The Federalist Papers

MADISON - SIGNED 43

no doubt provide in the compact for the rights and the consent of the citizens inhabiting it; as the inhabitants will find sufficient inducements of interest to become willing parties to the cession; as they will have had their voice in the election of the government which is to exercise authority over them; as a municipal legislature for local purposes, derived from their own suffrages, will of course be allowed them; and as the authority of the legislature of the State, and of the inhabitants of the ceded part of it, to concur in the cession, will be derived from the whole people of the State, in their adoption of the Constitution, every imaginable objection seems to be obviated.10

Generally, however, nowhere in the published discussion surrounding the drafting and ratification of the Constitution, with the exception of Federalist Paper number 43, are the perceived or presumed political rights of the residents of the Federal district ever mentioned.

APPENDIX B

A STATUTORY HISTORY OF LOCAL GOVERNMENT IN THE DISTRICT OF COLUMBIA

THE TERRITORIAL GOVERNMENT: 1871–1874

By an act of February 21, 1871 (16 Stat. 419) Congress provided that “the charters of the cities of Washington and Georgetown shall be repealed on and after the first day of June, A.D. eighteen hundred and seventy-one, and all offices of said corporations abolished at that date; the levy court of the District of Columbia and all offices connected herewith shall be abolished on and after said first day of June, A.D., eighteen hundred and seventy-one; but all laws not inconsistent with this act shall remain in full force until modified or repealed by Congress or the legislative assembly of said district...” The act furthermore provided that “all that part of the territory of the United States included within the limits of the District of Columbia, be, and the same is hereby constituted a body corporate for municipal purposes... and may exercise all other powers of a municipal corporation not inconsistent with the Constitution and laws of the United States and the provision of this act.” The act referred to this new government as the “territorial government.”

Office of the Governor: Authority

The act further provided that “the executive power and authority in and over the said District of Columbia shall be vested in a governor, who shall be appointed by the President, by and with the consent of the Senate... shall hold his office for four years... and shall have resided within said District twelve months before his appointment... and shall take care that the laws be faithfully executed.”

Office of the Secretary: Reporting Responsibilities

Additionally, the act provided that “there shall be appointed by the President, by and with the advice and consent of the Senate, a secretary of said District... who shall record and preserve all laws and proceed-

DISTRICT OF COLUMBIA SELF-GOVERNMENT AND GOVERNMENTAL REORGANIZATION ACT

SEPTEMBER 11, 1973.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Dicks, from the Committee on the District of Columbia, submitted the following

REPORT together with

DISSENTING VIEWS

[To accompany H.R. 9682]

The Committee on the District of Columbia, to whom was referred the bill (H.R. 9682), to reorganize the governmental structure of the District of Columbia, to provide a charter for local government in the District of Columbia subject to acceptance by a majority of the registered qualified electors in the District of Columbia, to delegate certain legislative powers to the local government, to implement certain recommendations of the Commission on the Organization of the Government of the District of Columbia, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of H.R. 9682 is to restore to the citizens of the District of Columbia some measure of self-government and to reorganize the machinery of local government to achieve maximum efficiency. In its consideration of this legislation, the Committee attempted throughout to achieve a number of general objectives:

(1) to implement the recommendations of the Commission on the Organization of the Government of the District of Columbia (Nelsen Commission) pertaining to structural reorganization and governmental modernization;
(2) to preserve and protect the interests of the Federal Government in the Nation's Capital;
(3) to establish a form of local government responsible and accountable to the voters;
(4) to provide for the District a system of municipal government similar to that provided in all other cities throughout the United States; and
(5) to relieve the Congress of the burden of legislating on essentially local matters, but to provide a mechanism to prevent any excesses in the exercise of local governmental authority with respect to the Federal interest.

The bill implements many of the recommendations of the Nelsen Commission. The Committee gave such priority to the Nelsen Commission recommendations that many of those adopted by the Committee are to take effect prior to the date on which the self-government measures take effect and irrespective of whether or not the charter for self-government is ratified by the local voters.

The Committee bill protects the Federal interest and preserves the Constitutional authority of Congress over the Nation's Capital. It reserves the right of Congress to legislate for the District at any time and on any subject, retains in the Congress the appropriations power over the annual Federal payment, and provides for a veto by the House or Senate over any alterations in the municipal charter.

