

From the Committee on Ways and Means, for consideration of the House bill (except for title II) and the Senate amendment numbered 1, and modifications committed to conference:

BILL ARCHER,
PHIL CRANE,
BILL THOMAS,
SAM GIBBONS,
CHARLES B. RANGEL.

As additional conferees from the Committee on Economic and Educational Opportunities, for consideration of secs. 1704(h)(1)(B) and 1704(l) of the House bill and secs. 1421(d), 1442(b), 1442(c), 1451, 1457, 1460(b), 1460(c), 1461, 1465, and 1704(h)(1)(B) of the Senate amendment numbered 1, and modifications committed to conference:

As additional conferees from the Committee on Economic and Educational Opportunities, for consideration of title II of the House bill and the Senate amendments numbered 2-6, and modifications committed to conference:

WILLIAM F. GOODLING,
CASS BALLENGER,
WILLIAM F. GOODLING,
H.W. FAWELL,
FRANK RIGGS,
WILLIAM L. CLAY,
MAJOR R. OWENS,
MAURICE HINCHEY,

Managers on the Part of the House.

From the Committee on Labor and Human Resources:

NANCY LANDON

KASSEBAUM,
EDWARD M. KENNEDY,
JIM JEFFORDS,
From the Committee on Finance:

BILL ROTH,
JOHN H. CHAFEE,
CHUCK GRASSLEY,
ORRIN G. HATCH,
AL SIMPSON,
LARRY PRESSLER,
DANIEL P. MOYNIHAN,
MAX BAUCUS,
DAVID PRYOR,
JOHN D. ROCKEFELLER IV,

Managers on the Part of the Senate.

NOTICE

Incomplete record of House proceedings. Except for concluding business which follows, today's House proceedings will be continued in the next issue of the Record.

CONFERENCE REPORT ON H.R. 3845, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1997

Mr. BONILLA submitted the following conference report and statement on the bill (H.R. 3845) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1997, and for other purposes:

CONFERENCE REPORT (H. REPT. 104-740)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3845) "making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1997, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 5, 6, and 7.

That the House recede from its disagreement to the amendments of the Senate numbered 9, 12, and 13, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

In lieu of the matter stricken by said amendment, insert the following: *That funds expended for the Office of the Mayor are not to exceed \$2,109,000, of which \$632,000 is from intra-District funds: Provided further, That \$327,000 of the funds for the Office of the Mayor shall be transferred to the Department of Administrative Services as reimbursement for occupancy costs, including costs for telephone, electricity and other services: Provided further,; and the Senate agree to the same.*

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

Delete the matter stricken by said amendment, and on page 3, after line 4 of the House engrossed bill, H.R. 3845, insert the following:

FEDERAL CONTRIBUTION FOR REPAIR OF DRINKING WATER SYSTEM

For a Federal contribution to the District of Columbia Financial Responsibility and Manage-

ment Assistance Authority for contracting with a private entity (or entities) to carry out a program to inspect, flush, and repair the drinking water distribution system of the District of Columbia, \$1,000,000.

, and

on page 4, line 13 of the House engrossed bill, H.R. 3845, strike all after "funds)" down through and including "Columbia" on page 5, line 11.

And the Senate agree to the same.

Amendment number 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

Retain the matter proposed in said amendment, and

on page 31, line 5 of the House engrossed bill, H.R. 3845, strike ", prior to October 1, 1996,".

And the Senate agree to the same.

Amendment number 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows:

Delete the matter proposed and restore the matter stricken amended as follows:

In lieu of the first sum named in the matter restored insert: *\$74,000,000; and the Senate agree to the same.*

Amendment number 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

Delete the matter proposed and restore the matter stricken amended as follows:

In lieu of subsection (a) in the matter restored insert:

(a) *The heads of all personnel of the offices, together with all other District of Columbia accounting, budget, and financial management personnel (including personnel of independent agencies but not including personnel of the legislative and judicial branches of the District government), shall be appointed by, shall serve at the pleasure of, and shall act under the direction and control of the Chief Financial Officer:*

The Office of the Treasurer.

The Controller of the District of Columbia.

The Office of the Budget.

The Office of Financial Information Services.

The Department of Finance and Revenue.

The District of Columbia Financial Responsibility and Management Assistance Authority established pursuant to Public Law 104-8, approved April 17, 1995, may remove such individuals from office for cause, after consultation with the Mayor and the Chief Financial Officer.

And the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 149. ENERGY AND WATER SAVINGS AT DISTRICT OF COLUMBIA FACILITIES.

(a) *REDUCTION IN FACILITY ENERGY COSTS AND WATER CONSUMPTION.—*

IN GENERAL.—The Director of the District of Columbia Office of Energy shall, subject to the contract approval provisions of Public Law 104-8—

(A) *develop a comprehensive plan to identify and accomplish energy conservation measures to achieve maximum cost-effective energy and water savings;*

(B) *enter into innovative financing and contractual mechanisms including, but not limited to utility demand-side management programs and energy savings performance contracts and water conservation performance contracts: Provided, That the terms of such contracts do not exceed twenty-five years; and*

(C) *permit and encourage each department or agency and other instrumentality of the District of Columbia to participate in programs conducted by any gas, electric or water utility of the management of electricity or gas demand or for energy or water conservation.*

REDUCTION IN MINIMUM NUMBER OF MEMBERS OF THE BOARD OF TRUSTEES OF AMERICAN UNIVERSITY

SEC. 150. *The first section of the Act entitled "an Act to incorporate the American University", approved February 24, 1893 (27 Stat. 476), is amended by striking "forty" and inserting "twenty-five".*

WAIVER OF CONGRESSIONAL REVIEW FOR CERTAIN COUNCIL ACTS

SEC. 151. *Notwithstanding section 602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act, each of the following District of Columbia acts shall take effect on the date of the enactment of this act:*

(1) *The District of Columbia Real Property Tax Lien Assignment or Sale and Transfer Amendment Act of 1996 (D.C. Act 11-353).*

(2) *The Telecommunications Competition Act of 1996 (D.C. Act 11-300).*

(3) *The Mortgage Lenders and Brokers Act of 1996 (D.C. Act 11-309).*

And the Senate agree to the same.

