committee of the Congress or the Council) or in con-  
11 nection with any political campaign on behalf of or in op-  
12 position to any candidate for public office.

13 **SEC. 716. REPORTS, PLANS, AND EVALUATIONS.**

14 (a) ANNUAL REPORT AND AUDIT.—

15 (1) ANNUAL REPORTS REQUIRED.—The Cor-  
16 poration shall submit a report annually to the  
17 Mayor, the Council, the Authority (if the activities  
18 of the Authority are not suspended under section  
19 109 of the District of Columbia Financial Respon-  
20 sibility and Management Assistance Act of 1995),  
21 the President, the Congress, and the public not later  
22 than April 1 of each year concerning its operations  
23 for the prior fiscal year.

1           (2) ANNUAL AUDITS REQUIRED.—The annual  
2       report shall include a financial statement audited by  
3       an independent auditor.

4       (b) ANNUAL PERFORMANCE PLAN.—

5           (1) ANNUAL PERFORMANCE PLANS RE-  
6       QUIRED.—The Corporation shall prepare annually a  
7       performance plan for the operations of the Corpora-  
8       tion during the 5-year period that begins on the date  
9       of the plan.

10          (2) PLAN ELEMENTS.—Each performance plan  
11       shall establish—

12                (A) performance goals for the Corporation;

13                (B) performance benchmarks to be used in  
14       measuring or assessing the performance results  
15       of the Corporation; and

16                (C) a methodology for comparing the per-  
17       formance results of the Corporation with the es-  
18       tablished performance goals.—

19          (3) REPORTS ON PERFORMANCE RESULTS RE-  
20       QUIRED.—The annual report described in subsection  
21       (a) shall include—

22                (A) a description of the performance plan  
23       established by the Corporation for the fiscal  
24       year being reported; and

1 (B) the performance results achieved by  
2 the Corporation in the fiscal year being re-  
3 ported compared with the performance goals es-  
4 tablished in the performance plan for that year.

5 (c) EVALUATION OF CHANGES MADE TO TAX  
6 LAWS.—

7 (1) EVALUATIONS REQUIRED.—The Corpora-  
8 tion shall engage an independent consulting firm to  
9 perform, in the fiscal years ending September 30,  
10 2001 and 2005, an evaluation of the efficacy of the  
11 provisions of subchapter W of chapter 1 of the In-  
12 ternal Revenue Code of 1986 as aids to the Corpora-  
13 tion in carrying out the purposes of this title.

14 (2) REPORTS REQUIRED.—Not later than 30  
15 days after the close of a fiscal year in which an eval-  
16 uation is performed under paragraph (1), the Cor-  
17 poration shall submit a report to the Mayor, the  
18 Council, the Authority (if the activities of the Au-  
19 thority are not suspended under section 109 of the  
20 District of Columbia Financial Responsibility and  
21 Management Assistance Act of 1995), the President,  
22 and the Congress the conclusions of the evaluation.

1 **SEC. 717. GIFTS; PROCUREMENT OF GOODS AND SERVICES;**  
2 **AND DISPOSITION OF PROPERTY.**

3 (a) **ADOPTION OF RULES.**—The Corporation shall  
4 adopt written rules and procedures for

5 (1) the solicitation, acceptance, holding, admin-  
6 istration, use, and disposition of gifts, grants, or  
7 subsidies of money by the Corporation;

8 (2) the procurement of goods and services by  
9 the Corporation; and

10 (3) the disposition of property by the Corpora-  
11 tion.

12 (b) **OBJECTIVE.**—The rules and procedures adopted  
13 under subsection (a) shall be designed to ensure that any  
14 activity described in subsection (a)—

15 (1) will not reflect unfavorably upon the ability  
16 of the Corporation, or of any officer or employee of  
17 the Corporation, to carry out the functions and offi-  
18 cial duties of the Corporation in a fair and objective  
19 manner;

20 (2) will not compromise the integrity of the  
21 Corporation or any officer or employee of the Cor-  
22 poration; and

23 (3) in the case of any procurement of goods or  
24 services or any disposition of property, will produce  
25 the best value for the Corporation in the judgment  
26 of the Corporation.

1       **Subtitle C—Operations of the**  
2                   **Corporation**

3   **SEC. 721. GENERAL POWERS.**

4       Notwithstanding any other provision of law, except  
5 as provided in this title or as may be enacted by the Con-  
6 gress expressly in limitation of the provisions of this para-  
7 graph, the Corporation shall have power—

8           (1) to have succession until dissolved as pro-  
9 vided in section 753;

10          (2) to sue and be sued, and to complain and de-  
11 fend, in its own name;

12          (3) to adopt, amend, repeal, and enforce by-  
13 laws, rules, regulations, and procedures as it deter-  
14 mines appropriate for the governance of its affairs  
15 and the conduct of its business;

16          (4) to adopt, alter, and use a corporate seal,  
17 which shall be judicially noticed;

18          (5) to make and perform contracts, agreements,  
19 and commitments with persons and governmental  
20 entities;

21          (6) subject to section 714, to appoint and em-  
22 ploy officers, attorneys, and employees as it deter-  
23 mines appropriate, to define their duties, and to fix,  
24 adjust, and administer their compensation (including  
25 benefits) as it determines appropriate;

1           (7) to engage experts, advisers, consultants,  
2       legal counsel, and agents (including fiscal agents) to  
3       aid the Corporation in carrying out the purposes of  
4       this title, and to fix and adjust their compensation;

5           (8) with the approval of the agency concerned,  
6       to make use of services, facilities, and property of  
7       any board, commission, independent establishment,  
8       or executive department or agency of the Federal  
9       government or the District government in carrying  
10      out the purposes of this title, and to pay for such  
11      use;

12          (9) to maintain an office at the place or places  
13      in the District of Columbia as it determines appro-  
14      priate;

15          (10) to determine its necessary expenditures  
16      and the manner in which they shall be incurred, al-  
17      lowed, and paid;

18          (11) to settle, adjust, and compromise, and with  
19      or without consideration or benefit to the Corpora-  
20      tion release or waive in whole or in part, in advance  
21      or otherwise, any claim, demand, or right of, by, or  
22      against the Corporation;

23          (12) to indemnify Board members and officers  
24      of the Corporation as it determines appropriate;

1           (13) to purchase insurance or self-insure  
2       against any loss in connection with its property and  
3       other assets, in such amounts and from such insur-  
4       ers as it determines appropriate;

5           (14) to solicit, apply for, accept, receive, hold,  
6       administer, use, and dispose of gifts, bequests, dona-  
7       tions, grants, or subsidies of money, services, or  
8       property (real, personal, or mixed) from any source  
9       to aid the Corporation in carrying out the purposes  
10      of this title;

11          (15) to lease, purchase, or otherwise acquire,  
12      own, hold, or otherwise manage, clear, repair, im-  
13      prove, construct, or otherwise deal in and with any  
14      property (real, personal, or mixed), or any interest  
15      therein, wherever situated;

16          (16) to proceed with foreclosure action, to ac-  
17      quire property instead of foreclosure, and to take as-  
18      signments of leases and rentals;

19          (17) to sell (at a public or private sale, with or  
20      without bidding), convey, mortgage, pledge, lease,  
21      exchange, and otherwise dispose of its property and  
22      assets, or any interest therein;

23          (18) subject to section 723, to make and per-  
24      form contracts, agreements, and commitments for fi-  
25      nancial assistance;

1           (19) in connection with any application re-  
2           ceived, commitment made, or service provided in  
3           connection with, financial assistance, to charge and  
4           collect fees that the Corporation determines to be  
5           appropriate;

6           (20) subject to section 723, to establish subsidi-  
7           ary corporations consistent with the purposes of this  
8           title;

9           (21) subject to section 723, to establish revolv-  
10          ing funds consistent with the purposes of this title;

11          (22) to establish advisory committees to aid the  
12          Corporation in carrying out the purposes of this  
13          title;

14          (23) subject to section 724, to exercise, in the  
15          name of the District of Columbia, the right of emi-  
16          nent domain to aid in carrying out the purposes of  
17          this title;

18          (24) subject to section 732, to issue project rev-  
19          enue obligations;

20          (25) to provide assistance to the District gov-  
21          ernment through the provision of information, ad-  
22          vice, guidelines, and suggestions for implementing or  
23          improving programs and services of the District gov-  
24          ernment;



1           (26) to prepare, publish, and distribute, with or  
2           without charge, studies, reports, bulletins, and other  
3           materials as it determines appropriate;

4           (27) to exercise any other power usually pos-  
5           sessed by public enterprises performing similar func-  
6           tions or private corporations organized under the  
7           business corporation law of the District of Columbia,  
8           in either case to the extent that the exercise of that  
9           power is not inconsistent with applicable Federal or  
10          District of Columbia law; and

11          (28) to take all actions and do all things that  
12          it determines necessary or convenient to carry out  
13          the functions of the Corporation under this title that  
14          are not inconsistent with applicable Federal or Dis-  
15          trict of Columbia law.

16 **SEC. 722. ECONOMIC DEVELOPMENT PLANS.**

17          (a) EXISTING PLANS.—

18           (1) PRIORITY REVIEW.—The Corporation shall  
19           give priority in its operations to reviewing and evalu-  
20           ating existing economic development plans for the  
21           District of Columbia, including a new or expanded  
22           convention center and infrastructure projects.

23           (2) IMPLEMENTATION.—To the extent that the  
24           Corporation determines that the implementation of  
25           an existing economic development plan would carry

1 out the purposes of this title, the Corporation shall  
2 give expedited consideration to the projects con-  
3 templated by the plan when reviewing applications  
4 for financial assistance under this title.

5 (b) STRATEGIC PLAN.—

6 (1) IN GENERAL.—When the Corporation has  
7 completed reviewing and evaluating existing eco-  
8 nomic development plans, the Corporation shall es-  
9 tablish a comprehensive strategic plan for carrying  
10 out the purposes of this title.

11 (2) DUTY TO CONSULT.—In establishing its  
12 comprehensive strategic plan, the Corporation shall  
13 consult with the executive and legislative branches of  
14 the District government and, as to matters related  
15 to transportation infrastructure, the Secretary of  
16 Transportation to maximize the benefit to the Dis-  
17 trict of Columbia and the region of projects assisted  
18 by the Corporation or supported by the District gov-  
19 ernment or the Secretary of Transportation.

20 **SEC. 723. FINANCIAL ASSISTANCE.**

21 (a) AUTHORITY TO PROVIDE ASSISTANCE.—

22 (1) IN GENERAL.—The Corporation may pro-  
23 vide financial assistance for economic development  
24 projects directly or in participation with any one or  
25 more other financial institution, fund, person, or

1 other source of financing, private or public, includ-  
2 ing any department, agency, establishment, or in-  
3 strumentality of the District government, and may  
4 enter into any contract, agreement, or commitment  
5 it determines appropriate in connection with provid-  
6 ing financial assistance.