The bill creates a responsible and accountable form of local government. Like the vast majority of other American cities, the District is to have an elected Mayor and an elected City Council. The presently elected school board is continued, and a recall provision is included for all elected officials.

The legislation continues certain boards, agencies and commissions established by Congress (including the Board of Education, the Armory Board, and the Public Service Commission) and carries over all the civil and criminal laws enacted by the Congress unless changed by an affirmative act by the Council and Mayor. Congress also retains the right to act to override or veto any such action.

Finally, the bill relieves the Congress from the time-consuming and burdensome task of sitting as City Council. The local Council, not the Congress, would be required to settle pay and labor disputes, license occupations, establish laundry taxes, regulate motor vehicle inspections, oversee the administration of estates, amend health laws and regulations, regulate interest and usury rates and consumer credit, and perform a myriad of other local functions.

**Presidential Recommendations**

Homo rule for the District of Columbia has been favored by the last 4 Presidents of the United States.

On January 19, 1959, in his budget message to the Congress, President Dwight D. Eisenhower stated:

I again recommend that the Congress enact legislation to admit Hawaii into the Union as a State, and to grant home rule to the District of Columbia. It would be unconscionable if either of these actions were delayed any longer.
In transmitting his suggested home rule legislation to the Congress on July 15, 1961, President John F. Kennedy indicated:

Restoration of suffrage and the responsibility to the people of the District for dealing with their municipal problems is long overdue. It is time to eliminate the last legal and constitutional anomaly in the United States and to reaffirm our belief in the principle that government should be responsible to the governed.

President Lyndon B. Johnson, in his message on home rule, made the following pertinent comments:

Our Federal, State, and local governments rest on the principle of democratic representation—the people elect those who govern them. We cherish the creed declared by our forefathers:

No taxation without representation. We know full well that men and women give the most of themselves when they are permitted to attack problems which directly affect them.

Yet the citizens of the District of Columbia, at the very seat of the Government created by our Constitution, have no vote in the government of their city. They are taxed without representation. They are asked to assume the responsibilities of citizenship while denied one of its basic rights. No major capital in the free world is in a comparable condition of disfranchisement.

President Richard M. Nixon, in his 1969 and 1970 messages to the Congress on the Nation’s Capital, summed up the spirit of home rule most succinctly:

The District’s citizens should not be expected to pay taxes for a government which they have no part in choosing—or to bear the full burdens of citizenship without the full rights of citizenship. (1969)

I share the chagrin that most Americans feel at the fact that Congress continues to deny self-government to the Nation’s Capital. I would remind the Congress that the founding fathers did nothing of the sort. Home rule was taken from the District only after more than seventy years of self-government, and this was done on grounds that were either factually shaky or morally doubtful. (1970)

PROTENSIONS OF THE FEDERAL INTEREST

In its consideration of H.R. 9632, the Committee was deeply impressed with the need to protect the Federal interest and to preserve the Constitutional authority of the Congress over the Nation’s Capital. To accomplish these objectives, the Committee included in the bill provisions which:

- reserve the right of Congress to legislate for the District at any time and on any subject;
- retain in the Congress the appropriations power over the annual Federal payment;
PROVIDING FOR THE DISTRICT OF COLUMBIA AN ELECTED MAYOR AND CITY COUNCIL, AND FOR OTHER PURPOSES

JUNE 14, 1973.—Ordered to be printed

Mr. Eagleton, from the Committee on the District of Columbia, submitted the following

REPORT

[To accompany S. 1435]

The Committee on the District of Columbia, to which was referred the bill (S. 1435), to provide an elected Mayor and City Council for the District of Columbia, having considered the same, reports favorably thereon with an amendment in the nature of a substitute, and recommends that the bill as amended do pass.

PURPOSE OF THE BILL

The purpose of S. 1435 is to enact a District of Columbia Charter Act and thereby restore to the citizens of the District of Columbia some measure of self-government.