JAMES T. WALSH,
HENRY BONILLA,
JACK KINGSTON,

R.P. FRELINGHUYSEN,
MARK W. NEUMANN,
MIKE PARKER,
BOB LIVINGSTON,
JULIAN C. DIXON,
JOSÉ E. SERRANO,
MARCY KAPTUR,
DAVID R. OBEY,

Managers on the Part of the House.

JAMES M. JEFFORDS,
BEN NIGHTHORSE CAMPBELL,
MARK O. HATFIELD,
HERB KOHL

*(Except amendments
No. 6 and No. 7)*

DANIEL K. INOUE,
*(Except amendments
No. 6 and No. 7),*

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3845) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1997, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the actions agreed upon by the managers and recommended in the accompanying conference report.

The conference agreement on the District of Columbia Appropriations Act, 1997, incorporates some of the provisions of both the House and Senate versions of the bill. The language and allocations set forth in House Report 104-689 and Senate Report 104-328 should be complied with unless specifically addressed in the accompanying bill and statement of the managers to the contrary.

A summary chart appears after the explanation for amendment 5 showing the Federal appropriations by account and the allocation of District funds by agency or office under each appropriation title showing the fiscal year 1996 appropriation, the control board distribution for fiscal year 1996, and the fiscal year 1997 request, House and Senate recommendations and conference allowance.

DEFICIT SPENDING AND LONG-TERM DEFICIT BORROWING

The conferees are concerned with the insidious aspects of long-term borrowing to fund deficit spending. The conferees note that the actual deficit for fiscal year 1995 was only \$25,000,000 when the accounting adjustments of \$29,000,000 are factored out.

For fiscal year 1996, the deficit was estimated at \$20,000,000 at the time the President signed the appropriations Act; however, in testimony provided by the Chief Financial Officer to the House Committee on Appropriations on May 15, 1996, the deficit was projected at \$116,000,000, a 580 percent increase. While the deficit was relatively small in fiscal year 1995, it is projected to increase significantly in fiscal year 1996.

The District is proposing to borrow \$500,000,000 long term to fund the accumulated deficit caused by overspending and future projected deficits. The cost of this proposal is \$435,000,000 in interest costs that will have to be paid from current operating revenues in addition to the \$500,000,000 in principal that will have to be repaid. Said another way, instead of the \$435,000,000 being used to benefit District taxpayers in the form of teachers and counselors for education programs, police activities and fire services as well as programs to meet various social needs, those hundreds of millions of dollars will be used for interest payments to

bondholders thus depriving the citizens of the District the use of scarce revenues for basic city services. The insidious nature of deficit borrowing is that it allows higher spending that satisfies immediate needs while at the same time entrapping current and future taxpayers into making interest payments on funds borrowed to pay for goods and services that were provided in the past. This \$435,000,000 is in addition to the \$150,000,000 in interest payments being made on the \$336,000,000 in deficit borrowings made in fiscal year 1991.

Long-term borrowings for capital projects, on the other hand, are entirely appropriate because the projects on which those funds are spent last for the period during which those borrowings are repaid so that the taxpayers at the time the payments are made are able to benefit from those projects. This is not the case with long-term borrowings for deficit spending. Every effort should be made by the Mayor, the Council and the control board to avoid deficit spending and thus alleviate the need to obligate future taxpayers to pay for the overspending of those who preceded them.

The accumulated deficit at the end of fiscal year 1995 totaled \$378,000,000 which was computed by subtracting total assets from total liabilities in the General Fund and resulted in liabilities exceeding assets available to satisfy those liabilities. However, an analysis of the liabilities reveals that approximately \$312,000,000 will either not require a use of cash or are long term in nature. For example, \$142,000,000 is deferred revenue, which is a record of cash already received that will be recorded as revenue earned in fiscal year 1996. The cash is already in the General Fund's cash account. Another \$170,000,000 is recorded as accrued liabilities which are estimates of payments that may be made sometime in the distant future, such as payments resulting from claims and judgments, disputes from grant claims, and possible Medicaid payments subject to audits of reimbursement claims. Thus, only about \$66,000,000 of the remaining excess liabilities over assets of the accumulated deficit may need to be paid in fiscal year 1996. Given this analysis it appears that a long-term borrowing of \$500,000,000 should be carefully analyzed and avoided by pursuing other options. A very high priority should be given to living within the current revenues.

An analysis of the District's cash account to determine the pattern of overspending since fiscal year 1991 when \$336,000,000 was borrowed to fund the accumulated deficit reveals that the District over spent an average of \$71,000,000 per year. It should be noted that this amount reflects increases and decreases in both the accounts receivable and the accounts payable so that a deferral of the use of cash would not artificially inflate the balance in the cash account. This amount is approximately the amount of the projected fiscal year 1997 deficit of \$74,000,000 recommended in this conference agreement. The Mayor and the Control Board Chairman recently stated that there were several ways of reducing the projected fiscal year 1997 deficit. These recommendations as well as those made by the many financial advisers who have testified and published reports on the various ways the city can reduce the costs of operating the Nation's Capital should be pursued vigorously.

