

ENROLLMENT(S)



(5)

COUNCIL OF THE DISTRICT OF COLUMBIA

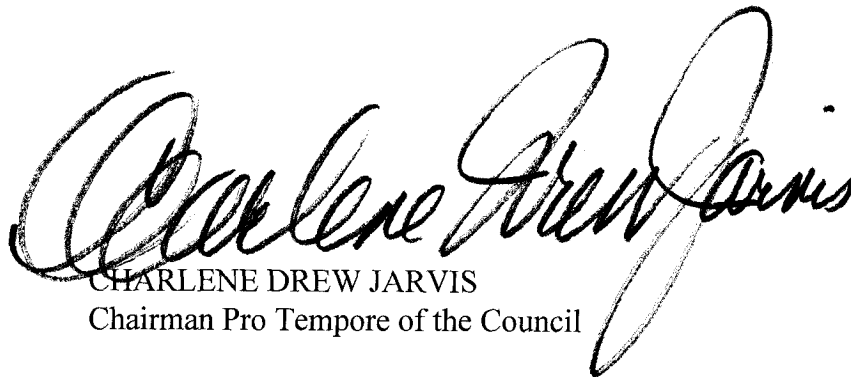
NOTICE

D.C. LAW 11-184

"Highway Trust Fund Establishment Act and the Water and Sewer Authority Amendment Act of 1996".

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P.L. 93-198 "the Act", the Council of the District of Columbia adopted Bill No. 11-513 on first, amended first, and second readings, June 4, 1996, June 19, 1996 and July 3, 1996, respectively. Following the signature of the Mayor on July 22, 1996, pursuant to Section 404(e) of "the Act", and was assigned Act No. 11-337, and published in the August 9, 1996, edition of the D.C. Register (Vol. 43 page 4265) and transmitted to Congress on January 13, 1997 for a 30-day review, in accordance with Section 602(c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired, and therefore, cites this enactment as D.C. Law 11-184, effective April 9, 1997.



CHARLENE DREW JARVIS
Chairman Pro Tempore of the Council

Dates Counted During the 30-day Congressional Review Period:

Feb. 3,4,5,6,7,10,11,12,13,24,25,26,27,28
Mar. 3,4,5,6,10,11,12,13,14,17,18,19,20,21
Apr. 7,8

ENROLLED ORIGINAL

AN ACT

D.C. ACT 11-337

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

JULY 22, 1996

*Codification
District of
Columbia
Code
1997 Supp.*

To establish the District of Columbia Highway Trust Fund to comply with the requirement for the creation of a dedicated highway fund mandated by the District of Columbia Emergency Highway Relief Act, to require the Mayor to deposit into the Fund an amount equivalent to revenue received from the motor vehicle fuel tax and associated fees and fines; to amend the Water and Sewer Authority Establishment and Department of Public Works Reorganization act of 1996 to add 1 additional Board member, to improve the Authority's Bond rating, and to clarify the Authority's relationship to the District government.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Highway Trust Fund Establishment Act and the Water and Sewer Authority Amendment Act of 1996".

TITLE I. - HIGHWAY TRUST FUND ESTABLISHMENT

Sec. 101. This title may be cited as the "Highway Trust Fund Establishment Act of 1996".

*Note,
New Section
7-134.4*

Sec. 102. (a) There is established the District of Columbia Highway Trust Fund ("Fund").

*New Section
7-134.4*

(b) The monies in the Fund shall not be a part of, or lapse into, the General Fund of the District or any other fund of the District.

(c) The Mayor shall deposit into the Fund, on a monthly basis, an amount equivalent to all receipts from taxes, fees, civil fines and penalties collected by the District after September 30, 1995, pursuant to An Act To provide for a tax on motor vehicle fuels sold within the District of Columbia, and for other purposes, approved April 23, 1924 (43 Stat. 106; D.C. Code § 47-2301 *et seq.*).

(d) All monies in the Fund shall be used first to comply with the requirements of section 3 of the District of Columbia Emergency Highway Relief Act, approved August 4, 1995 (109 Stat. 257; D.C. Code § 7-134.2)("Highway Relief Act").