Under the provisions of S. 1436 the District is required to conduct a referendum within 4 months after the bill's enactment, to determine whether the registered voters of the District of Columbia accept the District of Columbia Charter Act. If approved by a majority of those voting, the Charter Act would create a representative local government for the District of Columbia by providing for the election of a Mayor and City Council by the voting citizens of the District. The constitutional power of Congress over the affairs of the District of Columbia would be retained and the Charter Act provides for a Congressional veto by either the House of Representatives or the Senate of any act of the City Council. There is also provision made for supervision of the fiscal affairs of the District by the General Accounting Office.
Home rule for the District of Columbia has been favored by the last 4 Presidents of the United States.

On January 18, 1959, in his budget message to the Congress, President Eisenhower stated:

I again recommend that the Congress enact legislation to admit Hawaii into the Union as a State, and to grant home rule to the District of Columbia. It would be unconscionable if either of these actions were delayed any longer.

In transmitting his suggested home rule legislation to the Congress on July 15, 1961, President John F. Kennedy indicated:

Restoration of suffrage and the responsibility to the people of the District for dealing with their municipal problems is long overdue. It is time to eliminate the last legal and constitutional anomaly in the United States and to reaffirm our belief in the principle that government should be responsible to the governed.

President Johnson, in his message on home rule, made the following pertinent comments:

Our Federal, State, and local governments rest on the principle of democratic representation—the people elect those who govern them. We cherish the creed declared by our forefathers: No taxation without representation. We know full well that men and women give the most of themselves when they are permitted to attack problems which directly affect them.

Yet the citizens of the District of Columbia, at the very seat of the Government created by our Constitution, have no vote in the government of their city. They are taxed without representation. They are asked to assume the responsibilities of citizenship while denied one of its basic rights. No major capital in the free world is in a comparable condition of disfranchisement.

President Richard M. Nixon, in his 1971 message to the Congress on the Nation's Capital, summed up the spirit of home rule most succinctly:

One of my most pressing goals for this Nation is to place local functions under local control, and to equip local governments with the authority and the resources they need in order to serve their communities well.

Committee Action

Hearings were held on S. 1435 on April 24, 1973, at which a wide range of views were presented to the committee on the need for and the various types of self-government which were appropriate for the District of Columbia. While a witness appeared in favor of statehood for the District of Columbia, the committee felt that it was not in the best interests of either the citizens of the District or the Federal Government at this time to end the Federal responsibility for the sent of the National Government.
As a result of the hearings amendments were made to the bill as introduced which the committee believes help to perfect the bill. Almost all the amendments were technical in nature. The committee believes that S. 1435, as amended, combines the best features of the home rule proposals which have been presented to the Congress.

**HISTORY OF LEGISLATIVE ACTIVITY BY THE CONGRESS**

Legislation to provide some form of local government for the District of Columbia was initiated with the introduction of H.R. 3545 of the 43d Congress on June 1, 1874. Since that time through the 92d Congress, more than 40 home rule bills have been placed before biennial sessions of the Congress. The Senate on seven separate occasions in the 81st, 82d, 84th, 85th, 86th, 89th, and 92d Congresses enacted self-government legislation. However, all of these bills failed enactment in the House.

The first government of the City of Washington consisted of a mayor, appointed by the President; and a city council, elected by the people of the city. This was in 1802. In 1812, the City Council was permitted to elect the mayor of Washington, and in 1828 and thereafter, the mayor was elected by the people. This government continued until 1871.

By an act of Congress, February 21, 1871, the corporations of Washington and of Georgetown were abolished and a territorial form of government, consisting of a governor and board of public works, and a legislative assembly, was set up. The legislative assembly consisted of a council of 11 members, and a house of delegates of 22 members. The Governor, the Board of Public Works, and the Council were appointed by the President. The 22 members of the House of Delegates were elected by the people. The District of Columbia had a Delegate in the House of Representatives until 1875.

This form of government lasted 3 years, or until June 20, 1874, when Congress provided that the District of Columbia should be governed by three Commissioners, appointed by the President. This temporary form of government was made permanent on July 1, 1878, and the three-commissioner form of government remained unchanged until 1967. Reorganization Plan No. 3 of 1967 made the last change in the District's government to date. The basic change embodied in the Plan was to place the executive responsibility for the city in a single, Presidentially appointed, Commissioner-Mayor, and to set up a Council, also Presidentially appointed, to perform the more than 400 quasi-legislative functions which had been delegated by Congress to the District Government.