7 (2) VOTING REQUIREMENT.—Any provision by  
8 the Corporation of financial assistance for an eco-  
9 nomic development project shall require the affirma-  
10 tive vote of a majority of the Board members  
11 present and voting.

12 (b) LIMITATIONS ON FINANCIAL ASSISTANCE.—

13 (1) TOTAL FINANCIAL ASSISTANCE.—Except as  
14 provided in paragraph (3), the total amount of fi-  
15 nancial assistance provided or committed under this  
16 section shall not at any time exceed the total amount  
17 of the capital of the Corporation and all of its sub-  
18 sidiaries and the total value of the land of the Cor-  
19 poration and all of its subsidiaries.

20 (2) INDIVIDUAL FINANCIAL ASSISTANCE.—

21 (A) IN GENERAL.—Except as provided in  
22 paragraph (3), the total amount of financial as-  
23 sistance provided or committed directly or indi-  
24 rectly under this section—

1 (i) for any 1 economic development  
2 project; or

3 (ii) to any 1 person, including the per-  
4 son's affiliates,

5 shall not at any time exceed 15 percent of the  
6 total amount of the capital of the Corporation  
7 and all of its subsidiaries and the total value of  
8 the land of the Corporation and all of its sub-  
9 sidiaries.

10 (B) WAIVER.—

11 (i) WAIVER OF LIMITATION PER-  
12 MITTED.—The Corporation, by a vote of  
13 not less than 6 Board members, may waive  
14 the limitation in subparagraph (A).

15 (ii) REPORT OF WAIVER REQUIRED.—  
16 If the Corporation waives the limitation in  
17 subparagraph (A), the Corporation shall  
18 communicate promptly the reasons for  
19 doing so to the Mayor, the Council, the  
20 Authority (if the activities of the Authority  
21 are not suspended under section 109 of the  
22 District of Columbia Financial Responsibil-  
23 ity and Management Assistance Act of  
24 1995), the President, and the Congress.

1           (3) EXCEPTIONS.—The limitations in para-  
 2           graphs (1) and (2)(A) shall not apply to financial  
 3           assistance in the form of—

4                   (A) any allocation of tax credits under sec-  
 5                   tion 1400D of the Internal Revenue Code of  
 6                   1986 for qualified loans and qualified equity in-  
 7                   vestments;

8                   (B) any loan made from the proceeds of an  
 9                   issuance by the Corporation of private activity  
 10                  bonds under section 1400F(b) of the Internal  
 11                  Revenue Code of 1986 qualifying for tax-ex-  
 12                  empt treatment under section 1400C of the In-  
 13                  ternal Revenue Code of 1986; or

14                  (C) any loan made from the proceeds of an  
 15                  issuance by the Corporation of project revenue  
 16                  obligations bonds under section 732.

17           (c) ESTABLISHMENT OF SUBSIDIARIES AND REVOLV-  
 18           ING FUNDS.—

19                   (1) SUBSIDIARIES.—

20                           (A) IN GENERAL.—In order to make the  
 21                           most effective use its resources, the Corporation  
 22                           may establish from time to time 1 or more for-  
 23                           profit or not-for-profit corporate subsidiaries  
 24                           for or in connection with providing the different  
 25                           types of financial assistance authorized by this

1 title. The Corporation shall establish a subsidi-  
2 ary pursuant to this paragraph for the purposes  
3 of promoting the development of infrastructure  
4 along the New York Avenue corridor, except  
5 that such a subsidiary may not approve any  
6 projects for purposes of subchapter W of chap-  
7 ter 1 of the Internal Revenue Code of 1986,  
8 and shall fund its activities through dedicated  
9 infrastructure funds which are made available  
10 to the subsidiary from a source other than the  
11 Corporation.

12 (B) LIMITATION.—No subsidiary of the  
13 Corporation shall have any power that the Cor-  
14 poration does not have.

15 (C) BOARD APPROVAL FOR PROVISION OF  
16 FINANCIAL ASSISTANCE BY SUBSIDIARIES.—  
17 Any provision by any subsidiary of the Corpora-  
18 tion of financial assistance for an economic de-  
19 velopment project shall require the approval of  
20 the Board of the Corporation, in accordance  
21 with the voting requirement described in sub-  
22 section (a)(2).

23 (2) REVOLVING FUNDS.—

24 (A) IN GENERAL.—In order to make the  
25 most effective use its resources, the Corporation

1           may establish from time to time 1 or more re-  
2           volving funds for or in connection with provid-  
3           ing the different types of financial assistance  
4           authorized by this title.

5           (B) DEPOSITS.—

6           (i) RETURNS ON INVESTMENT.—Pay-  
7           ments received by the Corporation as re-  
8           turns on investment from financial assist-  
9           ance provided by the Corporation from any  
10          revolving fund may be deposited into the  
11          revolving fund from which the financial as-  
12          sistance was made or into any other revolv-  
13          ing fund established by the Corporation as  
14          the Corporation determines appropriate,  
15          and may be transferred between revolving  
16          funds as the Corporation determines ap-  
17          propriate.

18          (ii) OTHER RECEIPTS.—Funds re-  
19          ceived by the Corporation from any other  
20          source which are not required to be other-  
21          wise disposed may be deposited into any  
22          revolving fund established by the Corpora-  
23          tion and transferred between revolving  
24          funds as the Corporation determines ap-  
25          propriate.

1 (C) USE OF FUNDS.—Funds deposited into  
2 any revolving fund established by the Corpora-  
3 tion shall be available to the Corporation for  
4 providing financial assistance under this title  
5 and to pay all expenses of the Corporation nec-  
6 essary and incident to that purpose.

7 (d) CRITERIA FOR SELECTING TYPE OF FINANCIAL  
8 ASSISTANCE.—

9 (1) IN GENERAL.—The Corporation shall estab-  
10 lish written criteria for selecting the type of financial  
11 assistance that is most appropriate for different  
12 types of economic development projects.

13 (2) LEAST COMMITMENT OF CAPITAL.—The cri-  
14 teria shall include a preference for the type of finan-  
15 cial assistance that represents the least commitment  
16 of the capital of the Corporation.

17 (3) STANDARDS FOR RETURN ON INVEST-  
18 MENT.—The criteria shall set out standards for re-  
19 turns on investment that the Corporation determines  
20 appropriate to reflect the nature of the risk.

21 (e) PROCEDURES FOR REVIEW AND COMMENT BY  
22 REST OF DISTRICT GOVERNMENT.—The Corporation  
23 shall adopt written procedures to provide the executive and  
24 legislative branches of the District government a reason-  
25 able opportunity to review and comment on economic de-



1 velopment projects for which the Corporation is consider-  
2 ing providing financial assistance under this title.

3 (f) CRITERIA FOR FINANCIAL ASSISTANCE DETER-  
4 MINATIONS.—

5 (1) IN GENERAL.—The Corporation shall estab-  
6 lish written criteria for making its determinations—

7 (A) to approve, disapprove, or take no ac-  
8 tion with respect to applications for financial  
9 assistance under this title; and

10 (B) as to how much financial assistance to  
11 provide under this title for an economic develop-  
12 ment project.

13 (2) REQUIRED CRITERIA.—The criteria shall in-  
14 clude—

15 (A) the status of the project as an eco-  
16 nomic development project;

17 (B) the likelihood the project can be ex-  
18 pected to create or retain private sector jobs in  
19 the District of Columbia;

20 (C) the contribution of the project to the  
21 economy of the District of Columbia;

22 (D) the significance of the financial assist-  
23 ance in attracting an economic development  
24 project to the District of Columbia or prevent-  
25 ing a closing, partial closing, relocation out of

1 the District of Columbia of an economic devel-  
2 opment project;

3 (E) the commitment to the District of Co-  
4 lumbia of the owners, management, and em-  
5 ployees of the project, and their willingness and  
6 ability to operate the business and enhance its  
7 competitive position in the District of Columbia;

8 (F) whether the project serves the interests  
9 of the community where it is or will be located;

10 (G) whether the project is in a distressed  
11 area or benefits the residents of a distressed  
12 area;

13 (H) whether the project is consistent with  
14 the comprehensive strategic plan developed by  
15 the Corporation for carrying out the purposes  
16 of this title;

17 (I) whether the project will benefit the  
18 economy of the District of Columbia by improv-  
19 ing links between the economy of the District of  
20 Columbia and the economy of the greater  
21 Washington, D.C. metropolitan region;

22 (J) whether financial assistance from the  
23 Corporation will attract funds for the project  
24 from sources other than the Corporation; and

1           (K) the appropriateness of the amount and  
2           form of financial assistance and the level of risk  
3           or investment for the Corporation, not only in  
4           terms of the Corporation's financial exposure,  
5           but also in terms of the overall objectives of this  
6           title.

7           (g) REQUIREMENTS FOR ECONOMIC DEVELOPMENT  
8   PROJECTS.—The Corporation shall not approve any appli-  
9   cation for financial assistance for any economic develop-  
10  ment project unless—

11           (1) the Corporation determines, in its judg-  
12           ment—

13                   (A) that there is a strong probability that  
14                   the project would not be undertaken without fi-  
15                   nancial assistance from the Corporation;

16                   (B) that the financial assistance from the  
17                   Corporation represents the least commitment of  
18                   the capital of the Corporation to make the  
19                   project feasible;

20                   (C) that financial assistance from the Cor-  
21                   poration will not compete with or supplant  
22                   funds from sources other than the Corporation,  
23                   including the District government, which are  
24                   otherwise available for the project on reasonable  
25                   terms and conditions; and

1 (D) that the executive and legislative  
 2 branches of the District government have been  
 3 provided a reasonable opportunity to review and  
 4 comment on the project; and  
 5 (2) the project complies with applicable Federal  
 6 and District of Columbia law.

7 **SEC. 724. EMINENT DOMAIN.**

8 (a) **AUTHORITY TO EXERCISE CONDEMNATION POW-**  
 9 **ERS.—**

10 (1) **IN GENERAL.—**The Corporation shall have  
 11 the limited power to acquire and assemble land  
 12 through condemnation by eminent domain in the  
 13 name of the District of Columbia to aid in carrying  
 14 out the purposes of this title.

15 (2) **PROHIBITING DELEGATION TO SUBSIDI-**  
 16 **ARY.—**The Corporation may not delegate its author-  
 17 ity under this section to any subsidiary.

18 (3) **APPROVAL REQUIRED TO EXERCISE AU-**  
 19 **THORITY.—**The Board may exercise its authority  
 20 under this section with respect to any property only  
 21 with the affirmative vote of at least 7 of its members  
 22 (or, if fewer than 9 members are present, with the  
 23 affirmative vote of a majority of the members  
 24 present and voting plus one).