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(e) Any excess monies remaining in the fund after the requirements of section 3 of the Highway Relief Act have been met may be used for the construction and maintenance of local rights-of-way and related structures and systems not eligible for federal aid.

Sec. 103. The Mayor may issue rules and regulations as the Mayor finds necessary to carry out the purposes of this title pursuant to the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1203; D.C. Code § 1-1501 *et seq.*).

Note,
New Section
7-134.4

Sec. 104. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; D.C. Code § 1-233(c)(3)).

TITLE II. - WATER AND SEWER AUTHORITY ACT AMENDMENTS

Sec. 201. This title may be cited as the "Water and Sewer Authority Amendment Act of 1996".

Note, Section
43-1661

Sec. 202. The Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996, effective April 18, 1996 (D.C. Law 11-111; D.C. Code § 43-1661 *et seq.*), is amended as follows:

(a) Section 101(4) (D.C. Code § 43-1661(4)) is amended as follows:

Section
43-1661

(1) By inserting the word "independent" after the phrase "Creation of an"; and

(2) By inserting the phrase "with secure funding separated from the District's General Fund" after the word "authority".

(b) Section 201 (D.C. Code § 43-1671) is amended as follows:

Section
43-1671

(1) Paragraph (2) is amended by inserting the phrase "related to the purposes or activities of the Authority" after the initial phrase "'cost' means any and all reasonable expenses";

(2) By inserting the phrase "and expenses for obtaining potable water for distribution" at the end of sentence;

(3) Paragraph (5) is amended to read as follows:

"(5) "Other participating jurisdictions" means Montgomery County, Maryland, Prince George's County, Maryland, and Fairfax County, Virginia." and;

(4) Paragraph (11) is amended to read as follows:

"(11) 'Water distribution system' means all the facilities used, or to be used, for the distribution of potable water situated within the public space of the District."

(c) Section 203 (D.C. Code § 43-1673) is amended as follows:

Section
43-1673

(1) By inserting the phrase "of the Authority" after the phrase "any District government employee" where the phrase appears in the first and third sentences of paragraph

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(10);

(2) By amending paragraph (20) to read as follows:

"(20) To purchase and distribute potable water to the inhabitants of the District;

(3) By amending paragraph (21) to read as follows:

"(21) To purchase and distribute potable water to other jurisdictions as provided

by law;

(4) By adding a new paragraph (32) to read as follows:

"(32) To collect and receive its revenues and disburse its necessary and reasonable expenses."

(d) Section 204 (D.C. Code § 43-1674) is amended as follows:

Section
43-1674

(1) Subsection (a)(1) is amended by striking the figure "10" and inserting the figure "11" in its place.

(2) Subsection (a)(3) is amended to read as follows:

"(3) The Mayor shall appoint persons recommended by the other participating jurisdictions to the remaining 5 Board positions. These 5 Board members shall only participate in decisions directly affecting the general management of joint-use sewerage facilities. Of the 5 non-District Board members appointed by the Mayor:

"(A) One Board member shall be a person recommended by Fairfax County, Virginia, pursuant to jurisdictional law;

"(B) Two Board members shall be persons recommended by Montgomery County, Maryland, pursuant to jurisdictional law; and

"(C) Two Board members shall be persons recommended by Prince George's County, Maryland, pursuant to jurisdictional law."

(3) Subsection (d) is amended to read as follows:

"(d) Board members and alternates shall serve 4-year terms. Of the 11 Board members and alternates initially appointed to the Board, 3 District appointees and 2 other participating jurisdiction appointees shall serve 4-year terms, 2 District appointees and 2 other participating jurisdiction appointees shall serve 3-year terms, and 1 District appointee and 1 other participating jurisdiction appointee shall serve 2-year terms."; and

(4) Subsection (j) is amended by striking the phrase "the selection" from the third sentence and inserting the phrase "8 affirmative votes shall be required for the hiring or firing" in its place.

(e) Section 205 (D.C. Code § 43-1675) is amended as follows:

Section
43-1675

(1) Subsection (a) is amended by adding a new paragraph (7) to read as follows:

"(7) To establish a procurement system which is consistent with principles of competitive procurement and to publish rules and regulations relating thereto."