Testimony at recent and past hearings as well as reports from financial advisors to the city and meetings with District and control board officials have documented the concerns and inherent problems in borrowing long-term to finance operating deficits. The officials cited several ways to reduce the projected deficit for fiscal year 1997; the advisors have testified that future requests by

the District to fund an operating deficit should not be approved; and testimony indicates that a change in one item, Medicaid, among several other items, would eliminate the city's deficit and result in a surplus. Efforts should be pursued immediately on these items that will save District taxpayers and the Federal Government hundreds of millions of dollars instead of spending scarce local revenues on interest costs to bondholders.

Long-term borrowing for deficit spending does not resolve the problems caused by overspending—rather it increases the accumulated deficit and postpones the tough decisions that have to be made. Deficit financing carries a very high cost that has serious negative consequences to the financial health and quality of life of the community.

QUALITY OF DISTRICT'S DRINKING WATER

The conferees are deeply concerned about recent violations of Federal drinking water quality standards and the continuing problems that beset the drinking water supply and distribution system for the District of Columbia. The Federal Environmental Protection Agency (EPA) recently completed a preliminary investigation of the water quality problems attributed to the District's water distribution system and concluded that there is an urgent and immediate need for the District to implement steps to assure the integrity of drinking water quality in the District. Among the most important of these recommended actions is that the District hire a private contractor or contractors to flush the drinking water distribution system completely, and to inspect and repair water valves.

The conferees agree that there is a strong Federal interest in assuring that those who visit, live, and work in the Nation's Capital have safe water to drink. Accordingly, the conference agreement includes \$1,000,000 in Federal funds for this purpose under amendment number 2. These funds are provided to the Financial Control Board to contract with a private entity or entities to conduct the inspection, flushing and repair work recommended by the EPA. The conferees direct the control board to consult with the Department of Public Works, the D.C. Water and Sewer Authority and the EPA in implementing this activity. Further, the conferees encourage the control board to move expeditiously to contract for the work in anticipation of the funds provided in the accompanying bill becoming available on October 1, 1996.

YCARE 2000 PRIVATE-PUBLIC PARTNERSHIP

The conferees fully support the YCARE 2000 program sponsored by the YMCA of Metropolitan Washington. The program provides work-readiness, conflict resolution training, tutoring, socialization and other skills to at-risk District youth who are in the age range of 5 to 18 years old. The conferees believe that YCARE 2000 is an example of an efficient and well-managed private-public partnership which can provide social services to improve the lives of the city's young people. The conferees note that the Council of the District of Columbia has formally recognized the achievements of the YCARE 2000 initiative in a July 11, 1995 resolution.

In order to provide and facilitate private-public partnerships such as YCARE 2000 and in order to reach at-risk youth most efficiently, the conferees request that the Mayor, the City Council, and the Board of Education work with organizations like the YMCA to locate such programs on or near school property. In addition, the conferees request that the Mayor consult with representatives of private, not-for-profit community organizations with demonstrated experience and expertise in providing services

to children and youth in the District and, to the extent financial constraints permit, make funds available to such groups for such services on the condition that the groups provide equal matching amounts.

FEDERAL FUNDS

FEDERAL CONTRIBUTION FOR REPAIR OF DRINKING WATER SYSTEM

The conference agreement, under amendment number 2, includes a Federal contribution of \$1,000,000 to the District of Columbia Financial Responsibility and Management Assistance Authority for contracting with private entities to inspect, flush, and repair the drinking water distribution system in the District. A discussion of the quality of the district's drinking water appears earlier in this statement.

DISTRICT FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

Amendment No. 1: Limits the fiscal year 1997 budget for the Office of the Mayor to \$2,109,000 of which \$632,000 is from intra-District funds instead of \$1,753,000 of which \$632,000 is from intra-District funds as proposed by the House and \$2,209,000 of which \$632,000 is from intra-District funds as proposed by the Senate and provides that \$327,000 of the \$2,109,000 shall be transferred to the Department of Administrative Services as reimbursement for occupancy costs, including costs for telephone, electricity and other services.

Amendment No. 2: Deletes a proviso proposed by the House and stricken by the Senate and further deletes a proviso before and a proviso that followed the proviso stricken by the Senate concerning the District of Columbia Housing Finance Agency and inserts a new heading and paragraph appropriating \$1,000,000 in Federal funds to the District of Columbia Financial Responsibility and Management Assistance Authority for contracting with private entities to carry out a program to inspect, flush, and repair the drinking water distribution system in the District.

The conference action deletes language as requested in the consensus budget that eliminates the requirement for the District

of Columbia Housing Finance Agency to repay the District's general fund \$10,591,000 appropriated for fiscal years 1980 through 1992 to finance the Agency's operations. According to District officials, retaining the language requires the Agency to carry the debt on its books and creates a negative financial picture thereby making it difficult and more costly for the Agency to access capital markets. The debt was determined by the District's independent auditors to be "uncollectible" and is fully reserved for in the District's Comprehensive Annual Financial Report (CAFR) (see page 34, fiscal year 1995 CAFR). An earlier communication from District officials requested that the language be retained. See amendment number 12 for language "forgiving" the Agency from the repayment requirement.

The conference action also appropriates \$1,000,000 for a Federal contribution to the District of Columbia Financial Responsibility and Management Assistance Authority for contracting with private entities to inspect, flush, and repair the city's water distribution system which has fallen into disrepair. A discussion of the quality of the District's drinking water appears earlier in this statement.

PUBLIC SAFETY AND JUSTICE

(INCLUDING TRANSFER OF FUNDS)

Amendment No. 3: Deletes language proposed by the Senate that would have modified the appropriations title to indicate that this appropriation included a transfer of funds. The transfer of funds in amendment number 4 has not been agreed to by the conferees.