In the creation of the temporary commission form of government in 1874 and the permanent form in 1878, no provision was made for the franchise and to date citizens of the District of Columbia have been unable to indicate their choice as to who their leaders should be. In 1951 local residents obtained the right to select electors of the President and Vice President of the United States, and in 1966 Congress created an elected school board to run the public schools of the District of Columbia. In 1970 Congress created the position of nonvoting delegate to represent the District of Columbia in the United States House of Representatives.
In 1878, the expense of the Federal City was borne jointly by the District and the United States, on a 50-50 basis. In 1922 this was changed to a 60-40 ratio, and in 1938 the share of the United States was further reduced by statute to a lump sum which today is approximately 39 percent of the general fund.

S. 1455 would convey in some large measure permissible municipal home rule to the residents of the National Capital, thus restoring the powers of local self-government suspended in 1874. This grant is a delegation of the powers of the Congress contained in article I, section 8, clause 17, of the Constitution of the United States, which pertains only to those matters municipal as distinguished from those national in scope. Such constitutional provision states:

_CONGRESS SHALL HAVE POWER * * * TO EXERCISE EXCLUSIVE LEGISLATION IN ALL CASES WHATSOEVER, OVER SUCH DISTRICT (NOT EXCEEDING TEN MILES SQUARE) AS MAY, BY CONSENT OF THE STATES, AND THE ACCEPTANCE OF CONGRESS, BECOME THE SEAT OF THE GOVERNMENT OF THE UNITED STATES, * * *._

The delegation of permissible home rule to the residents of the District is given with the express reservation that the Congress may at any time revoke or modify the delegation in whole or in part, and further, that the Congress may take such action as, in its wisdom, it deems desirable with respect to any municipal action taken by the people or the government of the municipality under the authority of the charter. The Congress would continue to initiate local legislation should it so desire. Thus, the Congress, under the terms of this bill, retains full residual, ultimate and exclusive legislative jurisdiction over the District in conformity with the constitutional mandate. In addition, the bill makes provision for the non-approval of any act of the City Council by either House of Congress in the same manner as a reorganization act submitted by the President.

**STRUCTURE OF THE GOVERNMENT**

The bill would establish the District of Columbia as a body politic and corporate in perpetuity which would be the successor to the present commission form of government. Provision is made for an elected mayor and an elected eleven-member council of whom the chairman and two members shall be elected at large and the other eight members from wards. The mayor and council would take over the functions of the present Commissioner and non-elected Council which would be abolished. The District Council would be endowed with local legislative power in addition to that heretofore delegated by Congress under Reorganization Plan No. 3 of 1957, including additional taxing and borrowing power subject to certain enumerated restrictions and to the overriding power of Congress to repeal, amend, or initiate local legislation and to unite individual acts of the Council. This endowment of local power to a council and mayor would relieve the Congress of the detail of District affairs, as has been done in the case of the Territories, while maintaining its paramount right to ensure that the Federal interest in the Nation's Capital is preserved.

The bill provides for an annual payment by the Federal Government to the District of Columbia to be computed as a percentage of
local tax effort (with the specific restriction that the District may not tax residents of any State). The formula rises for each of the first four fiscal years to a final figure identical to that established by the Congress in 1952.

**SUMMARY OF TITLES OF THE BILL**

**Title I—Definitions**

Contains definitions of the principal terms used in the bill.

**Title II—Status of the District**

Provides that the District shall remain and continue a body corporate, and said corporation shall continue to be charged with all the duties, obligations, responsibilities, and to be vested with all the powers, rights, privileges, immunities, and assets imposed upon and vested in said corporation or the Commissioner of the District of Columbia.

All of the territory constituting the permanent seat of the Government of the United States shall continue to be designated as the District of Columbia, and the boundary line between the District of Columbia and the Commonwealth of Virginia remains unchanged.

