

Union Calendar No. 318

104<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 3663**

[Report No. 104-635]

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## **A BILL**

To amend the District of Columbia Self-Government and Governmental Reorganization Act to permit the Council of the District of Columbia to authorize the issuance of revenue bonds with respect to water and sewer facilities, and for other purposes.

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JUNE 25, 1996

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

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 18, 1996

Mr. DAVIS (for himself, Ms. NORTON, Mr. MCHUGH, Mr. GUTKNECHT, Mr. LATOURETTE, Mr. FLANAGAN, Mr. TOWNS, Miss COLLINS of Michigan, Mr. HOYER, Mrs. MORELLA, Mr. MORAN, and Mr. WYNN) introduced the following bill; which was referred to the Committee on Government Reform and Oversight

JUNE 25, 1996

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

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## A BILL

To amend the District of Columbia Self-Government and Governmental Reorganization Act to permit the Council of the District of Columbia to authorize the issuance of revenue bonds with respect to water and sewer facilities, 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.**

4 This Act may be cited as the “District of Columbia  
 5 Water and Sewer Authority Act of 1996”.

6 **SEC. 2. PERMITTING ISSUANCE OF REVENUE BONDS FOR**  
 7 **WASTEWATER TREATMENT ACTIVITIES.**

8 (a) **AUTHORITY TO ISSUE BONDS.—**

9 (1) **IN GENERAL.—**The first sentence of section  
 10 490(a)(1) of the District of Columbia Self-Govern-  
 11 ment and Governmental Reorganization Act (sec.  
 12 47–334(a)(1), D.C. Code) is amended—

13 (A) by striking “and industrial” and in-  
 14 serting “industrial”; and

15 (B) by striking the period at the end and  
 16 inserting the following: “, and water and sewer  
 17 facilities (as defined in paragraph (5)).”.

18 (2) **WATER AND SEWER FACILITIES DE-**  
 19 **FINED.—**Section 490(a) of such Act (sec. 47–  
 20 334(a), D.C. Code) is amended by adding at the end  
 21 the following new paragraph:

22 “(5) In paragraph (1), the term ‘water and sewer fa-  
 23 cilities’ means facilities for the obtaining, treatment, stor-  
 24 age, and distribution of water, the collection, storage,  
 25 treatment, and transportation of wastewater, storm drain-

1 age, and the disposal of liquids and solids resulting from  
2 treatment.”.

3 (b) USE OF REVENUES TO MAKE PAYMENTS ON  
4 BONDS.—The second sentence of section 490(a)(3) of  
5 such Act (sec. 47–334(a)(3), D.C. Code) is amended by  
6 inserting after “property” each place it appears in sub-  
7 paragraphs (A) and (B) the following: “(including water  
8 and sewer enterprise fund revenues, assets, or other prop-  
9 erty in the case of bonds, notes, or obligations issued with  
10 respect to water and sewer facilities)”.

11 (c) PERMITTING DELEGATION OF AUTHORITY TO  
12 ISSUE REVENUE BONDS TO WATER AND SEWER AU-  
13 THORITY.—

14 (1) IN GENERAL.—Section 490 of such Act  
15 (sec. 47–334, D.C. Code) is amended by adding at  
16 the end the following new subsection:

17 “(h)(1) The Council may delegate to the District of  
18 Columbia Water and Sewer Authority established pursu-  
19 ant to the Water and Sewer Authority Establishment and  
20 Department of Public Works Reorganization Act of 1996  
21 the authority of the Council under subsection (a) to issue  
22 revenue bonds, notes, and other obligations to borrow  
23 money to finance or assist in the financing or refinancing  
24 of undertakings in the area of utilities facilities, pollution  
25 control facilities, and water and sewer facilities (as defined

1 in subsection (a)(5)). The Authority may exercise author-  
2 ity delegated to it by the Council as described in the first  
3 sentence of this paragraph (whether such delegation is  
4 made before or after the date of the enactment of this  
5 subsection) only in accordance with this subsection.

6 “(2) Revenue bonds, notes, and other obligations is-  
7 sued by the District of Columbia Water and Sewer Au-  
8 thority under a delegation of authority described in para-  
9 graph (1) shall be issued by resolution of the Authority,  
10 and any such resolution shall not be considered to be an  
11 act of the Council.

12 “(3) The provisions of subsections (a) through (e)  
13 shall apply with respect to the District of Columbia Water  
14 and Sewer Authority, the General Manager of the Author-  
15 ity, and to revenue bonds, notes, and other obligations is-  
16 sued by the Authority under a delegation of authority de-  
17 scribed in paragraph (1) in the same manner as such pro-  
18 visions apply with respect to the Council, to the Mayor,  
19 and to revenue bonds, notes, and other obligations issued  
20 by the Council under subsection (a)(1) (without regard to  
21 whether or not the Council has authorized the application  
22 of such provisions to the Authority or the General Man-  
23 ager).

24 “(4) The fourth sentence of section 446 shall not  
25 apply to—

1           “(A) any amount (including the amount of any  
2 accrued interest or premium) obligated or expended  
3 from the proceeds of the sale of any revenue bond,  
4 note, or other obligation issued pursuant to this sub-  
5 section;

6           “(B) any amount obligated or expended for the  
7 payment of the principal of, interest on, or any pre-  
8 mium for any revenue bond, note, or other obligation  
9 issued pursuant to this subsection;

10           “(C) any amount obligated or expended to se-  
11 cure any revenue bond, note, or other obligation is-  
12 sued pursuant to this subsection; or

13           “(D) any amount obligated or expended for re-  
14 pair, maintenance, and capital improvements to fa-  
15 cilities financed pursuant to this subsection.”.