Amendment No. 4: Deletes a proviso proposed by the Senate that would have transferred \$651,000 from the Department of Public Works to the District of Columbia Court System for maintenance and repair of elevators/escalators, heating, ventilation, and air conditioning systems, fire alarms and security systems, materials and services for building maintenance and repair, and trash removal.

The conferees are extremely concerned and disappointed that the Department of Public

Works has failed to provide maintenance and repair services to the District of Columbia Courts in a professional manner, permitting necessary maintenance and repair contracts to lapse and causing greater expenses and disruptions as a result. While the conference agreement retains this responsibility in the Department of Public Works, the conferees expect this will not happen again.

The conference action reflects a reallocation of building occupancy costs totaling \$2,347,000 from the Superior Court's budget to the Court System's budget because the payments are made from that particular budget. This reallocation was requested by District officials.

CAPITAL OUTLAY

(INCLUDING RESCISSIONS)

Amendment No. 5: Provides an increase of \$46,923,000 for construction projects as proposed by the House instead of \$75,923,000 as proposed by the Senate. The reduction of \$29,000,000 below the amount proposed by the Senate reflects the deletion of duplicate capital outlay authority initially provided in the fiscal year 1996 appropriations act (Public Law 104-234) for Facility Condition Assessment (\$1,000,000) and Financial Control System or FMS (\$28,000,000). The amount approved in fiscal year 1996 under "Capital Outlay" is available for two years for the initial obligation after which the authority remains available until exhausted. The House and Senate versions of the bill for fiscal year 1997 include an increase of \$3,123,000 for the FMS which when added to the \$28,000,000 in the fiscal year 1996 act will provide a total of \$31,123,000 for FMS work.

SUMMARY TABLE OF CONFERENCE RECOMMENDATIONS BY AGENCY

A summary table showing the Federal appropriations by account and the allocation of District funds by agency or office under each appropriation title for fiscal year 1996, the control board distribution for fiscal year 1996, and the fiscal year 1997 request, House and Senate recommendations and conference allowance follows:

DISTRICT OF COLUMBIA APPROPRIATIONS, 1997 (H.R. 3845)

Appropriation	FY 1996 Approved	FY 1996 Distri- bution by Control Board	FY 1997 Request	House Recom- mendation	Senate Recom- mendation	Conference Agreement
FEDERAL FUNDS						
Federal payment to the District of Columbia	660,000,000	660,000,000	660,000,000	660,000,000	660,000,000	660,000,000
Federal contribution to retirement funds	52,070,000	52,070,000	104,140,000	52,070,000	52,070,000	52,070,000
Reimbursement of inauguration expenses	0	0	5,702,000	5,702,000	5,702,000	5,702,000
Federal contribution for repair of drinking water system	0	0	0	0	0	1,000,000
Total, Federal funds to the District of Columbia	712,070,000	712,070,000	769,842,000	717,772,000	717,772,000	718,772,000

DISTRICT OF COLUMBIA FUNDS

Governmental Direction and Support:						
Council of the District of Columbia	8,380,000	7,295,000	8,878,000	8,878,000	8,878,000	8,878,000
Office of the District of Columbia Auditor	961,000	952,000	982,000	982,000	982,000	982,000
Advisory Neighborhood Commissions	572,000	572,000	572,000	572,000	572,000	572,000
Office of the Mayor	1,753,000	1,548,000	2,209,000	1,753,000	2,209,000	2,109,000
Office of the Secretary	2,497,000	2,424,000	2,208,000	2,208,000	2,208,000	2,208,000
Office of Inspector General	728,000	3,493,000	7,200,000	7,200,000	7,200,000	7,200,000
Office of Communications	300,000	313,000	350,000	350,000	350,000	350,000
Office of Intergovernmental Relations	1,735,000	1,259,000	1,239,000	1,239,000	1,239,000	1,239,000
Office of City Administrator/Deputy						
Mayor for Operations	4,776,000	3,975,000	4,637,000	4,637,000	4,637,000	4,637,000
Office of Personnel	11,220,000	10,596,000	10,568,000	10,568,000	10,568,000	10,568,000
Department of Administrative Services	38,288,000	45,331,000	29,819,000	29,819,000	29,819,000	29,819,000
Contract Appeals Board	511,000	528,000	563,000	563,000	563,000	563,000
Office of the Deputy Mayor for Finance	320,000	1,919,000	1,459,000	1,459,000	1,459,000	1,459,000
Office of the Budget	4,010,000	5,392,000	4,251,000	4,251,000	4,251,000	4,251,000
Office of Financial Management	43,009,000	26,310,000	23,764,000	23,764,000	23,764,000	23,764,000
Department of Finance and Revenue	21,183,000	20,828,000	22,357,000	22,357,000	22,357,000	22,357,000
Tax Revision Commission	0	200,000	0	0	0	0
Board of Elections and Ethics	3,015,000	2,807,000	2,777,000	2,777,000	2,777,000	2,777,000
Office of Campaign Finance	773,000	747,000	804,000	804,000	804,000	804,000
Public Employee Relations Board	470,000	467,000	325,000	325,000	325,000	325,000
Office of Employee Appeals	1,413,000	1,126,000	1,113,000	1,113,000	1,113,000	1,113,000
Metropolitan Washington Council of Governments	400,000	400,000	396,000	396,000	396,000	396,000
Office of Grants Management and Development	2,816,000	2,857,000	12,922,000	12,922,000	12,922,000	12,922,000