(2) Subsection (d) is amended by inserting the phrase "and shall submit the audit to the Mayor, the Chief Financial Officer, and the Inspector General" after the word "Authority";

(3) Subsection (e) is amended to read as follows:

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"(e) The Board shall annually develop, adopt, and submit to the Mayor a multiyear financial plan for capital and operating expenses encompassing at least the forthcoming 5 fiscal years. The plan shall be submitted to the Mayor no less than 90 days prior to the beginning of each District government fiscal year."

(4) Subsection (g)(1) is amended by striking the phrase "operate, manage, maintain," from the first sentence; and

(5) Section (g)(4) is amended by striking the word "include" and inserting the word "including" in its place;

(f) Section 206 (D.C. Code § 43-1676) is amended by striking the figure "7" and inserting the figure "8" in its place.

Section
43-1676

(g) Section 207 (D.C. Code § 43-1677) is amended as follows:

Section
43-1677

(1) Subsection (a) is amended to read as follows:

"(a) There is established the Water and Sewer Authority Enterprise Fund ("Fund") which shall be the successor to the Water and Sewer Enterprise Fund established pursuant to section 7(g) of the District of Columbia Fund Accounting Act of 1980, effective June 14, 1980 (D.C. Law 3-70; D.C. Code § 47-375(g)). The Fund shall be operated by the Authority in accordance with generally accepted accounting principles."

(2) Subsection (b) is amended to read as follows:

"(b) Subject to the provisions made by the Authority pursuant to this act for security of revenue bonds, all revenues, proceeds, and moneys from whatever source derived which are collected or received by the Authority shall be credited to the Fund and shall not, at any time, be transferred to, lapse into, or be commingled with the General Fund of the District of Columbia,

the Cash Management Pool, or any other funds or accounts of the District of Columbia, except that funds shall be transferred to the District of Columbia Treasurer:

"(1) To pay for goods, services, and property contracted for by the Authority from the District as authorized by section 203(4) and (10) and section 217(c);

"(2) To make debt service payments required by section 207(f);

"(3) To enable the Treasurer to make disbursements on the Authority's behalf until the Authority's own disbursement system is established, as authorized by section 217(f); or

"(4) As otherwise authorized by this act."

(3) Subsection (c) is repealed; and

(4) Subsection (e) is amended by adding a new sentence at the end to read as follows: "Assets made available to the Authority pursuant to this subsection shall remain under the control of the Authority for as long as Authority revenue bonds are outstanding, unless all of the outstanding revenue bonds are defeased pursuant to section 213, or otherwise."

(h) Section 209 (D.C. Code § 43-1679) is amended as follows:

Section
43-1679

(1) By inserting the phrase "Except as provided in subsection (h)," at the beginning of subsection (a); and

(2) By adding new subsections (h), (i), and (j) to read as follows:

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"(h) During each fiscal year in which debt service on the proposed bonds and outstanding revenue bonds issued by the Authority, and the transfer provided in section 207(f) becomes due and payable, the Authority may not issue bonds, notes, or other obligations or borrow money unless the Authority first certifies, to the reasonable satisfaction of the District of Columbia Auditor, that the revenues of the Authority are sufficient to pay its costs, the principal of and interest on and other requirements pertaining to the proposed bonds and outstanding revenue bonds issued by the Authority, and amounts equal to the debt service payments on District general obligation bonds issued by the District prior to October 1, 1996, which financed Department of Public Works, Water and Sewer Utility Administration capital projects, as such bonds and transfers become due and payable. The Authority's certification shall be supported by expert study and analysis.

"(i) The Authority shall set rates, fees, levies, and other charges which will result in the collection of amounts which, together with other Authority revenues available and applicable, will be at least sufficient to pay its costs, the principal of and interest on and other requirements pertaining to its bonds, and to make transfers to the District of amounts equal to the debt service payments on District general obligation bonds issued by the District prior to October 1, 1996, which financed Department of Public Works, Water and Sewer Utility Administration capital projects, as such bonds and transfers become due and payable.

"(j) All bonds issued by the Authority shall be callable not more than 11 years after the date of the issuance of the respective bond."

(i) Section 212 (D.C. Code § 43-1682) is repealed.