16           (2) CONFORMING AMENDMENT.—The fourth  
17 sentence of section 446 of such Act (sec. 47–304,  
18 D.C. Code) is amended by striking “(f) and (g)(3)”  
19 and inserting “(f), (g)(3), and (h)(4)”.

20 **SEC. 3. TREATMENT OF REVENUES AND OBLIGATIONS.**

21           (a) EXCLUSION OF REVENUES FOR PURPOSES OF  
22 CAP ON AGGREGATE DISTRICT DEBT.—Paragraphs (1)  
23 and (3)(A) of section 603(b) of the District of Columbia  
24 Self-Government and Governmental Reorganization Act  
25 (sec. 47–313(b), D.C. Code) are each amended by insert-

1 ing after “revenue bonds,” the following: “any revenues,  
2 charges, or fees dedicated for the purposes of water and  
3 sewer facilities described in section 490(a) (including fees  
4 or revenues directed to servicing or securing revenue  
5 bonds issued for such purposes),”.

6 (b) EXCLUSION OF OBLIGATIONS RELATING TO  
7 DEBT SERVICING PAYMENTS ON CERTAIN GENERAL OB-  
8 LIGATION BONDS.—

9 (1) IN GENERAL.—Section 603(b)(2) of such  
10 Act (sec. 47–313(b)(2), D.C. Code) is amended—

11 (A) by striking “and obligations” and in-  
12 serting “obligations”; and

13 (B) by inserting after “establishment,” the  
14 following: “, and obligations incurred pursuant  
15 to general obligation bonds of the District of  
16 Columbia issued prior to October 1, 1996, for  
17 the financing of Department of Public Works,  
18 Water and Sewer Utility Administration capital  
19 projects,”.

20 (2) CONFORMING AMENDMENT.—Section  
21 603(b)(3)(B) of such Act (sec. 47–313(b)(3)(B),  
22 D.C. Code) is amended by inserting after “bonds”  
23 the following: “(less the allocable portion of principal  
24 and interest to be paid during the year on general  
25 obligation bonds of the District of Columbia issued

1 prior to October 1, 1996, for the financing of De-  
2 partment of Public Works, Water and Sewer Utility  
3 Administration capital projects)”.  
4

5 **SEC. 4. TREATMENT OF BUDGET OF WATER AND SEWER**  
6 **AUTHORITY.**

7 (a) PREPARATION OF INDEPENDENT BUDGET.—  
8 Subpart 1 of part D of title IV of the District of Columbia  
9 Self-Government and Governmental Reorganization Act is  
10 amended by inserting after section 445 the following new  
11 section:

12 “WATER AND SEWER AUTHORITY BUDGET

13 “SEC. 445A. The District of Columbia Water and  
14 Sewer Authority established pursuant to the Water and  
15 Sewer Authority Establishment and Department of Public  
16 Works Reorganization Act of 1996 shall prepare and an-  
17 nually submit to the Mayor, for inclusion in the annual  
18 budget, annual estimates of the expenditures and appro-  
19 priations necessary for the operation of the Authority for  
20 the year. All such estimates shall be forwarded by the  
21 Mayor to the Council for its action pursuant to sections  
22 446 and 603(c), without revision but subject to his rec-  
23 ommendations. Notwithstanding any other provision of  
24 this Act, the Council may comment or make recommenda-  
25 tions concerning such annual estimates, but shall have no  
authority under this Act to revise such estimates.”.

1 (b) EXEMPTION FROM REDUCTIONS OF BUDGETS OF  
2 INDEPENDENT AGENCIES.—Section 453(c) of such Act  
3 (sec. 47–304.1(c), D.C. Code) is amended—

4 (1) by striking “courts or the Council, or to”  
5 and inserting “courts, the Council,”; and

6 (2) by striking the period at the end and insert-  
7 ing the following: “, or the District of Columbia  
8 Water and Sewer Authority established pursuant to  
9 the Water and Sewer Authority Establishment and  
10 Department of Public Works Reorganization Act of  
11 1996.”.

12 (c) CONFORMING AMENDMENT.—Section 442(b) of  
13 such Act (sec. 47–301(b), D.C. Code) is amended—

14 (1) by striking “and the Commission” and in-  
15 sserting “the Commission”; and

16 (2) by striking the period at the end and insert-  
17 ing the following: “, and the District of Columbia  
18 Water and Sewer Authority.”.

19 (d) CLERICAL AMENDMENT.—The table of contents  
20 of subpart 1 of part D of title IV of the District of Colum-  
21 bia Self-Government and Governmental Reorganization  
22 Act is amended by inserting after the item relating to sec-  
23 tion 445 the following new item:

“Sec. 445A. Water and Sewer Authority budget.”.

1 **SEC. 5. CLARIFICATION OF COMPENSATION OF CURRENT**  
2 **EMPLOYEES OF DEPARTMENT OF PUBLIC**  
3 **WORKS.**

4 The first sentence of section 205(b)(2) of such Act  
5 (sec. 43–1675(b)(2), D.C. Code) is amended by striking  
6 “duties)” and inserting “duties, and except as may other-  
7 wise be provided under the personnel system developed  
8 pursuant to subsection (a)(4) or a collective bargaining  
9 agreement entered into after the date of the enactment  
10 of this Act)”.