1       (b) APPLICABLE PROCEDURES.—The provisions of  
2 title 16, chapter 13, subchapter II, District of Columbia  
3 Code (relating to condemnation proceedings by the Dis-  
4 trict government), shall apply to the Corporation in its ex-  
5 ercise of its authority under this section.

6 **SEC. 725. REGULATORY RELIEF POWERS.**

7       (a) REQUEST PRIORITY FOR CORPORATION-AS-  
8 SISTED PROJECTS.—The Corporation may request appro-  
9 priate officers or employees of the appropriate regulatory  
10 authority of the District government to give expedited con-  
11 sideration to applications for District of Columbia regu-  
12 latory licenses, permits, and approvals for economic devel-  
13 opment projects that have been provided financial assist-  
14 ance by the Corporation.

15       (b) REQUEST REMEDY OF, OR EXPLANATION FOR,  
16 DELAY OR DENIAL.—If the Corporation determines that  
17 an economic development project provided financial assist-  
18 ance by the Corporation is experiencing delay in obtaining  
19 necessary District of Columbia regulatory licenses, per-  
20 mits, or approvals from, or where necessary District of  
21 Columbia regulatory licenses, permits, or approvals have  
22 been denied by, a regulatory authority of the District gov-  
23 ernment, the Corporation may request the appropriate of-  
24 ficers or employees of the appropriate regulatory authority  
25 of the District government to issue the necessary permits,

1 licenses, or approvals, or to demonstrate good cause for  
2 the delay or denial thereof, within 30 days of the request  
3 of the Corporation.

## 4       **Subtitle D—Capitalization and** 5                   **Finance**

### 6   **SEC. 731. AUTHORIZATION OF APPROPRIATIONS.**

7       (a) IN GENERAL.—There are authorized to be appro-  
8 priated directly to the Corporation in the fiscal year end-  
9 ing September 30, 1998, to be available without fiscal year  
10 limitation, \$50,000,000, to carry out the purposes of this  
11 title and to pay all expenses of the Corporation necessary  
12 and incident to that purpose.

13       (b) MINIMUM AMOUNT REQUIRED FOR CERTAIN  
14 USE.—

15               (1) IN GENERAL.—The Corporation shall pro-  
16 vide financial assistance in an amount not less than  
17 the lesser of \$20,000,000 or 40 percent of the  
18 amount appropriated under subsection (a)—

19                       (A) directly to nonprofit organizations to  
20 finance job training, placement, and related ac-  
21 tivities for targeted District residents in those  
22 organizations; or

23                       (B) to nonprofit third-party intermediaries  
24 to promote and finance job training, placement,  
25 and related activities for targeted District resi-

1           dents in for-profit and not-for-profit organiza-  
2           tions.

3           (2) WAIVER.—

4                   (A) WAIVER OF REQUIREMENT PER-  
5           MITTED.—The Corporation, by a vote of not  
6           less than 6 Board members, may waive the  
7           minimum amount requirement in paragraph  
8           (1).

9                   (B) REPORT OF WAIVER REQUIRED.—If  
10          the Corporation waives the minimum amount  
11          requirement in paragraph (1), the Corporation  
12          shall communicate promptly the reasons for  
13          doing so to the Mayor, the Council, the Author-  
14          ity (if the activities of the Authority are not  
15          suspended under section 109 of the District of  
16          Columbia Financial Responsibility and Manage-  
17          ment Assistance Act of 1995), the President,  
18          and the Congress.

19   **SEC. 732. PROJECT REVENUE OBLIGATIONS ISSUED BY**  
20                   **CORPORATION.**

21          (a) AUTHORITIES.—

22                   (1) IN GENERAL.—The Corporation, by resolu-  
23          tion of the Board, may—

24                           (A) authorize the issuance of taxable or  
25          tax-exempt project revenue obligations from

1 time to time, including refunding project reve-  
2 nue obligations at or before the maturity of the  
3 outstanding project revenue obligations to be  
4 refunded; and

5 (B) use the proceeds of issued project reve-  
6 nue obligations to provide financial assistance  
7 under this title for economic development  
8 projects, including providing funds to be paid  
9 into any reserve fund to secure project revenue  
10 obligations.

11 (2) DUTY TO CONSULT.—In exercising its au-  
12 thorities under this section, the Corporation shall  
13 consult with the executive and legislative branches of  
14 the District government so that the Corporation and  
15 the District government together—

16 (A) make the most effective use of avail-  
17 able resources and authorities;

18 (B) avoid to the extent practicable com-  
19 petition or duplication of efforts; and

20 (C) maximize the benefit to the District of  
21 Columbia.

22 (b) SPECIAL OBLIGATIONS; NEGOTIABLE INSTRU-  
23 MENTS.—Project revenue obligations issued by the Cor-  
24 poration under this section are—



1           (1) special obligations of the Corporation pay-  
2           able solely from the revenues, assets, and property  
3           of the economic development project for which finan-  
4           cial assistance is provided, to the extent those reve-  
5           nues, assets, and property are pledged therefor; and

6           (2) negotiable instruments, whether or not any  
7           project revenue obligation is a security as defined in  
8           section 28:8–102(1)(a), DC Code.

9           (c) AUTHORIZING BOARD RESOLUTIONS.—Any reso-  
10          lution of the Board authorizing the issuance of project rev-  
11          enue obligations may—

12           (1) prescribe the form, terms, provisions, man-  
13           ner, and method of issuing and selling (including  
14           sale by negotiation or by competitive bid) the project  
15           revenue obligations;

16           (2) provide for rights or remedies of the holders  
17           of the project revenue obligations upon default;

18           (3) prescribe any other details with respect to  
19           the issuance, sale, or securing of the project revenue  
20           obligations; and

21           (4) authorize the Chief Executive Officer to  
22           take any actions in connection with the issuance,  
23           sale, delivery, security, and payment of the project  
24           revenue obligations, including the prescribing of any

1 terms or conditions not contained in the authorizing  
2 resolution of the Board.

3 (d) AGREEMENTS RELATING TO AND SECURING  
4 PROJECT REVENUE OBLIGATIONS.—

5 (1) IN GENERAL.—In authorizing the issuance  
6 of any project revenue obligation under this section,  
7 the Board may authorize the Chief Executive Officer  
8 to enter into any agreement concerning the acquisi-  
9 tion, use, or disposition of any funds or property.

10 (2) SECURITY AGREEMENTS.—Any agreement  
11 authorized under paragraph (1) may—

12 (A) create a security interest in any reve-  
13 nues, assets, and property of an economic devel-  
14 opment project;

15 (B) provide for the custody, collection, se-  
16 curity, investment, and payment of any funds  
17 (including any funds held in trust) for the pay-  
18 ment of the project revenue obligations;

19 (C) mortgage any property of an economic  
20 development project;

21 (D) provide for the acquisition, construc-  
22 tion, maintenance, and disposition of the eco-  
23 nomic development project for which financial  
24 assistance is provided;

1 (E) provide for the doing of any act (or  
2 the refraining from doing any act) which the  
3 Corporation has the right to do in the absence  
4 of such agreement; and

5 (F) be assigned for the benefit of, or made  
6 a part of any contract with, any holder of the  
7 project revenue obligations issued under this  
8 section.

9 (3) SECURITY INTERESTS CREATED BY SECU-  
10 RITY AGREEMENTS.—

11 (A) Notwithstanding article 9 of title 28,  
12 District of Columbia Code, any security interest  
13 created under an agreement entered into under  
14 paragraph (1) shall be valid, binding, and per-  
15 fected—

16 (i) from the time the security interest  
17 is created, with or without the physical de-  
18 livery of any funds or any other property  
19 and with or without any further action;

20 (ii) whether or not any statement,  
21 document, or instrument relating to the se-  
22 curity interest is recorded or filed; and

23 (iii) with respect to any person having  
24 claims against the Corporation, whether or

1 not the person has notice of the security  
2 interest.

3 (e) RESERVE FUNDS.—

4 (1) ESTABLISHMENT.—The Corporation may  
5 establish 1 or more special or reserve funds in fur-  
6 therance of its authority under this section.

7 (2) MANAGEMENT.—Notwithstanding any other  
8 provision of District of Columbia law and subject to  
9 existing agreements with the holders of project reve-  
10 nue obligations issued by the Corporation, the Cor-  
11 poration may manage its special or reserve funds.

12 (f) PROJECT REVENUE OBLIGATIONS NOT OBLIGA-  
13 TIONS OF DISTRICT OF COLUMBIA OR UNITED STATES.—

14 (1) IN GENERAL.—Project revenue obligations  
15 issued by the Corporation under this section do not  
16 constitute an obligation of the District of Columbia  
17 or an obligation of the United States, but are pay-  
18 able solely from the revenues, assets, and property  
19 of the economic development project for which finan-  
20 cial assistance is provided, to the extent those reve-  
21 nues, assets, and property are pledged therefor.

22 (2) NO LIABILITY OF DISTRICT OF COLUMBIA  
23 OR UNITED STATES.—Neither the District of Colum-  
24 bia nor the United States is responsible or shall be  
25 liable for the payment of any principal of, or the in-

1       terest or any premium on, any project revenue obli-  
 2       gation issued by the Corporation under this section.

3           (3) FULL FAITH AND CREDIT OF DISTRICT OF  
 4       COLUMBIA AND UNITED STATES NOT PLEDGED.—

5       Neither the faith and credit nor the taxing power of  
 6       the District of Columbia nor the full faith and credit  
 7       of the United States is pledged for the payment of  
 8       any principal of, or the interest or any premium on,  
 9       any project revenue obligation issued by the Cor-  
 10      poration under this section.

11          (4) STATEMENT REQUIRED.—Each project rev-  
 12      enue obligation issued by the Corporation under this  
 13      section and the offering documents relating to each  
 14      issue of project revenue obligations shall contain on  
 15      their face a statement that—

16           (A) the Corporation is not obligated to pay  
 17           the principal of, or the interest or any premium  
 18           on, the project revenue obligation except from  
 19           the revenues, assets, and property of the eco-  
 20           nomic development project for which financial  
 21           assistance is provided, to the extent those reve-  
 22           nues, assets, and property are pledged therefor;

23           (B) the project revenue obligation is not an  
 24           obligation of the District of Columbia nor an  
 25           obligation of the United States; and

1           (C) neither the faith and credit nor the  
 2           taxing power of the District of Columbia nor  
 3           the full faith and credit of the United States is  
 4           pledged to the payment of the principal of, or  
 5           the interest or any premium on, the project rev-  
 6           enue obligation.