(j) Section 213 (D.C. Code § 43-1683) is amended by redesignating the existing text as subsection (a) and adding a new subsection (b) to read as follows:

Section
43-1682
Section
43-1683

"(b) The District further retains the right to direct the Authority to defease bonds, and the authority shall do so, conditioned upon the District providing moneys, which together with the moneys of the Authority available for defeasance, would be sufficient to satisfy the requirements of section 213a(a)(1).

(k) A new section 213a is added to read as follows:

New Section
43-1683.1

"Sec. 213a. Defeasance of bonds.

"(a) The Authority's bonds shall no longer be considered outstanding and unpaid and shall be deemed fully met and discharged for the purposes of section 207(e) and the security provided by the pledges of and liens on, revenues, assets, and property, if the Authority:

"(1) Deposits with an escrow agent, which shall be a bank, trust company, or national banking association with requisite trust powers, in a separate defeasance escrow account, established and maintained by the escrow agent solely at the expense of the Authority and held in trust for the bond owners, sufficient moneys or direct obligations of the United States, principal of and interest on which, when due and payable, will provide sufficient moneys, together with moneys so deposited, to pay when due the principal and interest of bonds issued by the Authority to be defeased; and

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"(2) Delivers to the defeasance escrow agent an irrevocable letter of instruction to apply the moneys or investments to the payment of the principal of and interest on the bonds issued by the Authority to be defeased as they become due and payable.

"(b) The defeasance escrow agent shall not invest the defeasance escrow account in any investment callable at the option of its issuer if the call could result in less than sufficient moneys being available for the purposes required by this section.

"(c) The defeasance escrow account specified in subsection (a) of this section may be established and maintained without regard to any limitations placed on these accounts by any act or resolution of the Authority now existing or adopted after this act becomes effective, except for this act."

(l) Section 217 (D.C. Code § 43-1687) is amended by adding new subsections (e) and (f) to read as follows:

Section
43-1687

"(e) The Treasurer of the District of Columbia shall collect retail water and sewer payments on the Authority's behalf until the Authority notifies the Treasurer that an independent collection system has been established and that retail water and sewer customers have been notified of any changes in payment procedures. Water and sewer payments collected by the Treasurer shall be expeditiously deposited into the Fund and shall not be commingled with the Cash Management Pool, the General Fund, or any other funds or accounts of the District of Columbia, except that payments made to District cashiers may be deposited directly into a District disbursement account until the Authority notifies the Treasurer that an independent disbursement system has been established. Dedicated revenues received by the District Treasurer shall be subject to any pledge of the Authority as if deposited into the Fund.

"(f) The Treasurer of the District of Columbia is authorized to transfer funds from the Fund to a District disbursement account in order to pay the necessary and reasonable expenses of the Authority until the Authority notifies the Treasurer that an independent disbursement system has been established."

(m) Section 218 (D.C. Code § 43-1688) is amended to read as follows:

Section
43-1688

"Sec. 218. This act shall not serve as an amendment, alteration, modification, or repeal of any contract or any regional agreement to which the District government is a party, including the 1985 Blue Plains Intermunicipal Agreement."

(n) A new section 220 is added to read as follows:

New Section
43-1690

"Sec. 220. No inurement to private persons; exemption from District taxation.

"(a) All rights, property and assets of the Authority shall transfer automatically to the District government upon dissolution of the Authority.

"(b) None of the property, assets or earnings of the Authority shall inure to any private person or entity.

"(c) The Authority, its income, property, and transactions shall be exempt from District taxes."

Sec. 203. Fiscal impact statement.

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The sections of this bill which make up the District of Columbia Water and Sewer Authority Amendment Act of 1996 will have a very slight fiscal impact on the D.C. Water and Sewer Authority. The amendments increase the size of the Water and Sewer Authority Board of Directors from 10 members to 11 members by adding one additional suburban jurisdiction member (and alternate). These amendments clarify the responsibilities of the Water and Sewer Authority and the Authority's relationship within the District of Columbia government which have no fiscal impact on the Authority.

The increase in the Board membership will require a slight increase in the budget of the Authority to compensate the additional Board member (and alternate) and provide support costs.