**Title III—The District Council**

Provides for a District Council of 11 members, including a chairman and two other at-large members and 8 members elected each from each of the 8 wards. The term of office shall be 4 years, except for the first election when five Council members as determined by lot shall serve a 2-year term. Council elections will be held every 2 years. This would be accomplished initially by electing one member at-large and 4 from wards for a two-year term in the initial election following acceptance of the charter by the District voters. In setting the term of office at 4 years the committee felt such term would lessen the time required for candidates to campaign for office and thereby permit the councilmen to devote more time to the duties of the elected office.

The qualifications for membership on the Council are set forth as follows: (1) a qualified voter; (2) is domiciled in the District and resides in the ward from which he is nominated; (3) has during the 3 years next preceding his nomination, resided, and been domiciled in the District; and (4) is not engaged in any employment or holds no public office for which he is compensated in an amount exceeding his actual expenses except that he can serve as a delegate or alternate delegate to a convention of a political party containing candidates for President and Vice President of the United States and may serve in a Reserve component of an armed force of the United States so long as he is not on active duty for a period exceeding thirty days. A member of the Council shall forfeit his office upon failure to maintain these qualifications.

The compensation of members of the Council shall be fixed by the Council.

The powers of the present Council and Mayor-Commissioner are transferred to the new Council and Mayor. The functions now vested in the District Public Service Commission, Zoning Commission, Zoning Advisory Council, Board of Zoning Adjustment, Office of the
TITLE I - SHORT TITLE, PURPOSES, AND DEFINITIONS

SHORT TITLE

SEC. 101. [D.C. Official Code § 1-201.01] This Act may be cited as the "District of Columbia Home Rule Act".

STATEMENT OF PURPOSES

SEC. 102. [D.C. Official Code § 1-201.02] (a) Subject to the retention by Congress of the ultimate legislative authority over the nation's capital granted by article I, § 8, of the Constitution, the intent of Congress is to delegate certain legislative powers to the government of the District of Columbia; authorize the election of certain local officials by the registered qualified electors in the District of Columbia; grant to the inhabitants of the District of Columbia powers of local self-government; modernize, reorganize, and otherwise improve the governmental structure of the District of Columbia; and, to the greatest extent possible, consistent with the constitutional mandate, relieve Congress of the burden of legislating upon essentially local District matters.

(b) Congress further intends to implement certain recommendations of the Commission on the Organization of the Government of the District of Columbia and take certain other actions irrespective of whether the charter for greater self-government provided for in title IV of this Act [District Charter] is accepted or rejected by the registered qualified electors of the District of Columbia.

DEFINITIONS

SEC. 103. [D.C. Official Code § 1-202.03] For the purposes of this Act --

(1) The term "District" means the District of Columbia.

(2) The term "Council" means the Council of the District of Columbia provided for by part A of title IV [Subchapter III of Chapter 2 of Title 1, D.C. Official Code].

(3) The term "Commissioner" means the Commissioner of the District of Columbia established under Reorganization Plan No. 3 of 1967.


(5) The term "Chairman" means, unless otherwise provided in this Act, the Chairman of the Council provided for by part A of title IV [Subchapter III of Chapter 2 of Title 1 of the D.C. Official Code].

(6) The term "Mayor" means the Mayor provided for by part B of title IV [Subchapter IV of Chapter 2 of Title 1 of the D.C. Official Code].

(7) The term "Act" includes any legislation passed by the Council, except where the term "Act" is used to refer to this Act or other Acts of Congress herein specified.

(8) The term "capital project" means any physical public betterment or improvement, the acquisition of property of a permanent nature, or the purchase of equipment or furnishings, and includes:[

(A) costs of any preliminary plans, studies, and surveys in connection with such betterment, improvement, acquisition, or purchase[:]

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[Mayor], effective the day after the day on which the District establishes an independent personnel system or systems.

(f) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, held, used, available, or to be made available in connection with functions transferred to the Commissioner [Mayor] by the provisions of this section, as the Director of the Federal Office of Management and Budget shall determine, are authorized to be transferred from the Secretary to the Commissioner [Mayor].

(g) Any employee in the competitive service of the United States transferred to the government of the District under the provisions of this section shall retain all the rights, benefits, and privileges pertaining thereto held prior to such transfer.

(h) [Amendment to An Act To amend section 22 of the Act approved March 4, 1925, entitled "An Act providing for sundry matters affecting the naval service, and for other purposes, approved August 16, 1937 (29 U.S.C. § 50 et seq.).]