7           (g) PROJECT REVENUE OBLIGATIONS EXCLUDED  
 8 FROM CERTAIN LIMITATIONS.—

9           (1) LIMITATION ON TOTAL BORROWING OF DIS-  
 10          TRICT GOVERNMENT.—The amount of any project  
 11          revenue obligations issued by the Corporation under  
 12          this section shall not be taken into account in deter-  
 13          mining whether the amount of funds borrowed by  
 14          the District of Columbia during a fiscal year as gen-  
 15          eral obligation bonds or Treasury capital project  
 16          loans exceeds the limitation on that amount provided  
 17          in section 603(b) of the District of Columbia Self-  
 18          Government and Governmental Reorganization Act.

19          (2) LIMITATION ON OBLIGATING OR EXPEND-  
 20          ING FUNDS OUTSIDE OF APPROPRIATIONS ACTS.—  
 21          The fourth sentence of section 446 of the District of  
 22          Columbia Self-Government and Governmental Reor-  
 23          ganization Act shall not apply to—

24                 (A) any amount (including the amount of  
 25                 any accrued interest or premium) obligated or

1           expended from the proceeds of the sale of any  
2           project revenue obligation issued by the Cor-  
3           poration under this section;

4           (B) any amount obligated or expended for  
5           the payment of the principal of, interest on, or  
6           any premium for any project revenue obligation  
7           issued by the Corporation under this section; or

8           (C) any amount obligated or expended to  
9           secure any project revenue obligation issued by  
10          the Corporation under this section.

11          (3) LIMITATIONS ON ACTS OF COUNCIL.—A res-  
12          olution of the Corporation authorizing the issuance  
13          of project revenue obligations under this section  
14          shall not be considered to be an act of the Council.

15          (4) LIMITATION ON BORROWING BY DISTRICT  
16          GOVERNMENT DURING CONTROL YEARS.—Section  
17          204 of the District of Columbia Financial Respon-  
18          sibility and Management Assistance Act of 1995  
19          (DC Code, sec. 47–392.4), as amended by section  
20          603, is further amended by adding at the end the  
21          following new subsection:

22          “(h) REVENUE BONDS NOT TREATED AS BORROW-  
23          ING.—For purposes of this section, the issuance by the  
24          District of Columbia Economic Development Corporation  
25          under section 732 of the District of Columbia Economic

1 Development Corporation Act of 1997 of any project reve-  
2 nue obligations payable solely from the revenues, assets,  
3 and property of an economic development project shall not  
4 be considered to be a borrowing of money by the Dis-  
5 trict.”.

6 **SEC. 733. DEPOSIT AND INVESTMENT OF FUNDS.**

7 All funds and revenues of the Corporation received  
8 by the Corporation from any source that are not required  
9 to be otherwise disposed shall be—

10 (1) held, administered, and invested by the Cor-  
11 poration as the Corporation shall direct; or

12 (2) deposited with and invested by an institu-  
13 tion, trustee, fiduciary, or other custodian des-  
14 ignated by the Corporation and paid as the Corpora-  
15 tion shall direct.

16 **SEC. 734. NO TAXING POWER.**

17 The Corporation shall not have any power to—

18 (1) impose, assess, levy, or collect any taxes; or

19 (2) pledge, encumber, or otherwise create any  
20 lien on any revenues from taxes imposed, assessed,  
21 levied, or collected by the District government.



## **Subtitle E—Miscellaneous Provisions**

### **SEC. 741. LEGAL ACTIONS INVOLVING CORPORATION.**

(a) JURISDICTION.—Any action against the Corporation or any action otherwise arising out of or pertaining to this title, in whole or in part, shall be brought in the United States District Court for the District of Columbia.

(b) APPEALS.—Notwithstanding any other provision of law, any order of the United States District Court for the District of Columbia which is issued in an action brought under subsection (a) shall be reviewable only under a notice of appeal to the United States Court of Appeals for the District of Columbia Circuit.

(c) RELIEF.—No order of any court granting declaratory or injunctive relief against the Corporation in an action brought under subsection (a), including relief permitting or requiring the obligation or expenditure of funds, shall take effect during the pendency of the action before the court, during the time appeal may be taken, or (if appeal is taken) during the period before the court has entered its final order disposing of the action.

(d) LEGAL REPRESENTATION.—In any action brought by or on behalf of the Corporation, or against the Corporation, the Corporation shall be represented by the counsel that it selects.

1 **SEC. 742. JUDICIAL REVIEW OF FINANCIAL ASSISTANCE DE-**  
2 **TERMINATIONS AND RULES.**

3 (a) STATUTES OF LIMITATIONS ON JUDICIAL RE-  
4 VIEW.—

5 (1) FINANCIAL ASSISTANCE DETERMINA-  
6 TIONS.—Any action arising out of or pertaining to  
7 any determination of the Corporation to approve,  
8 disapprove, or take no action with respect to any re-  
9 quest or application for financial assistance shall be  
10 brought within 30 days after the date that notice of  
11 the determination that is the subject of the action  
12 appears in the District of Columbia Register.

13 (2) RULES AND PROCEDURES.—Any action  
14 arising out of or pertaining to any rule, or procedure  
15 adopted or prescribed by the Corporation under this  
16 title with respect to providing financial assistance  
17 shall be brought within 90 days after the date that  
18 notice of the adoption or prescription of the rule or  
19 procedure that is the subject of the action appears  
20 in the District of Columbia Register.

21 (b) NO REVIEW OF RULES OR PROCEDURES IN AC-  
22 TIONS ARISING OUT OF FINANCIAL ASSISTANCE DETER-  
23 MINATIONS.—Any rule or procedure adopted or prescribed  
24 by the Corporation under this title with respect to provid-  
25 ing financial assistance shall not be the subject of review  
26 in any action arising out of or pertaining to any deter-

1 mination of the Corporation to approve, disapprove, or  
 2 take no action with respect to a request or application for  
 3 financial assistance.

4 **SEC. 743. RELATIONSHIP TO OTHER LAWS.**

5       The following laws of the District of Columbia (as  
 6 in effect on the date of enactment of this title) shall not  
 7 apply to the Corporation, its activities, the Board mem-  
 8 bers, or the officers or employees of the Corporation:

9           (1) Section 742 of the District of Columbia  
 10       Self-Government and Governmental Reorganization  
 11       Act (relating to open meetings).

12           (2) The provisions of the District of Columbia  
 13       Code governing administrative procedure.

14           (3) The provisions of the District of Columbia  
 15       Code governing procurement.

16           (4) The provisions of the District of Columbia  
 17       Code governing dispositions of property.

18           (5) The provisions of the District of Columbia  
 19       Code taxing the income of corporations.

20 **SEC. 744. RELATIONSHIP TO DISTRICT GOVERNMENT.**

21       (a) INDEPENDENT INSTRUMENTALITY.—

22           (1) IN GENERAL.—The Corporation is an inde-  
 23       pendent instrumentality governed by the Board  
 24       within the government of the District of Columbia.

1           (2) NO CONTROL BY DISTRICT GOVERNMENT.—  
2       Notwithstanding any other law, neither the Mayor,  
3       the Council, the Chief Financial Officer of the Dis-  
4       trict of Columbia, nor the Authority shall exercise  
5       any control, supervision, oversight, or review over  
6       the Corporation, its activities, the Board members  
7       (other than the ex officio Board members appointed  
8       by the Mayor and the Council), or the officers and  
9       employees of the Corporation.

10          (3) PROHIBITION AGAINST LEGISLATION AF-  
11       FECTING CORPORATION.—Section 602(a) of the Dis-  
12       trict of Columbia Self-Government and Govern-  
13       mental Reorganization Act (DC Code, sec. 1–  
14       233(a)) is amended—

15               (A) by striking “or” at the end of para-  
16       graph (9);

17               (B) by striking the period at the end of  
18       paragraph (10) and inserting “; or”; and

19               (C) by adding at the end the following new  
20       paragraph:

21               “(11) enact any act, resolution, or rule with re-  
22       spect to the District of Columbia Economic Develop-  
23       ment Corporation established under section 711 of  
24       National Capital Revitalization and Self-Government  
25       Improvement Act of 1997.”.

1           (4) PREROGATIVE OF BOARD.—Notwithstand-  
2       ing any other law, the deposit of money received by  
3       the Corporation and the obligation and expenditure  
4       of money by the Corporation shall be sole preroga-  
5       tive of the Board, consistent with this title.

6       (b) APPLICATION OF REQUIREMENT RESPECTING  
7       DEPOSIT OF RECEIPTS TO CORPORATION'S RECEIPTS.—  
8       The third sentence of section 450 of the District of Colum-  
9       bia Self-Government and Governmental Reorganization  
10      Act shall apply to any money received by any officer or  
11      employee of the Corporation without the requirement to  
12      be paid promptly to the Mayor, and the appropriate fund  
13      for deposit of any money received by any officer or em-  
14      ployee of the Corporation shall be any revolving fund es-  
15      tablished by the Corporation under section 723(c)(2).

16      (c) EXCLUSION FROM LIMITATION ON OBLIGATING  
17      OR EXPENDING FUNDS OUTSIDE OF APPROPRIATIONS  
18      ACTS.—The fourth sentence of section 446 of the District  
19      of Columbia Self-Government and Governmental Reorga-  
20      nization Act shall not apply to any amount obligated or  
21      expended by any officer or employee of the Corporation  
22      as financial assistance under this title or to pay all ex-  
23      penses of the Corporation necessary and incident to that  
24      purpose.

1 (d) EXCLUSION FROM PERSONNEL AND BUDGET  
 2 LIMITATIONS APPLICABLE TO DISTRICT GOVERNMENT.—

3 The Corporation shall not be subject to any general per-  
 4 sonnel or budget limitations which otherwise apply to the  
 5 District government in any appropriations Act, and the  
 6 personnel of or the funds allocated or otherwise available  
 7 to the Corporation shall not be counted as part of the per-  
 8 sonnel or budget ceilings of the District government.

9 (e) OTHER ASSISTANCE FROM DISTRICT GOVERN-  
 10 MENT.—

11 (1) IN GENERAL.—At the request of the Cor-  
 12 poration, a department or agency of the executive  
 13 branch of the District government (as defined in  
 14 paragraph (2)) shall assist the Corporation in its ef-  
 15 forts to promote economic development projects, in-  
 16 cluding providing assistance relating to public safety  
 17 and public works affecting such projects.

18 (2) DEPARTMENT OR AGENCY OF EXECUTIVE  
 19 BRANCH DEFINED.—In paragraph (1), the term “de-  
 20 partment or agency of the executive branch of the  
 21 District government” includes—

22 (A) any independent agency of the District  
 23 of Columbia established under part F of title IV  
 24 of the District of Columbia Self-Government  
 25 and Governmental Reorganization Act; and

1 (B) any other agency, board, or commis-  
2 sion established by the Mayor or the Council.