DISTRICT OF COLUMBIA APPROPRIATIONS, 1997 (H.R. 3845) - continued

Agency/Activity	FY 1996 Approved	FY 1996 Distri- bution by Control Board	FY 1997 Request	House Recom- mendation	Senate Recom- mendation	Conference Agreement
Governmental Direction and Support - continued						
Certificate of Participation	0	0	7,926,000	0	0	0
Human Resources Development	0	0	12,257,000	0	0	0
Real Estate	0	0	(4,488,000)	0	0	0
Management Information Systems	0	0	(6,317,000)	0	0	0
Energy Cost Reduction	0	0	(2,271,000)	0	0	0
Purchasing and Procurement	0	0	(12,960,000)	0	0	0
Unallocated	0	0	0	456,000	0	100,000
Total, Governmental Direction and Support	149,130,000	141,339,000	133,540,000	139,393,000	139,393,000	139,393,000
Lees Intra-District funds	(24,728,000)	(23,981,000)	(23,730,000)	(23,730,000)	(23,730,000)	(23,730,000)
Revised, Governmental Direction and Support	124,402,000	117,358,000	109,810,000	115,663,000	115,663,000	115,663,000
Economic Development and Regulation:						
Business Services and Economic Development	0	0	51,967,000	51,967,000	51,967,000	51,967,000
Assistant City Administrator for Economic Development	3,943,000	3,832,000	0	0	0	0
Office of Banking and Financial Institutions	296,000	231,000	0	0	0	0
Office of Tourism and Promotion	1,000,000	995,000	0	0	0	0
Office of Planning	1,955,000	1,910,000	0	0	0	0
Office of Zoning	541,000	552,000	870,000	870,000	870,000	870,000
Department of Housing and Community Development	15,988,000	15,114,000	0	0	0	0
Department of Public and Assisted Housing	8,420,000	8,344,000	8,330,000	8,330,000	8,330,000	8,330,000
Department of Employment Services	63,925,000	53,613,000	66,012,000	66,012,000	66,012,000	66,012,000
Board of Appeals and Review	131,000	129,000	157,000	157,000	157,000	157,000
Board of Real Property Assessments and Appeals	338,000	321,000	351,000	351,000	351,000	351,000
Department of Consumer and Regulatory Affairs	36,349,000	35,511,000	14,102,000	14,102,000	14,102,000	14,102,000
Public Service Commission	5,600,000	5,547,000	4,570,000	4,570,000	4,570,000	4,570,000
Office of the People's Counsel	2,497,000	2,081,000	2,437,000	2,437,000	2,437,000	2,437,000
Total, Economic Development and Regulation	140,983,000	128,180,000	148,796,000	148,796,000	148,796,000	148,796,000
Less Intra-District funds	(16,330,000)	(16,330,000)	(13,092,000)	(13,092,000)	(13,092,000)	(13,092,000)
Revised, Economic Development and Regulation	124,653,000	111,850,000	135,704,000	135,704,000	135,704,000	135,704,000

DISTRICT OF COLUMBIA APPROPRIATIONS, 1997 (H.R. 3845) - continued

Agency/Activity	FY 1996 Approved	FY 1996 Distri- bution by Control Board	FY 1997 Request	House Recom- mendation	Senate Recom- mendation	Conference Agreement
Public Safety and Justice:						
Metropolitan Police Department	245,717,000	237,624,000	264,637,000	264,637,000	264,637,000	264,637,000
Fire and Emergency Medical Services Department	87,292,000	89,960,000	106,720,000	106,720,000	106,720,000	106,720,000
Police and Fire Retirement System	220,000,000	220,000,000	226,700,000	226,700,000	226,700,000	226,700,000
Judges' Retirement System	4,700,000	4,700,000	5,500,000	5,500,000	5,500,000	5,500,000
Court of Appeals	5,974,000	5,937,000	6,167,000	6,167,000	6,167,000	6,167,000
Superior Court	80,919,000	76,852,000	81,101,000	81,101,000	81,101,000	81,101,000
Court System	34,677,000	33,331,000	33,944,000	33,944,000	33,944,000	33,944,000
Office of the Corporation Counsel	16,954,000	16,777,000	17,334,000	17,334,000	17,334,000	17,334,000
Settlements and Judgments	14,800,000	14,800,000	14,800,000	14,800,000	14,800,000	14,800,000
Public Defender Service	7,702,000	7,702,000	7,797,000	7,797,000	7,797,000	7,797,000
Pretrial Services Agency	4,407,000	5,429,000	6,063,000	6,063,000	6,063,000	6,063,000
Department of Corrections	232,302,000	248,541,000	272,302,000	272,302,000	272,302,000	272,302,000
Board of Parole	5,322,000	5,305,000	8,277,000	8,277,000	8,277,000	8,277,000
National Guard	678,000	667,000	902,000	902,000	902,000	902,000
Office of Emergency Preparedness	2,194,000	2,142,000	2,887,000	2,887,000	2,887,000	2,887,000
Commission on Judicial Disabilities and Tenure	130,000	126,000	128,000	128,000	128,000	128,000
Judicial Nomination Commission	80,000	79,000	80,000	80,000	80,000	80,000
Total, Public Safety and Justice	963,848,000	969,972,000	1,055,339,000	1,055,339,000	1,055,339,000	1,055,339,000
Less Intra-District funds	(9,115,000)	(9,115,000)	(14,058,000)	(14,058,000)	(14,058,000)	(14,058,000)
Revised, Public Safety and Justice	954,733,000	960,857,000	1,041,281,000	1,041,281,000	1,041,281,000	1,041,281,000
Public Education System:						
Board of Education (Public Schools)	580,996,000	575,175,000	578,822,000	578,822,000	578,822,000	578,822,000
School Repairs	0	2,730,000	0	0	0	0
Teachers' Retirement System	111,800,000	111,800,000	88,900,000	88,900,000	88,900,000	88,900,000
University of the District of Columbia	79,396,000	76,943,000	76,287,000	76,287,000	76,287,000	76,287,000
Public Library	20,742,000	21,657,000	22,432,000	22,432,000	22,432,000	22,432,000
Commission on the Arts and Humanities	2,267,000	2,262,000	2,220,000	2,220,000	2,220,000	2,220,000
Total, Public Education System	795,201,000	790,567,000	768,661,000	768,661,000	768,661,000	768,661,000
Less Intra-District funds	(9,846,000)	(9,846,000)	(9,846,000)	(9,846,000)	(9,846,000)	(9,846,000)
Revised, Public Education System	785,355,000	780,721,000	758,815,000	758,815,000	758,815,000	758,815,000

