

# ENROLLMENT(S)

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# COUNCIL OF THE DISTRICT OF COLUMBIA

## D.C. LAW 11-97

### **"Community Development Corporations Money Lender Licensing Fee and Bonding Exemption Temporary Amendment Act of 1995".**

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. 11-460 on first and second readings, October 10, 1995 and December 5, 1995 respectively. The legislation was deemed approved without the signature of the Mayor on December 27, 1995, pursuant to Section 404(e) of "the Act", and was assigned Act No. 11-180 and published in the January 5, 1996, edition of the D.C. Register (Vol. 43 page 2) and transmitted to Congress on January 22, 1996 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 11-97, effective March 5, 1996.

  
DAVID A. CLARKE  
Chairman of the Council

#### Dates Counted During the 30-day Congressional Review Period:

Jan.	22,23,24,25,26,29,30,31
Feb.	1,2,5,6,7,8,9,12,13,14,15,16,20,21,22,23,26,27,28,29
March	1,4

AN ACT

D.C. ACT 11-180

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

DECEMBER 27, 1995

*Codification  
District of  
Columbia  
Code  
1996 Supp.*

To amend, on a temporary basis, An Act To regulate the business of loaning money on security of any kind by persons, firms, and corporations other than national banks, licensed bankers, trust companies, savings banks, building and loan associations, and real estate brokers in the District of Columbia, to exempt certain community development corporations acting as money lenders from all of the money lender licensing fee and bonding requirements.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Community Development Corporations Money Lender Licensing Fee and Bonding Exemption Temporary Amendment Act of 1995".

Sec. 2. Section 10 of An Act To regulate the business of loaning money on security of any kind by persons, firms and corporations other than national banks, licensed bankers, trust companies, savings banks, building and loan associations, and real estate brokers in the District of Columbia, approved February 4, 1913 ( 37 Stat. 660; D.C. Code § 26-710), is amended by adding new subsections (c) and (d) to read as follows:

*Note, Section  
26-710*

"(c) For the purposes of this section, the term:

"(1) "Community Development Corporation" or "CDC" means any community development corporation recognized by, and under contract with, the District of Columbia Department of Housing and Community Development (or any successor agency) that is engaged in business and economic development activities in the form of making microloans through the use of funds loaned to them by nationally or locally chartered banks or financial institutions for the specific purpose of microlending, and which organization is organized under the District of Columbia Nonprofit Corporation Act, approved August 6, 1962 (76 Stat. 265; D.C. Code § 29-501 *et seq.*), and whose articles of incorporation and bylaws are consistent with rules and regulations issued by the Mayor of the District of Columbia pursuant to the District of Columbia

## ENROLLED ORIGINAL

Economic Development Finance Corporation Act of 1984, effective June 29, 1984 (D.C. Law 5-89; D.C. Code § 1-2211 *et seq.*).

"(2) "Microloans" or "microlending" means a CDC engaging in the practice of making or issuing any loans up to, and including, \$25,000 to any person engaged in business within the District of Columbia.

"(3) "Person" means any natural person, partnership, limited partnership, or corporation, including corporations taxed under Subchapter S of the Internal Revenue Code.

"(d) No money lender licensing fee and bonding requirements contained in this act shall be held to apply to a CDC engaged in microlending where the funds used for the microlending program were loaned to the CDC by a nationally or locally chartered bank or financial institution for the specific purpose of microlending, provided that the CDC operates and makes loans only in the geographical service area defined in their agreements with the District of Columbia Department of Housing and Community Development."

Sec. 3. The provisions of this act will have no negative fiscal impact on the General Fund of the District of Columbia. Community development corporations currently pay no money lenders license fees to the District of Columbia, and will not participate in money lending programs if required to pay such fees. The loans being made do not replace any private commercial lending by institutions that would otherwise pay such fees or bonds. It is anticipated that microloans made by community development corporations under programs facilitated by this act will have a small positive economic impact on the fortunes of various District of Columbia neighborhoods, and thus a small, positive fiscal impact on the city's General Fund. Revenue estimates for FY 96 did not anticipate these fees being paid, and therefore this act will not cause any change in revenue estimates. Under the narrow definition contained in the act, no more than 10 community-based groups will qualify for the waiver. The maximum amount that community development corporations engaged in microlending would pay to the District if not granted a waiver by the provisions of this act would be \$8,000 in license fees.

Sec. 4. (a) This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council 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(c)), and a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; D.C. Code § 1-233(c)(1)), and publication in either the District of Columbia Register.

**ENROLLED ORIGINAL**

(b) This act shall expire after the 225th day of its having taken effect or on the effective date of the Community Development Corporations Money Lender License Exemption Amendment Act of 1995, whichever occurs first.



Chairman  
Council of the District of Columbia

DEEMED APPROVED WITHOUT SIGNATURE  
UPON EXPIRATION OF THE 10-DAY MAYORAL  
REVIEW PERIOD.

NOT SIGNED

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Mayor  
District of Columbia

December 27, 1995



COUNCIL OF THE DISTRICT OF COLUMBIA

COUNCIL PERIOD ELEVEN

RECORD OF OFFICIAL COUNCIL VOTE

Docket No. B11-460

ITEM ON CONSENT CALENDAR

ACTION & DATE ADOPTED FIRST READING, 10-10-95

VOICE VOTE APPROVED  
RECORDED VOTE ON REQUEST

ABSENT BRAZIL, CROPP, AND RAY

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

December 11, 1995  
Date

ITEM ON CONSENT CALENDAR

ACTION & DATE ADOPTED FINAL READING, 12-05-95

VOICE VOTE APPROVED  
RECORDED VOTE ON REQUEST

ABSENT BRAZIL, CHAVOUS, THOMAS, AND 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

December 11, 1995  
Date

ITEM ON CONSENT CALENDAR

ACTION & DATE

VOICE VOTE  
RECORDED VOTE ON REQUEST

ABSENT

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

Secretary to the Council

Date