3 **Subtitle F—Sunset Provisions**

4 **SEC. 751. SUSPENSION OF NEW FINANCIAL ASSISTANCE.**

5 (a) IN GENERAL.—After the suspension date, the  
6 Corporation may not—

7 (1) enter into any contract, agreement, or com-  
8 mitment to provide new financial assistance under  
9 section 723; or

10 (2) issue any new project revenue obligations  
11 under section 732.

12 (b) EXISTING FINANCIAL ASSISTANCE COMMIT-  
13 MENTS.—Nothing in paragraph (1) shall affect the au-  
14 thority of the Corporation to provide financial assistance  
15 under contracts, agreements, or commitments entered into  
16 under section 723 on or before the suspension date.

17 **SEC. 752. TERMINATION OF AFFAIRS.**

18 (a) IN GENERAL.—Beginning on the day after the  
19 suspension date, the Board shall take and diligently pur-  
20 sue all reasonable and practical actions to achieve an or-  
21 derly termination of the affairs of the Corporation on or  
22 before the termination date.

23 (b) DISPOSITION OF CORPORATION'S ASSETS.—

24 (1) LIQUIDATION.—

1 (A) IN GENERAL.—Unless the Council  
2 makes an election under paragraph (2), the  
3 Board shall liquidate all of the assets (other  
4 than moneys) of the Corporation.

5 (B) PUBLIC NOTICE REQUIRED.—The  
6 Board shall provide public notice of all liquida-  
7 tions of the assets of the Corporation.

8 (C) BOARD TRANSFER OF PROCEEDS.—  
9 Unless the Council makes an election under  
10 paragraph (2), the Board shall transfer prompt-  
11 ly the proceeds of all liquidations under sub-  
12 paragraph (A) to the Mayor for deposit into the  
13 accounts or funds of the District government as  
14 the Mayor determines appropriate.

15 (2) COUNCIL ELECTIONS.—

16 (A) RELATING TO TRANSFER OF AS-  
17 SETS.—

18 (i) IN GENERAL.—The Council, by  
19 act, may elect to have some or all of the  
20 assets of the Corporation transferred to  
21 any department, agency, establishment, or  
22 instrumentality of the District government  
23 rather than be liquidated.

24 (ii) CONTENTS OF COUNCIL'S ACT.—  
25 The act of the Council shall identify—



1 (I) the assets of the Corporation  
2 which the Council elects to have  
3 transferred rather than liquidated;  
4 and

5 (II) the department, agency, es-  
6 tablishment, or instrumentality of the  
7 District government to which the  
8 Council elects to have assets of the  
9 Corporation transferred.

10 (iii) BOARD TRANSFER OF ASSETS.—  
11 If the Council makes an election under  
12 clause (i), the Board shall transfer the as-  
13 sets of the Corporation identified by the  
14 Council in its act to the department, agen-  
15 cy, establishment, or instrumentality of the  
16 District government identified by the  
17 Council in its act.

18 (B) RELATING TO TRANSFER OF LIQUIDA-  
19 TION PROCEEDS.—

20 (i) IN GENERAL.—The Council, by  
21 act, may elect to have some or all of the  
22 proceeds of the liquidation of the assets of  
23 the Corporation deposited into one or more  
24 accounts or funds of the District govern-  
25 ment other than the accounts or funds of

1 the District government selected by the  
2 Mayor under paragraph (1)(C).

3 (ii) CONTENTS OF COUNCIL'S ACT.—

4 The act of the Council shall identify—

5 (I) the amount of liquidation pro-  
6 ceeds that the Council elects to have  
7 deposited into one or more accounts  
8 or funds of the District government  
9 other than the accounts or funds of  
10 the District government selected by  
11 the Mayor under paragraph (1)(C);  
12 and

13 (II) the accounts or funds of the  
14 District government into which the  
15 Council elects to have the moneys of  
16 the Corporation deposited.

17 (iii) BOARD TRANSFER OF LIQUIDA-  
18 TION PROCEEDS.—If the Council makes an  
19 election under clause (i), the Board shall  
20 deposit the amount of the liquidation pro-  
21 ceeds identified by the Council in its act to  
22 the department, agency, establishment, or  
23 instrumentality of the District government  
24 identified by the Council in its act.

1 **SEC. 753. DISSOLUTION OF CORPORATION.**

2 (a) IN GENERAL.—

3 (1) TERMINATION COMPLETE.—

4 (A) IN GENERAL.—Unless the Council  
5 makes an election under subparagraph (B), if  
6 the Board completes the termination of the af-  
7 fairs of the Corporation on or before the termi-  
8 nation date, the Board shall

9 (i) transfer to the Mayor the moneys  
10 of the Corporation that are reserved to ful-  
11 fill the obligations of the Corporation to  
12 provide financial assistance under con-  
13 tracts, agreements, or commitments en-  
14 tered into under section 723 on or before  
15 the suspension date;

16 (ii) transfer to the Mayor the balance  
17 of the moneys of the Corporation for de-  
18 posit into the accounts or funds of the Dis-  
19 trict government as the Mayor determines  
20 appropriate; and

21 (iii) submit a final report on the Cor-  
22 poration to the Council, the Authority (if  
23 the activities of the Authority are not sus-  
24 pended under section 109 of the District of  
25 Columbia Financial Responsibility and

1 Management Assistance Act of 1995), the  
2 President, and the Congress.

3 (B) COUNCIL ELECTION RELATING TO  
4 TRANSFER OF CORPORATION MONEYS.—

5 (i) IN GENERAL.—The Council, by  
6 act, may elect to have some or all of the  
7 balance of the Corporation’s moneys depos-  
8 ited into one or more accounts or funds of  
9 the District government other than the ac-  
10 counts or funds of the District government  
11 selected by the Mayor under paragraph  
12 (1)(A)(ii).

13 (ii) CONTENTS OF COUNCIL’S ACT.—  
14 The act of the Council shall identify—

15 (I) the amount of the balance of  
16 the Corporation’s moneys that the  
17 Council elects to have deposited into  
18 one or more accounts or funds of the  
19 District government other than the  
20 accounts or funds of the District gov-  
21 ernment selected by the Mayor under  
22 paragraph (1)(A)(ii); and

23 (II) the accounts or funds of the  
24 District government into which the

1 Council elects to have the moneys of  
2 the Corporation deposited.

3 (iii) BOARD TRANSFER OF BALANCE  
4 OF CORPORATION'S MONEYS.—If the Coun-  
5 cil makes an election under clause (i), the  
6 Board shall—

7 (I) transfer to the Mayor the  
8 moneys of the Corporation that are  
9 reserved to fulfill the obligations of  
10 the Corporation to provide financial  
11 assistance under contracts, agree-  
12 ments, or commitments entered into  
13 under section 723 on or before the  
14 suspension date;

15 (II) deposit the amount of the  
16 balance of the moneys of the Corpora-  
17 tion identified by the Council in its  
18 act to the accounts or funds of the  
19 District government identified by the  
20 Council in its resolution; and

21 (III) submit a final report on the  
22 Corporation to the Council, the Au-  
23 thority (if the activities of the Author-  
24 ity are not suspended under section  
25 109 of the District of Columbia Fi-

1                   nancial Responsibility and Manage-  
2                   ment Assistance Act of 1995), the  
3                   President, and the Congress.

4                   (2) TERMINATION INCOMPLETE.—If the Board  
5                   has not completed the termination of the affairs of  
6                   the Corporation and the disposition of all of the as-  
7                   sets of the Corporation on or before the termination  
8                   date, the Mayor shall, on the day after the termi-  
9                   nation date, succeed to all of the powers, rights, as-  
10                  sets, duties, obligations, and liabilities of the Cor-  
11                  poration and the Board.

12                  (b) DISPOSITION BY MAYOR.—If the Mayor succeeds  
13                  to the powers, rights, assets, duties, obligations, and liabil-  
14                  ities of the Corporation and the Board under subsection  
15                  (a)(2), the Mayor shall act as follows:

16                  (1) If the Board has not completed the liquida-  
17                  tion of the assets of the Corporation, and unless the  
18                  Council has made an election under section  
19                  752(b)(2), the Mayor shall complete the liquidation  
20                  of those assets and deposit the proceeds of the liq-  
21                  uidations into the accounts or funds of the District  
22                  government as the Mayor determines appropriate.

23                  (2) If the Council has made an election under  
24                  section 752(b)(2) and the Board has not completed  
25                  the transfer of the assets of the Corporation identi-

1       fied in the act of the Council to the department,  
2       agency, establishment, or instrumentality of the Dis-  
3       trict government identified in the resolution, the  
4       Mayor shall complete the transfer promptly.

5           (3) If the Council has made an election under  
6       section 752(b)(2) and the Board has not completed  
7       the deposit of the amount of liquidation proceeds  
8       identified by the Council in its act into the accounts  
9       or funds of the District government identified by the  
10      Council in its act, the Mayor shall complete the de-  
11      posit promptly.

12          (4) Unless the Council has made an election  
13      under subsection (a)(1)(B), when the Mayor com-  
14      pletes the termination of the affairs of the Corpora-  
15      tion and the disposition of all of the assets of the  
16      Corporation, the Mayor shall deposit the balance of  
17      the moneys of the Corporation into the accounts or  
18      funds of the District government as the Mayor de-  
19      termines appropriate.

20          (5) If the Council has made an election under  
21      subsection (a)(1)(B), when the Mayor completes the  
22      termination of the affairs of the Corporation and the  
23      disposition of all of the assets of the Corporation,  
24      the Mayor shall deposit the amount of the balance  
25      of the moneys of the Corporation identified by the

1 Council in its act into the accounts or funds of the  
2 District government identified by the Council in its  
3 act.

4 (6) The Mayor shall submit a final report on  
5 the Corporation to the Council, the Authority (if the  
6 activities of the Authority are not suspended under  
7 section 109 of the District of Columbia Financial  
8 Responsibility and Management Assistance Act of  
9 1995), the President, and the Congress.

10 (c) DISSOLUTION OF CORPORATION.—The Corpora-  
11 tion shall be dissolved—

12 (1) if subsection (a)(1)(A) applies, on the latest  
13 of the dates on which the Board completes the ac-  
14 tions described in clauses (i), (ii), and (iii) thereof;

15 (2) if subsection (a)(1)(B) applies, on the latest  
16 of the dates on which the Board completes the ac-  
17 tions described in subclauses (I), (II), and (III) of  
18 clause (iii) thereof; or

19 (3) if subsection (a)(2) applies, on the latest of  
20 the dates on which the Mayor completes the actions  
21 described in subsection (b).

22 (d) SUCCESSION.—

23 (1) IN GENERAL.—Upon dissolution of the Cor-  
24 poration under subsection (c), the District govern-



1       ment shall succeed to all of the assets and liabilities  
2       of the Corporation.