DISTRICT OF COLUMBIA APPROPRIATIONS, 1997 (H.R. 3845) —continued

Agency/Activity	FY 1996 Approved	FY 1996 Distri- bution by Control Board	FY 1997 Request	House Recom- mendation	Senate Recom- mendation	Conference Agreement
Human Support Services:						
Department of Human Services	1,705,427,000	1,566,614,000	1,538,200,000	1,538,200,000	1,538,200,000	1,538,200,000
Department of Recreation and Parks	31,653,000	30,530,000	33,614,000	33,614,000	33,614,000	33,614,000
Office on Aging	19,009,000	18,994,000	19,169,000	19,169,000	19,169,000	19,169,000
D.C. General Hospital Payment	56,735,000	47,155,000	59,735,000	59,735,000	59,735,000	59,735,000
Unemployment Compensation Fund	10,000,000	5,937,000	7,678,000	7,678,000	7,678,000	7,678,000
Disability Compensation Fund	26,000,000	26,000,000	24,793,000	24,793,000	24,793,000	24,793,000
Department of Human Rights	1,301,000	1,388,000	974,000	974,000	974,000	974,000
Office on Latino Affairs	657,000	655,000	688,000	688,000	688,000	688,000
Commission for Women	20,000	20,000	0	0	0	0
D.C. Energy Office	4,212,000	4,167,000	5,326,000	5,326,000	5,326,000	5,326,000
Total, Human Support Services	1,855,014,000	1,701,460,000	1,690,177,000	1,690,177,000	1,690,177,000	1,690,177,000
Less Intra-District funds	(4,674,000)	(4,674,000)	(4,470,000)	(4,470,000)	(4,470,000)	(4,470,000)
Revised, Human Support Services	1,850,340,000	1,696,786,000	1,685,707,000	1,685,707,000	1,685,707,000	1,685,707,000
Public Works:						
Department of Public Works	161,227,000	151,729,000	159,042,000	159,042,000	159,042,000	159,042,000
Taxicab Commission	1,501,000	1,490,000	1,000,000	1,000,000	1,000,000	1,000,000
Washington Metropolitan Area Transit Commission	96,000	96,000	96,000	96,000	96,000	96,000
Washington Metropolitan Area Transit Authority (Metro)	130,899,000	130,899,000	131,820,000	131,820,000	131,820,000	131,820,000
School Transit Subsidy	3,845,000	3,845,000	3,845,000	3,845,000	3,845,000	3,845,000
Total, Public Works	297,568,000	288,059,000	295,803,000	295,803,000	295,803,000	295,803,000
Less Intra-District funds	(50,629,000)	(50,629,000)	(47,836,000)	(47,836,000)	(47,836,000)	(47,836,000)
Revised, Public Works	246,939,000	237,430,000	247,967,000	247,967,000	247,967,000	247,967,000

DISTRICT OF COLUMBIA APPROPRIATIONS, 1997 (H.R. 3845) - continued

Agency/Activity	FY 1996 Approved	FY 1996 Distri- bution by Control Board	FY 1997 Request	House Recom- mendation	Senate Recom- mendation	Conference Agreement
Financing and Other Uses:						
Washington Convention Center Transfer Payment	5,400,000	5,400,000	5,400,000	5,400,000	5,400,000	5,400,000
Repayment of Loans and Interest	327,787,000	327,787,000	333,710,000	333,710,000	333,710,000	333,710,000
Repayment of General Fund Recovery Debt	38,678,000	38,678,000	38,314,000	38,314,000	38,314,000	38,314,000
Interest on Short-Term Borrowing	9,698,000	18,420,000	34,461,000	34,461,000	34,461,000	34,461,000
Pay Renegotiation or Reduction in Compensation	(46,409,000)	0	0	0	0	0
Rainy Day Fund	4,563,000	0	0	0	0	0
Incentive Buyout Program	19,000,000	0	0	0	0	0
Outplacement Services	1,500,000	0	0	0	0	0
Boards and Commissions	(500,000)	0	0	0	0	0
Government Re-Engineering Program,	(16,000,000)	0	0	0	0	0
Presidential Inauguration	0	0	5,702,000	5,702,000	5,702,000	5,702,000
Certificate of Participation	0	0	0	7,926,000	7,926,000	7,926,000
Human Resources Development	0	0	0	12,257,000	12,257,000	12,257,000
Cost Reduction Initiatives	0	0	(21,375,000)	(47,411,000)	(47,411,000)	(47,411,000)
Personal and Nonpersonal Services Adjustments	(150,907,000)	0	0	0	0	0
Subtotal Financing and Other Uses	192,810,000	390,285,000	396,212,000	390,359,000	390,359,000	390,359,000
D.C. Financial Responsibility and Management Assistance Authority	3,500,000	3,150,000	3,400,000	3,400,000	3,400,000	3,400,000
Total, Financing and Other Uses	196,310,000	393,435,000	399,612,000	393,759,000	393,759,000	393,759,000
Total, general fund, operating expenses	4,398,054,000	4,413,012,000	4,491,928,000	4,491,928,000	4,491,928,000	4,491,928,000
Less Intra-District funds	(115,322,000)	(114,575,000)	(113,032,000)	(113,032,000)	(113,032,000)	(113,032,000)
Revised, general fund, operating expenses	4,282,732,000	4,298,437,000	4,378,896,000	4,378,896,000	4,378,896,000	4,378,896,000
Enterprise Funds:						
Department of Public Works (Utility Administration)	202,729,000	191,480,000	200,000,000	200,000,000	200,000,000	200,000,000
Washington Aqueduct	39,524,000	39,524,000	25,743,000	25,743,000	25,743,000	25,743,000
Total, Water and Sewer Enterprise Fund	242,253,000	231,004,000	225,743,000	225,743,000	225,743,000	225,743,000