Under the enabling legislation, Board members who are not otherwise compensated by the District of Columbia government or one of the suburban jurisdictions shall be compensated at the rate of \$50 per meeting, not to exceed \$4,000 per year. Board members are also entitled to reimbursement of expenses, except that transportation, parking or mileage expenses incurred in the performance of official duties may be reimbursed, not to exceed \$20 per meeting.

We anticipate that the total expenditures for the additional Board member and alternate shall not exceed \$5,000. Additional staffing costs to support one additional Board member should be negligible.

Revenues to implement this amendment to the D.C. Water and Sewer Authority establishment act will be paid through the D.C. Water and Sewer Authority Enterprise Fund. The Enterprise Fund consists of funds raised through the District of Columbia water and sewer rate and funds paid by the wholesale customers of the Blue Plains Wastewater Treatment Plant.

No appropriated funds will be required by the water and sewer sections of this act.

As stated above, funding in future years will be provided through the Water and Sewer Enterprise Fund.

TITLE III. - EFFECTIVE DATE

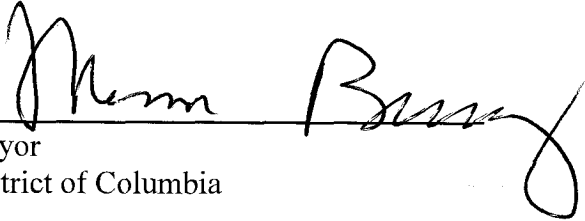
Sec. 301. This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council of the District of Columbia to override the veto), approval by the Financial Responsibility and Management Assistance Authority as provided in section 203(a) of the District of Columbia Financial Responsibility and Management Assistance Authority Act of 1995, approved April 17, 1995 (109 Stat. 116; D.C. Code § 47-392.3(a)), and a 30-day period of Congressional review as provided in section 602(c)(1) of the District of

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Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; D.C. Code § 1-233 (c)(1), and publication in the District of Columbia Register.



Chairman
Council of the District of Columbia



Mayor
District of Columbia

APPROVED: July 22, 1996



COUNCIL OF THE DISTRICT OF COLUMBIA

COUNCIL PERIOD ELEVEN

RECORD OF OFFICIAL COUNCIL VOTE

B11-513

Docket No. _____

ITEM ON CONSENT CALENDAR
 ACTION & DATE ADOPTED FIRST READING, 6-4-96
 VOICE VOTE APPROVED
 RECORDED VOTE ON REQUEST
 ABSENT CHAVOUS AND EVANS

ROLL CALL VOTE - Result _____

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Clarke					Jarvis					Smith, Jr.				
Brazil					Lightfoot					Thomas, Sr.				
Chavous					Mason					Whittington				
Cropp					Patterson									
Evans					Ray									

X - Indicates Vote

AB - Absent

NV - Present not Voting

CERTIFICATION RECORD

[Signature]
Secretary to the Council

July 11, 1996
Date

ITEM ON CONSENT CALENDAR
 ACTION & DATE ADOPTED AMENDED FIRST READING, 6-19-96
 VOICE VOTE APPROVED
 RECORDED VOTE ON REQUEST
 ABSENT CHMN. CLARKE, BRAZIL, LIGHTFOOT, JARVIS & WHITTINGTON

ROLL CALL VOTE - Result _____

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Clarke					Jarvis					Smith, Jr.				
Brazil					Lightfoot					Thomas, Sr.				
Chavous					Mason					Whittington				
Cropp					Patterson									
Evans					Ray									

X - Indicates no

AB - Absent

NV - Present not voting

CERTIFICATION RECORD

[Signature]
Secretary to the Council

July 11, 1996
Date

ITEM ON CONSENT CALENDAR
 ACTION & DATE ADOPTED FINAL READING, 7-3-96
 VOICE VOTE APPROVED
 RECORDED VOTE ON REQUEST
 ABSENT CHAVOUS

ROLL CALL VOTE - Result _____

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Clarke					Jarvis					Smith, Jr.				
Brazil					Lightfoot					Thomas, Sr.				
Chavous					Mason					Whittington				
Cropp					Patterson									
Evans					Ray									

X - Indicates Vote

AB - Absent

NV - Present not Voting

CERTIFICATION RECORD

[Signature]
Secretary to the Council

July 11, 1996
Date