3           (2) DISTRICT GOVERNMENT SUCCESSOR ISSUER  
4       OF PROJECT REVENUE OBLIGATIONS.—For purposes  
5       of any outstanding project revenue obligation issued  
6       by the Corporation under section 732 on or before  
7       the suspension date, the District government shall  
8       be deemed to be the issuer after the dissolution of  
9       the Corporation.

10       (e) SAVINGS PROVISION.—Nothing in this section  
11       shall affect

12           (1) the validity of any undischarged contract,  
13       agreement, or commitment to provide financial as-  
14       sistance entered into under section 723 on or before  
15       the suspension date;

16           (2) the validity or maturity of any outstanding  
17       project revenue obligation issued by the Corporation  
18       under section 732 on or before the suspension date;  
19       or

20           (3) any right or privilege accrued, any penalty  
21       or liability incurred, any civil or criminal proceeding  
22       commenced, or any authority conferred on or before  
23       the termination date.

1 **TITLE VIII—DISTRICT OF CO-**  
2 **LUMBIA GOVERNMENT BUDG-**  
3 **ET; EFFECTIVE DATE**

4 **SEC. 801. ELIMINATION OF THE ANNUAL FEDERAL PAY-**  
5 **MENT TO THE DISTRICT OF COLUMBIA.**

6 (a) ELIMINATION OF PAYMENT.—

7 (1) IN GENERAL.—Title V of the District of Co-  
8 lumbia Self-Government and Governmental Reorga-  
9 nization Act (DC Code, sec. 47–3406 et seq.) is  
10 hereby repealed.

11 (2) CLERICAL AMENDMENT.—The table of con-  
12 tents of such Act is amended by striking the items  
13 relating to title V.

14 (b) CONFORMING AMENDMENTS.—

15 (1) HOME RULE ACT.—The District of Colum-  
16 bia Self-Government and Governmental Reorganiza-  
17 tion Act is amended as follows:

18 (A) In section 103(10) (DC Code, sec. 1–  
19 202(10)), by striking “the annual Federal pay-  
20 ment to the District authorized under title V,”.

21 (B) In section 483 (DC Code, sec. 47–  
22 331.2), by striking subsection (c).

23 (C) In section 603(c) (DC Code, sec. 47–  
24 313(c)), by striking the fourth sentence.

1 (D) In section 603(f)(1) (DC Code, sec.  
2 47–313(f)(1)), by striking “(other than the  
3 fourth sentence)”.

4 (2) FINANCIAL RESPONSIBILITY AND MANAGE-  
5 MENT ASSISTANCE ACT.—The District of Columbia  
6 Financial Responsibility and Management Assistance  
7 Act of 1995 is amended—

8 (A) by striking section 205 (DC Code, sec.  
9 47–392.5); and

10 (B) in the table of contents for such Act,  
11 by striking the item relating to section 205.

12 (3) PROCUREMENT PRACTICES ACT.—Section  
13 208(a)(2) of the District of Columbia Procurement  
14 Practices Act of 1985 (DC Code, sec. 1–  
15 1182.8(a)(2)) is amended—

16 (1) by striking subparagraph (B);

17 (2) by redesignating subparagraph (C) as sub-  
18 paragraph (B); and

19 (3) in subparagraph (B), as so redesignated, by  
20 striking “Amounts deposited in the dedicated fund  
21 described in subparagraph (B)” and inserting  
22 “Amounts appropriated for the Inspector General”.

23 (4) DISTRICT OF COLUMBIA REVENUE ACT OF  
24 1939.—The District of Columbia Revenue Act of

1       1939 (DC Code, sec. 47–3401 et seq.) is amended  
2       as follows:

3               (A) In section 603(b) (as redesignated by  
4       section 501)—

5                   (i) in paragraph (5), by adding “and”  
6       at the end;

7                   (ii) in paragraph (6), by striking “;  
8       and” and inserting a period; and

9                   (iii) by striking paragraph (7).

10               (B) In section 603(c) (as redesignated by  
11       section 501), by striking paragraph (3).

12               (C) In section 605(b) (as redesignated by  
13       section 501)—

14                   (i) by striking paragraph (1) and re-  
15       designating paragraphs (2) through (4) as  
16       paragraphs (1) through (3);

17                   (ii) in paragraph (1) (as so redesign-  
18       ated), by striking “OTHER” in the head-  
19       ing;

20                   (iii) in paragraph (1) (as so redesign-  
21       ated), by striking “If, after” and all that  
22       follows through “the Secretary” and in-  
23       serting “The Secretary”;

1 (iv) in paragraph (2) (as so redesign-  
2 nated), by striking “paragraphs (1) and  
3 (2)” and inserting “paragraph (1)”; and

4 (v) in paragraph (3) (as so redesign-  
5 nated), by striking “(1) through (3)” and  
6 inserting “(1) and (2)”.

7 (c) FEDERAL CONTRIBUTION TO OPERATIONS OF  
8 GOVERNMENT OF NATION’S CAPITAL.—

9 (1) FINDINGS.—Congress finds as follows:

10 (A) Congress has reduced the District of  
11 Columbia’s ability to raise revenue by limiting  
12 the height of buildings in the District and im-  
13 posing other limitations relating to the Federal  
14 presence in the District.

15 (B) Congress has imposed limitations on  
16 the District’s ability to tax revenue at its  
17 source.

18 (C) The District government cannot tax a  
19 high proportion of the real property of the Dis-  
20 trict of Columbia, and the effect of this inability  
21 on the District’s revenues is magnified by the  
22 District’s relatively small geographic size.

23 (D) The unique status of the District of  
24 Columbia as the seat of the government of the  
25 United States imposes unusual costs and re-

1           quirements which are not imposed on other ju-  
2           risdictions and many of which are not directly  
3           reimbursed by the Federal government.

4           (E) As a result of these factors, the rel-  
5           ative tax burden on District residents is consid-  
6           erably greater than the burden on residents in  
7           other jurisdictions in the Washington, D.C.  
8           metropolitan area and in other cities of com-  
9           parable size.

10          (2) FEDERAL CONTRIBUTION.—There is au-  
11         thorized to be appropriated a Federal contribution  
12         towards the costs of the operation of the government  
13         of the Nation's capital—

14                 (A) for fiscal year 1998, \$140,000,000;

15                 and

16                 (B) for each subsequent fiscal year, such  
17                 amount as may be necessary for such contribu-  
18                 tion.

19         In determining the amount appropriated pursuant to  
20         the authorization under this paragraph, Congress  
21         shall take into account the findings described in  
22         paragraph (1).

1 **SEC. 802. REQUIREMENT THAT THE DISTRICT OF COLUM-**  
2 **BIA BALANCE ITS BUDGET IN FY 1998.**

3 (a) IN GENERAL.—Section 201(c)(1) of the District  
4 of Columbia Financial Responsibility and Management  
5 Assistance Act of 1995 is amended—

6 (1) in subparagraph (A), by striking “1999”  
7 and inserting “1998”; and

8 (2) in subparagraph (B), by striking “1996,  
9 1997, and 1998,” and inserting “1996 and 1997,”.

10 (b) CONFORMING AMENDMENT.—Section 603(f) of  
11 the District of Columbia Self-Government and Govern-  
12 mental Reorganization Act (DC Code, sec. 47–313(f)) is  
13 amended by striking “Act of 1995)—” and all that follows  
14 through “(2) the Council” and inserting “Act of 1995),  
15 the Council”.

16 **SEC. 803. PERMITTING EXPEDITED SUBMISSION AND AP-**  
17 **PROVAL OF CONSENSUS BUDGET AND FINAN-**  
18 **CIAL PLAN.**

19 (a) FINDINGS.—Congress finds the following:

20 (1) The District of Columbia Financial Respon-  
21 sibility and Management Assistance Act (hereafter  
22 in this subsection referred to as the “Act”) was  
23 structured as to preserve the maximum prerogatives  
24 of each branch of elected self-government consistent  
25 with returning the District of Columbia to full finan-  
26 cial stability and health.

1           (2) The Act was intended to eliminate unneces-  
2           sary bureaucratic barriers and procedures through-  
3           out the District government, including the budget  
4           process.

5           (3) Preservation of home rule and self-govern-  
6           ment are consistent with cooperation between elected  
7           officials and the Authority in drawing the annual  
8           budget and other matters affecting the District of  
9           Columbia government, and are preferable to achieve  
10          greater efficiency, communication among the parties,  
11          and avoidance of conflict and delay.

12          (b) IN GENERAL.—Section 202 of the District of Co-  
13          lumbia Financial Responsibility and Management Assist-  
14          ance Act of 1995 is amended by adding at the end the  
15          following new subsection:

16          “(i) EXPEDITED SUBMISSION AND APPROVAL OF  
17          CONSENSUS BUDGET AND FINANCIAL PLAN.—Notwith-  
18          standing any other provision of this section, if the Mayor,  
19          the Council, and the Authority jointly develop a financial  
20          plan and budget for the fiscal year which meets the re-  
21          quirements applicable under section 201 and which the  
22          Mayor, Council, and Authority certify reflects a consensus  
23          among them—

24                 “(1) such financial plan and budget shall serve  
25          as the budget of the District government for the fis-



1 cal year adopted by the Council under section 446  
 2 of the District of Columbia Self-Government and  
 3 Governmental Reorganization Act; and

4 “(2) the Mayor shall transmit the financial plan  
 5 and budget to the President and Congress under  
 6 such section.”.

7 (c) EFFECTIVE DATE.—The amendment made by  
 8 subsection (b) shall apply with respect to fiscal years be-  
 9 ginning with fiscal year 1998.

10 **SEC. 804. INCREASE IN MAXIMUM AMOUNT OF PERMITTED**  
 11 **DISTRICT BORROWING.**

12 Section 603(b) of the District of Columbia Self-Gov-  
 13 ernment and Governmental Reorganization Act (DC Code,  
 14 sec. 47–313(b)) is amended by striking “14 per centum”  
 15 each place it appears in paragraph (1) and paragraph (3)  
 16 and inserting “17 percent”.

17 **TITLE IX—MISCELLANEOUS**  
 18 **PROVISIONS**

19 **Subtitle A—Regulatory Reform in**  
 20 **the District of Columbia**

21 **SEC. 901. REVIEW AND REVISION OF REGULATIONS AND**  
 22 **PERMIT AND APPLICATION PROCESSES.**

23 (a) REVIEW OF CURRENT REGULATIONS BY AU-  
 24 THORITY.—

1           (1) IN GENERAL.—Not later than 6 months  
2     after the date of the enactment of this Act, the Dis-  
3     trict of Columbia Financial Responsibility and Man-  
4     agement Assistance Authority shall complete a re-  
5     view of regulations of the District of Columbia in ef-  
6     fect as of the date of the enactment of this Act and  
7     analyze the extent to which such regulations unnec-  
8     essarily and inappropriately impair economic devel-  
9     opment in the District of Columbia and the financial  
10    stability and management efficiency of the District  
11    of Columbia government. To the greatest extent pos-  
12    sible, such review shall take into account the work  
13    and recommendations of the Business Regulatory  
14    Reform Commission pursuant to the Business Regu-  
15    latory Reform Commission Act of 1994 (DC Code,  
16    sec. 2–4101 et seq.) and other existing and ongoing  
17    public and private regulatory reform efforts. The  
18    Authority shall transmit the findings of its review to  
19    the Mayor, Council, and Congress.