DISTRICT OF COLUMBIA APPROPRIATIONS, 1997 (H.R. 3845) - continued

Agency/Activity	FY 1996 Approved	FY 1996 Distri- bution by Control Board	FY 1997 Request	House Recom- mendation	Senate Recom- mendation	Conference Agreement
Enterprise Funds - continued						
Lottery and Charitable Games	229,950,000	229,778,000	247,900,000	247,900,000	247,900,000	247,900,000
Cable Television	2,351,000	1,766,000	2,511,000	2,511,000	2,511,000	2,511,000
Sports Commission (STARPLEX)	6,580,000	6,547,000	8,717,000	8,717,000	8,717,000	8,717,000
D.C. General Hospital	58,299,000	58,092,000	58,299,000	58,299,000	58,299,000	58,299,000
Retirement Board	13,440,000	12,417,000	16,667,000	16,667,000	16,667,000	16,667,000
Correctional Industries Fund	10,516,000	8,827,000	9,152,000	9,152,000	9,152,000	9,152,000
Washington Convention Center	32,557,000	32,557,000	47,996,000	47,996,000	47,996,000	47,996,000
Total, Enterprise Funds	595,946,000	580,988,000	616,985,000	616,985,000	616,985,000	616,985,000
Less Intra-District funds	(50,017,000)	(48,512,000)	(21,496,000)	(21,496,000)	(21,496,000)	(21,496,000)
Revised, Enterprise Funds	545,929,000	532,476,000	595,489,000	595,489,000	595,489,000	595,489,000
Total, Operating Expenses	4,994,000,000	4,994,000,000	5,108,913,000	5,108,913,000	5,108,913,000	5,108,913,000
Less Intra-District funds	(165,339,000)	(163,087,000)	(134,528,000)	(134,528,000)	(134,528,000)	(134,528,000)
Revised, Operating Expenses	4,828,661,000	4,830,913,000	4,974,385,000	4,974,385,000	4,974,385,000	4,974,385,000
Capital Outlay	102,039,000	102,039,000	75,923,000	46,923,000	75,923,000	46,923,000
Grand Total, All funds	4,930,700,000	4,932,952,000	5,050,308,000	5,021,308,000	5,050,308,000	5,021,308,000

(NOTE. - Amounts recommended in the bill exclude intra-District funds whereas amounts in this table for departments and agencies include intra-District funds for comparison purposes with fiscal year 1996 which also included intra-District funds at the department and agency level.)

GENERAL PROVISIONS

Amendment No. 6: Restores language in section 129 proposed by the House and stricken by the Senate that prohibits the use of any funds in this Act for any abortion except to save the life of the mother or in cases of rape or incest.

Amendment No. 7: Restores language in section 130 proposed by the House and stricken by the Senate that prohibits the use of any funds in this Act (1) for any system of registration of unmarried cohabiting couples or (2) to implement or enforce the District's Domestic Partners Act.

Amendment No. 8: Inserts language in section 132 that adds the Financial Control Board to the entities in section 132 that are to receive monthly reports from the Board of Education as proposed by the Senate and deletes language in section 126 that would have prohibited the expenditure of funds by agencies for which a reorganization plan is required but has not been approved by the City Council prior to October 1, 1996. The language remaining in section 126 continues the prohibition on expenditures for such agencies until the City Council approves the required reorganization plans but removes the October 1, 1996 deadline for City Council approval.

Amendment No. 9: Adds the Financial Control Board to the entities in section 133 that are to receive monthly reports from the University of the District of Columbia as proposed by the Senate.

CEILING ON EXPENSES AND DEFICIT

Amendment No. 10: Amends language proposed by the House and stricken by the Senate in section 141 (1) establishing a ceiling on fiscal year 1997 operating expenses from all funds of \$5,108,913,000 of which \$134,528,000 are from intra-District funds as proposed by the House and stricken by the Senate; (2) limiting the operating deficit from all funds for fiscal year 1997 to \$74,000,000 instead of \$40,000,000 as proposed by the House and stricken by the Senate, and (3) requiring the Chief Financial Officer and the Financial Control Board to take such steps as are necessary to meet these requirements including the apportioning of appropriations and funds by the Chief Financial Officer during fiscal year 1997 as proposed by the House and stricken by the Senate.

The conferees urge the Mayor, the City Council, and the control board to use every means possible to reduce the costs of operating the Nation's Capital and make every effort to avoid deficit spending.