TITLE III -- DISTRICT CHARTER PREAMBLE, LEGISLATIVE POWER, AND CHARTER AMENDING PROCEDURE

DISTRICT CHARTER PREAMBLE

SEC. 301. [D.C. Official Code § 1-203.01] The charter for the District of Columbia set forth in title IV [District Charter] shall establish the means of governance of the District following its acceptance by a majority of the registered qualified electors of the District voting thereon in the charter referendum held with respect thereto.

LEGISLATIVE POWER

SEC. 302. [D.C. Official Code § 1-203.02] Except as provided in sections 601, 602, and 603 [D.C. Official Code §§ 1-206.01, 1-206.02, and 1-206.03], the legislative power of the District shall extend to all rightful subjects of legislation within the District consistent with the Constitution of the United States and the provisions of this Act subject to all the restrictions and limitations imposed upon the States by the tenth section of the first article of the Constitution of the United States.

CHARTER AMENDING PROCEDURE

SEC. 303. [D.C. Official Code § 1-203.03] (a) The charter set forth in title IV (including any provision of law amended by such title), except sections 401(a) and 421(a) [D.C. Official Code §§ 1-204.01(a) and 1-204.21(a)], and part C of such title [D.C. Official Code §§ 1-204.31 through 1-204.34], may be amended by an act passed by the Council and ratified by a majority of the registered qualified electors of the District voting in the referendum held for such ratification. The Chairman of the Council shall submit all such acts to the Speaker of the House of Representatives and the President of the Senate on the day the Board of Elections and Ethics certifies that such act was ratified by a majority of the registered qualified electors voting thereon in such referendum.

(b) An amendment to the charter ratified by the registered electors shall take effect upon the expiration of the 35-calendar-day period (excluding Saturdays, Sundays, holidays, and days
An elected official is removed from office if a majority of the qualified electors voting in the election vote to remove him or her. The vacancy created by such recall shall be filled in the same manner as other vacancies as provided in sections 401(d) and 421(c)(2) of the Home Rule Act and section 10(a) of the District of Columbia Elections Act [D.C. Official Code §§ 1-204.01(d), 1-204.21(c)(2), and § 1-1001.10(a)].

Sec. 5. [D.C. Official Code § 1-204.115] [Adoption of acts to carry out subchapter] The Council of the District of Columbia shall adopt such acts as are necessary to carry out the purpose of this subchapter within one hundred eighty (180) days of the effective date of this amendment [October 27, 1978]. No petition for recall may be presented to the District of Columbia Board of Elections and Ethics prior to October 1, 1978.

TITLE V -- FEDERAL PAYMENT [Repealed]

DUTIES OF THE MAYOR, COUNCIL, AND FEDERAL OFFICE OF MANAGEMENT AND BUDGET

SEC. 501. [Repealed by section 11601(a) of the National Capital Revitalization and Self-Government Improvement Act of 1997, approved August 5, 1997 (P.L. 105-7; 111 Stat. 14)].

SEC. 502. [Repealed by section 11601(a) of the National Capital Revitalization and Self-Government Improvement Act of 1997, approved August 5, 1997 (P.L. 105-7; 111 Stat. 14)].

TITLE VI -- RESERVATION OF CONGRESSIONAL AUTHORITY

RETENTION OF CONSTITUTIONAL AUTHORITY

SEC. 601. [D.C. Official Code § 1-206.01] Notwithstanding any other provision of this Act, the Congress of the United States reserves the right, at any time, to exercise its constitutional authority as legislature for the District, by enacting legislation for the District on any subject, whether within or without the scope of legislative power granted to the Council by this Act, including legislation to amend or repeal any law in force in the District prior to or after enactment of this Act and any act passed by the Council.