20           (2) REVISION.—Based on the review conducted  
21    under paragraph (1) and taking into account actions  
22    by the Council and the Executive Branch of the Dis-  
23    trict of Columbia government, the Authority shall  
24    take such additional actions as it considers appro-  
25    priate to repeal or revise the regulations of the Dis-

1        trict of Columbia, in accordance with (and subject to  
2        the terms and conditions described in) section 207  
3        of the District of Columbia Financial Responsibility  
4        and Management Assistance Act of 1995.

5        (b) SURVEY AND REVISION OF PERMIT AND APPLI-  
6        CATION PROCESSES.—

7            (1) IN GENERAL.—Not later than 6 months  
8        after the date of the enactment of this Act, the Au-  
9        thority shall complete a review of the current proc-  
10        esses of the District of Columbia for obtaining per-  
11        mits and applications of all types and analyze the  
12        extent to which such processes and their completion  
13        times vary from the processes applicable in other ju-  
14        risdictions. To the greatest extent possible, such re-  
15        view shall take into account the work and rec-  
16        ommendations of the Business Regulatory Reform  
17        Commission pursuant to the Business Regulatory  
18        Reform Commission Act of 1994 (DC Code, sec. 2–  
19        4101 et seq.) and other existing and ongoing public  
20        and private regulatory reform efforts. The Authority  
21        shall transmit the findings of its review to the  
22        Mayor, Council, and Congress.

23            (2) REVISION.—Based on the review conducted  
24        under paragraph (1) and taking into account actions  
25        by the Council and the Executive Branch of the Dis-

21 SEC. 902. REPEAL OF CLEAN AIR COMPLIANCE FEE ACT OF

23 (a) REPEAL.—

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1 repealed (DC Code, sec. 47–2731 et seq.), except as  
 2 provided in subsection (b).

3 (2) CONFORMING AMENDMENT.—Section  
 4 2(b)(2) of the Stable and Reliable Source of Reve-  
 5 nues for WMATA Act of 1982 (DC Code, sec. 1–  
 6 2466(b)(2)) is amended by striking subparagraph  
 7 (H).

8 (b) EXCEPTION FOR PROVISIONS EXEMPTING DELIV-  
 9 ERY OF NEWSPAPERS FROM APPLICATION OF CERTAIN  
 10 TAXES.—Subsection (a) shall not apply to section 14 of  
 11 the Clean Air Compliance Fee Act of 1994.

12 **SEC. 903. REPEAL OF FEDERAL CHARTER OF GROUP HOS-**  
 13 **PITALIZATION AND MEDICAL SERVICES, INC.**

14 (a) REPEAL OF FEDERAL CHARTER.—

15 (1) IN GENERAL.—The Act entitled “An Act  
 16 providing for the incorporation of certain persons as  
 17 Group Hospitalization, Inc.”, approved August 11,  
 18 1939 (53 Stat. 1412), is repealed.

19 (2) AUTHORIZATION TO FILE ARTICLES OF IN-  
 20 CORPORATION.—Group Hospitalization and Medical  
 21 Services, Inc. is hereby authorized to file articles of  
 22 incorporation under the District of Columbia Non-  
 23 profit Corporation Act.

24 (3) EFFECTIVE DATE.—The amendment made  
 25 by paragraph (1) shall take effect upon the filing

1       and effectiveness of articles of incorporation of  
2       Group Hospitalization and Medical Services, Inc.  
3       under the District of Columbia Nonprofit Corpora-  
4       tion Act.

5       (b) EFFECTS OF BECOMING A DISTRICT OF COLUM-  
6 BIA NONPROFIT CORPORATION.—Effective upon the filing  
7 and effectiveness of articles of incorporation of Group  
8 Hospitalization and Medical Services, Inc. as authorized  
9 in paragraph (2) of subsection (a), Group Hospitalization  
10 and Medical Services, Inc.—

11           (1) shall be a District of Columbia nonprofit  
12       corporation subject to the articles of incorporation;

13           (2) shall be deemed organized and existing  
14       under the District of Columbia Nonprofit Corpora-  
15       tion Act, notwithstanding any of the provisions of  
16       section 4 of the District of Columbia Nonprofit Cor-  
17       poration Act regarding organizations subject to any  
18       of the provisions of the insurance laws of the Dis-  
19       trict of Columbia;

20           (3) shall be legally domiciled in the District of  
21       Columbia;

22           (4) shall be regulated by the Superintendent of  
23       Insurance of the District of Columbia in accordance  
24       with the laws and regulations of the District of Co-  
25       lumbia;

1 (5) shall continue to exist; and

2 (6) shall continue to be authorized to transact  
3 business—

4 (A) under existing certificates of authority  
5 and licenses issued to Group Hospitalization  
6 and Medical Services, Inc. before such filing  
7 and effectiveness,

8 (B) under the name “Group Hospitaliza-  
9 tion and Medical Services, Inc.”, and

10 (C) under applicable laws and regulations.

11 (d) WAIVER OF CONGRESSIONAL REVIEW PERIOD.—

12 Notwithstanding section 602(c)(1) of the District of Co-  
13 lumbia Self-Government and Governmental Reorganiza-  
14 tion Act (sec. 1–233(c)(1), D.C. Code), the Hospital and  
15 Medical Services Corporation Regulatory Act of 1996  
16 (D.C. Act 11–505) shall take effect on the date of the  
17 enactment of such Act or the date of the enactment of  
18 this Act, whichever is later.

19 **SEC. 904. EXEMPTION OF CERTAIN CONTRACTS FROM**  
20 **COUNCIL REVIEW.**

21 (a) IN GENERAL.—Section 451 of the District of Co-  
22 lumbia Self-Government and Governmental Reorganiza-  
23 tion Act (sec. 1–1130, D.C. Code) is amended by adding  
24 at the end the following new subsection:

1       “(d) EXEMPTION FOR CERTAIN CONTRACTS.—The  
2 requirements of this section shall not apply with respect  
3 to any of the following contracts:

4           “(1) Any contract entered into by the Washing-  
5 ton Convention Center Authority for preconstruction  
6 activities, project management, design, or construc-  
7 tion.

8           “(2) Any contract entered into by the District  
9 of Columbia Water and Sewer Authority established  
10 pursuant to the Water and Sewer Authority Estab-  
11 lishment and Department of Public Works Reorga-  
12 nization Act of 1996, other than contracts for the  
13 sale or lease of the Blue Plains Wastewater Treat-  
14 ment Plant.

15           “(3) At the option of the Council, any contract  
16 for a highway improvement project carried out under  
17 title 23, United States Code.”.

18       (b) EFFECTIVE DATE.—The amendment made by  
19 subsection (a) shall apply with respect to contracts entered  
20 into on or after the date of the enactment of this Act.



1     **Subtitle B—Other Miscellaneous**  
2                     **Provisions**

3     **SEC. 911. REVISIONS TO FINANCIAL RESPONSIBILITY AND**  
4                     **MANAGEMENT ASSISTANCE ACT.**

5             (a) USE OF INTEREST ON ACCOUNTS OF AUTHORITY  
6     FOR BENEFIT OF DISTRICT.—Section 106 of the District  
7     of Columbia Financial Responsibility and Management  
8     Assistance Act of 1995 (DC Code, sec. 47–391.6) is  
9     amended by adding at the end the following new sub-  
10    section:

11           “(d) USE OF INTEREST ON ACCOUNTS FOR DIS-  
12    TRICT.—

13               “(1) IN GENERAL.—Notwithstanding any other  
14    provision of this Act, the Authority may transfer or  
15    otherwise expend any amounts derived from interest  
16    earned on accounts held by the Authority on behalf  
17    of the District of Columbia for such purposes as it  
18    considers appropriate to promote the economic sta-  
19    bility and management efficiency of the District gov-  
20    ernment.

21               “(2) SPENDING NOT SUBJECT TO APPROPRIA-  
22    TION BY CONGRESS.—Notwithstanding subsection  
23    (a)(3), any amounts transferred or otherwise ex-  
24    pended pursuant to paragraph (1) may be obligated  
25    or expended without approval by Act of Congress.”.

1 (b) APPOINTMENT OF INSPECTOR GENERAL.—Sec-  
2 tion 303(e)(1) of such Act (DC Code, sec. 1–1182.8 note)  
3 is amended by striking “the Authority” and inserting “the  
4 Mayor”.

5 **SEC. 912. COOPERATIVE AGREEMENTS BETWEEN FEDERAL**  
6 **AGENCIES AND METROPOLITAN POLICE DE-**  
7 **PARTMENT.**

8 (a) AGREEMENTS.—Each covered Federal law en-  
9 forcement agency may enter into a cooperative agreement  
10 with the Metropolitan Police Department of the District  
11 of Columbia to assist the Department in carrying out  
12 crime prevention and law enforcement activities in the  
13 District of Columbia, including taking appropriate action  
14 to enforce subsection (e) (except that nothing in such an  
15 agreement may be construed to grant authority to the  
16 United States to prosecute violations of subsection (e)).

17 (b) CONTENTS OF AGREEMENT.—An agreement en-  
18 tered into between a covered Federal law enforcement  
19 agency and the Metropolitan Police Department pursuant  
20 to this Act may include agreements relating to—

21 (1) sending personnel of the agency on patrol in  
22 areas of the District of Columbia which immediately  
23 surround the area of the agency’s jurisdiction, and  
24 granting personnel of the agency the power to arrest  
25 in such areas;

1           (2) sharing and donating equipment and sup-  
2           plies with the Metropolitan Police Department;

3           (3) operating on shared radio frequencies with  
4           the Metropolitan Police Department;

5           (4) permitting personnel of the agency to carry  
6           out processing and papering of suspects they arrest  
7           in the District of Columbia; and

8           (5) such other items as the agency and the  
9           Metropolitan Police Department may agree to in-  
10          clude in the agreement.

11          (c) COORDINATION BY U.S. ATTORNEY'S OFFICE.—

12       The United States Attorney for the District of Columbia  
13       shall coordinate the agreements entered into pursuant to  
14       this Act and shall provide technical assistance to covered  
15       Federal law enforcement agencies in carrying out their re-  
16       sponsibilities under this Act and under such agreements.