CHIEF FINANCIAL OFFICER POWERS

Amendment No. 11: Amends language in section 142 proposed by the House and the Senate to clarify that all financial personnel in the executive branch of the District government, including all independent agencies and excluding the legislative and judicial branches of the District Government, are under the exclusive control of the Chief Financial Officer instead of all financial personnel in the executive branch of the District government as proposed by the House and all financial personnel except those in the legislative and judicial branches as proposed by the Senate. The clarification is required to insure that the financial personnel of each independent agency in the District, without exception, are appointed by, serve at the pleasure of, and act under the direction and control of the Chief Financial Officer. The conferees do not expect any misinterpretation of the intent of this statute and direct the Chief Financial Officer to notify, in writing, the Committees on Appropriations as well as the respective authorizing committees of the House and the Senate of any person of any executive branch agency in-

cluding any independent agency who fails to comply with the requirements of this section within five calendar days of the failure to comply.

HOUSING FINANCE AGENCY

Amendment No. 12: Inserts a new section 147 as proposed by the Senate that forgives the District of Columbia Housing Finance Agency from the requirement to repay the District's general fund for \$10,591,000 appropriated during fiscal years 1980-1992 for the operations of the Agency. See also amendment number 2 for a further discussion of this issue.

SCHOOL REFORM

Amendment No. 13: Inserts a new section 148 as proposed by the Senate that amends section 2561(b) of the District of Columbia School Reform Act of 1995 (Public Law 104-134) to exclude Executive Order 11246 from being waived for construction or maintenance projects coordinated through the Federal General Services Administration for the District's public school facilities. Executive Order 11246 governs civil rights protections for Federal government construction contracts.

OTHER GENERAL PROVISIONS

Amendment No. 14: Inserts new general provisions numbered 149, 150 and 151 instead of a new general provision numbered 149 as proposed by the Senate. The additional general provisions were requested by the House authorizing committee and concurred in by the Senate authorizing committee. A brief explanation of each of these general provisions follows.

Language agreed to by the conferees in section 149 proposed by the Senate authorizes the District of Columbia Energy Office, subject to control board review, to negotiate energy performance contracts for periods up to 25 years with energy service companies who will provide investment capital to reduce energy consumption in District facilities. Through this method, the energy service companies will install energy efficient lighting, heating, and cooling systems using their investment capital with their payback coming in future years from a portion of the money saved when the energy bills are lowered. It is estimated that the District government could realize annual savings of \$50,000,000 in its energy costs through this program.

Language requested by the House authorizing committee and agreed to by the conferees in section 150 reduces the minimum size of the Board of Trustees of American University from 40 to 25. According to the authorizing committee, this change was requested by the University.

Language requested by the House authorizing committee and agreed to by the conferees in section 151 waives the 30-day congressional layover period for three specific pieces of legislation already approved by the District government. The Tax Lien Act of 1996 (D.C. Act 11-353) will expedite the District's ability to sell \$50,000,000 in uncollected property taxes in return for \$44,000,000 in cash. The authorizing committee stated that this transaction could not move ahead in a timely manner unless the review period is waived. Section 151 also waives the 30-day congressional layover for the Telecommunications Competition Act of 1996 (D.C. Act 11-300) and the Mortgage Lenders and Brokers Act of 1996 (D.C. Act 11-309) which together comprise the District's efforts to implement the Federal Telecommunications Act. The District's Telecommunications Act opens the District's market to telecommunications services providers. The Mortgage Lenders and Brokers Act regulates mortgage lenders in the District and also contains substantive

amendments to the Telecommunications Act.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1997 recommended by the Committee of Conference, with comparisons to the fiscal year 1996 amount, the 1997 budget estimates, and the House and Senate bills for 1997 follow:

Federal funds

New budget (obligational) authority, fiscal year 1996	\$712,070,000
Budget estimates of new (obligational) authority, fiscal year 1997	769,842,000
House bill, fiscal year 1997	717,772,000
Senate bill, fiscal year 1997	717,772,000
Conference agreement, fiscal year 1997	718,772,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1996	6,702,000
Budget estimates of new (obligational) authority, fiscal year 1997	(51,070,000)
House bill, fiscal year 1997	1,000,000
Senate bill, fiscal year 1997	1,000,000

District of Columbia Funds

New budget (obligational) authority, fiscal year 1996	¹ 4,930,700,000
Budget estimates of new (obligational) authority, fiscal year 1997	5,050,308,000
House bill, fiscal year 1997	5,021,308,000
Senate bill, fiscal year 1997	5,050,308,000
Conference agreement, fiscal year 1997	5,021,308,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1996	90,608,000
Budget estimates of new (obligational) authority, fiscal year 1997	(29,000,000)
House bill, fiscal year 1997	0
Senate bill, fiscal year 1997	(29,000,000)

¹ Excludes \$165,339,000 in intra-District funds for comparability purposes with fiscal year 1997 which excludes intra-District funds.

JAMES T. WALSH,
HENRY BONILLA,
JACK KINGSTON,
R.P. FRELINGHUYSEN,
MARK W. NEUMANN,
MIKE PARKER,
BOB LIVINGSTON,
JULIAN C. DIXON,
JOSÉ E. SERRANO,
MARCY KAPTUR,
DAVID R. OBEY,

Managers on the Part of the House.

JAMES M. JEFFORDS,
BEN NIGHTHORSE
CAMPBELL,
MARK O. HATFIELD,
(Except amendments
No. 6 and No. 7),
HERB KOHL,
(Except amendments
No. 6 and No. 7),
DANIEL K. INOUE,

Managers on the Part of the Senate.

CONFERENCE REPORT ON S. 1316,
SAFE DRINKING WATER ACT
AMENDMENTS OF 1996

Mr. BLILEY submitted the following conference report and statement on the