17          (d) COVERED FEDERAL LAW ENFORCEMENT AGEN-  
18       CIES DESCRIBED.—In this section, the term “covered  
19       Federal law enforcement agency” means any of the follow-  
20       ing:

21               (1) United States Capitol Police.

22               (2) United States Marshals Service.

23               (3) Library of Congress Police.

24               (4) Bureau of Engraving and Printing Police  
25       Force.

1 (5) Supreme Court Police.

2 (6) Amtrak Police Department.

3 (7) Department of Protective Services, United  
4 States Holocaust Museum.

5 (8) Government Printing Office Police.

6 (9) United States Park Police.

7 (10) Bureau of Alcohol, Tobacco, and Firearms.

8 (11) Drug Enforcement Administration.

9 (12) Federal Bureau of Investigation.

10 (13) Criminal Investigation Division, Internal  
11 Revenue Service.

12 (14) Department of the Navy Police Division,  
13 Naval District Washington.

14 (15) Naval Criminal Investigative Service.

15 (16) 11th Security Police Squadron, Bolling Air  
16 Force Base.

17 (17) United States Army Military District of  
18 Washington.

19 (18) United States Customs Service.

20 (19) Immigration and Naturalization Service.

21 (20) Postal Inspection Service, United States  
22 Postal Service.

23 (21) Uniformed Division, United States Secret  
24 Service.

25 (22) United States Secret Service.

1 (23) National Zoological Park Police.

2 (24) Federal Protective Service, General Serv-  
3 ices Administration, National Capital Region.

4 (25) Defense Protective Service, Department of  
5 Defense Washington Headquarters Services.

6 (26) Office of Protective Services, Smithsonian  
7 Institution.

8 (27) Office of Protective Services, National Gal-  
9 lery of Art.

10 (28) United States Army Criminal Investigation  
11 Command, Department of the Army Washington  
12 District, 3rd Military Police Group.

13 (29) Marine Corps Law Enforcement.

14 (30) Department of State Diplomatic Security.

15 (31) United States Coast Guard.

16 (32) United States Postal Police.

17 (e) CERTAIN PROHIBITED ACTIVITY.—Effective with  
18 respect to conduct occurring on or after the date of the  
19 enactment of this Act, whoever in the District of Columbia  
20 knowingly and willfully obstructs any bridge connecting  
21 the District of Columbia and the Commonwealth of Vir-  
22 ginia—

23 (1) shall be fined not less than \$1,000 or not  
24 more than \$5,000, and in addition may be impris-  
25 oned not more than 30 days; or

1           (2) if applicable, shall be subject to prosecution  
2       by the District of Columbia under the provisions of  
3       District law and regulation amended by the Safe  
4       Streets Anti-Prostitution Amendment Act of 1996  
5       (D.C. Law 11–130).

6 **SEC. 913. PERMITTING GARNISHMENT OF WAGES OF OFFI-**  
7 **CERS AND EMPLOYEES OF DISTRICT OF CO-**  
8 **LUMBIA GOVERNMENT.**

9       Section 2 of D.C. Law 2–14 (DC Code, sec. 1–516)  
10 is amended—

11           (1) by striking “After July 25” and inserting  
12       “(a) After July 25”; and

13           (2) by adding at the end the following new sub-  
14       section:

15       “(b) After October 1, 1997, wages salaries, annuities,  
16 retirement and disability benefits, and other remuneration  
17 based upon employment, or other income owed by, due  
18 from, and payable by the government of the District of  
19 Columbia to any individual shall be subject to attachment,  
20 garnishment, assignment, or withholding in accordance  
21 with subchapter III of chapter 5 of title 16 of the District  
22 of Columbia Code in the same manner and to the same  
23 extent as if the government of the District of Columbia  
24 were a private person.”.

1 **SEC. 914. PERMITTING EXCESS APPROPRIATIONS BY**  
2 **WATER AND SEWER AUTHORITY FOR CAP-**  
3 **ITAL PROJECTS.**

4 (a) IN GENERAL.—Section 445A of the District of  
5 Columbia Self-Government and Governmental Reorganiza-  
6 tion Act (DC Code, sec. 43–1691), as added by section  
7 4(a) of the District of Columbia Water and Sewer Author-  
8 ity Act of 1996, is amended—

9 (1) by striking “The District” and inserting  
10 “(a) IN GENERAL.—The District”; and

11 (2) by adding at the end the following new sub-  
12 section:

13 “(b) PERMITTING EXPENDITURE OF EXCESS REVE-  
14 NUES FOR CAPITAL PROJECTS IN EXCESS OF BUDGET.—  
15 Notwithstanding the amount appropriated for the District  
16 of Columbia Water and Sewer Authority for capital  
17 projects for a fiscal year, if the revenues of the Authority  
18 for the year exceed the estimated revenues of the Author-  
19 ity provided in the annual budget of the District of Colum-  
20 bia for the fiscal year, the Authority may obligate or ex-  
21 pend an additional amount for capital projects during the  
22 year equal to the amount of such excess revenues.”.

23 (b) CONFORMING AMENDMENT.—The fourth sen-  
24 tence of section 446 of such Act (DC Code, sec. 47–304),  
25 as amended by section 2(c)(2) of the District of Columbia  
26 Water and Sewer Authority Act of 1996, is amended by

1 striking “in section 467(d)” and inserting “in section  
2 445A(b), section 467(d)”.

3 (c) EFFECTIVE DATE.—The amendments made by  
4 this section shall apply with respect to fiscal years begin-  
5 ning on or after October 1, 1996.

6 **SEC. 915. REQUIRING CERTAIN FEDERAL OFFICIALS TO**  
7 **PROVIDE NOTICE BEFORE CARRYING OUT**  
8 **ACTIVITIES AFFECTING REAL PROPERTY LO-**  
9 **CATED IN DISTRICT OF COLUMBIA.**

10 (a) HEADS OF FEDERAL AGENCIES.—

11 (1) IN GENERAL.—Except as provided in sub-  
12 section (d), the head of any Federal agency may not  
13 carry out any activity that affects real property lo-  
14 cated in the District of Columbia unless—

15 (A) not later than 60 days before carrying  
16 out such activity, the head of the agency pro-  
17 vides a notice describing such activity and the  
18 property affected to the Administrator of Gen-  
19 eral Services and the Administrator of General  
20 Services transmits such notice to the individuals  
21 described in subsection (c); and

22 (B) the head of the agency provides the in-  
23 dividuals described in subsection (c) with the  
24 opportunity to present oral or written com-  
25 ments on the activity to a representative of the



1 head of the agency before the head of the agen-  
2 cy carries out the activity.

3 (2) FEDERAL AGENCY DEFINED.—In subsection  
4 (a), the term “Federal agency” means an executive  
5 department (as defined in section 101 of title 5,  
6 United States Code).

7 (b) ARCHITECT OF THE CAPITOL.—Except as pro-  
8 vided in subsection (d), the Architect of the Capitol may  
9 not carry out any activity that affects real property located  
10 in the District of Columbia unless—

11 (1) not later than 60 days before carrying out  
12 such activity, the Architect provides a notice describ-  
13 ing such activity and the property affected to the  
14 Committee on Transportation and Infrastructure of  
15 the House of Representatives and the Committee on  
16 Environment and Public Works of the Senate and  
17 such Committees transmit such notice to the individ-  
18 uals described in subsection (c); and

19 (2) the Architect provides the individuals de-  
20 scribed in subsection (c) with the opportunity to  
21 present oral or written comments on the activity to  
22 a representative of the Architect before the Architect  
23 carries out the activity.

24 (c) INDIVIDUALS DESCRIBED.—The individuals de-  
25 scribed in this paragraph (with respect to the activity and

1 the real property involved) are the Mayor of the District  
2 of Columbia, the Chair of the Council of the District of  
3 Columbia, and the Chair of the Advisory Neighborhood  
4 Commission (as established pursuant to section 738 of the  
5 District of Columbia Self-Government and Governmental  
6 Reorganization Act) in whose neighborhood such property  
7 is located.

8 (d) EXCEPTION FOR EMERGENCIES.—The head of a  
9 Federal agency or the Architect of the Capitol may waive  
10 the requirements of subsection (a) if the head of the agen-  
11 cy or the Architect finds that compliance with the require-  
12 ments would jeopardize the public safety or the national  
13 security interests of the United States, but only if the head  
14 of the agency or the Architect—

15 (1) certifies such finding and the reasons for  
16 such finding to the individuals described in sub-  
17 section (c) and to Congress; and

18 (2) at the earliest time practicable, provides  
19 such individuals with the notice described in para-  
20 graph (1) of subsection (a) or (b) (whichever is ap-  
21 plicable) and the opportunity to present comments  
22 described in paragraph (2) of subsection (a) or (b).

23 (e) EFFECTIVE DATE.—Section 1 shall apply to ac-  
24 tivities carried out after the expiration of the 60-day pe-  
25 riod that begins on the date of the enactment of this Act.

1 **SEC. 916. SHORT TITLE OF HOME RULE ACT.**

2 (a) IN GENERAL.—Section 101 of the District of Co-  
 3 lumbia Self-Government and Governmental Reorganiza-  
 4 tion Act is amended by striking “District of Columbia  
 5 Self-Government and Governmental Reorganization Act”  
 6 and inserting “District of Columbia Home Rule Act”.

7 (b) REFERENCES IN LAW.—Any reference in law or  
 8 regulation to the District of Columbia Self-Government  
 9 and Governmental Reorganization Act shall be deemed to  
 10 be a reference to the District of Columbia Home Rule Act.

11 **Subtitle C—Effective Date; General**  
 12 **Provisions**

13 **SEC. 921. EFFECTIVE DATE.**

14 Except as otherwise provided in this Act, the provi-  
 15 sions of this Act shall take effect on the later of October  
 16 1, 1997, or the day the District of Columbia Financial  
 17 Responsibility and Management Assistance Authority cer-  
 18 tifies that the financial plan and budget for the District  
 19 government for fiscal year 1998 meet the requirements of  
 20 section 201(c)(1) of the District of Columbia Financial  
 21 Responsibility and Management Assistance Act of 1995,  
 22 as amended by this Act.

23 **SEC. 922. TECHNICAL ASSISTANCE.**

24 Any Federal agency (as defined in section 101 of title  
 25 31, United States Code) may provide, at the discretion  
 26 of the head of the agency, technical assistance to, and

1 training for, personnel of the Government of the District  
2 of Columbia. Such assistance shall be limited to assistance  
3 that does not interfere with the mission of the agency. The  
4 authority provided by this section shall expire three years  
5 from the date of enactment of this statute.

6 **SEC. 923. LIABILITY.**

7       The United States, its agencies, and personnel will  
8 not incur any liability on the basis of the activities of the  
9 District of Columbia, its agencies, or personnel as a result  
10 of any acts or omissions in carrying out this Act or any  
11 amendments made by this Act.

○