LIMITATIONS ON THE COUNCIL

SEC. 602. [D.C. Official Code § 1-1-206.02] (a) The Council shall have no authority to pass any act contrary to the provisions of this Act except as specifically provided in this Act, or to --

(1) impose any tax on property of the United States or any of the several states;
(2) lend the public credit for support of any private undertaking;
Council shall transmit to the Speaker of the House of Representatives, and the President of the Senate, a copy of each act passed by the Council and signed by the Mayor, or vetoed by the Mayor and repassed by two-thirds of the Council present and voting, each act passed by the Council and allowed to become effective by the Mayor without his signature, and each initiated act and act subject to referendum which has been ratified by a majority of the registered qualified electors voting on the initiative or referendum. Except as provided in paragraph (2) [of this subsection,] such act shall take effect upon the expiration of the 30-calendar-day period (excluding Saturdays, Sundays, and holidays, and any day on which neither House is in session because of an adjournment sine die, a recess of more than 3 days, or an adjournment of more than three days) beginning on the day such act is transmitted by the Chairman to the Speaker of the House of Representatives and the President of the Senate, or upon the date prescribed by such act, whichever is later, unless during such 30-day period, there has been enacted into law a joint resolution disapproving such act. In any case in which any such joint resolution disapproving such an act has, within such 30-day period, passed both Houses of Congress and has been transmitted to the President, such resolution, upon becoming law, subsequent to the expiration of such 30-day period, shall be deemed to have repealed such act, as of the date such resolution becomes law. The provisions of section 604 [D.C. Official Code § 1-206.04], except subsections (d), (e), and (f) of such section, shall apply with respect to any joint resolution disapproving any act pursuant to this paragraph.

(2) In the case of any such act transmitted by the Chairman with respect to any act codified in title 22, 23, or 24 of the District of Columbia [Official] Code, such act shall take effect at the end of the 60-day period beginning on the day such act is transmitted by the Chairman to the Speaker of the House of Representatives and the President of the Senate unless, during such 60-day period, there has been enacted into law a joint resolution disapproving such act. In any case in which any such joint resolution disapproving such an act has, within such 60-day period, passed both Houses of Congress and has been transmitted to the President, such resolution, upon becoming law subsequent to the expiration of such 60-day period shall be deemed to have repealed such act, as of the date such resolution becomes law. The provisions of section 604 [D.C. Official Code § 1-206.04], relating to an expedited procedure for consideration of joint resolutions, shall apply to a joint resolution disapproving such act as specified in this paragraph.

(3) The Council shall submit with each Act transmitted under this subsection an estimate of the costs which will be incurred by the District of Columbia as a result of the enactment of the Act in each of the first 4 fiscal years for which the Act is in effect, together with a statement of the basis for such estimate.

**BUDGET PROCESS, LIMITATIONS ON BORROWING AND SPENDING**

SEC. 603. [D.C. Official Code § 1-206.03] (a) Nothing in this act shall be construed as making any change in existing law, regulation, or basic procedure and practice relating to the respective roles of the Congress, the President, the federal Office of Management and Budget, and the Comptroller General of the United States in the preparation, review, submission, examination, authorization, and appropriation of the total budget of the District of Columbia government.

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(b)(1) No general obligation bonds (other than bonds to refund outstanding indebtedness) or Treasury capital project loans shall be issued during any fiscal year in an amount which would cause the amount of principal and interest required to be paid both serially and into a sinking fund in any fiscal year on the aggregate amounts of all outstanding general obligation bonds and such Treasury loans, to exceed 17 percent of the District revenues (less any fees or revenues directed to servicing revenue bonds, any revenues, charges, or fees dedicated for the purposes of water and sewer facilities described in section 490(a) [D.C. Official Code § 1-204.90(a)] (including fees or revenues directed to servicing or securing revenue bonds issued for such purposes), retirement contributions, revenues from retirement systems, and revenues derived from such Treasury loans and the sale of general obligation or revenue bonds) which the Mayor estimates, and the District of Columbia Auditor certifies, will be credited to the District during the fiscal year in which the bonds will be issued. Treasury capital project loans include all borrowings from the United States Treasury, except those funds advanced to the District by the Secretary of the Treasury under the provisions of title VI of the District of Columbia Revenue Act of 1939 [ approved July 26, 1939 (P.L. 76-225; 53 Stat. 1118)].

(2) Obligations incurred pursuant to the authority contained in the District of Columbia Stadium Act of 1957 [ approved September 7, 1957] (71 Stat. 619; D.C. Code, title 2, chapter 17, subchapter II) [D.C. Official Code §§ 3-321 through 3-330], obligations incurred by the agencies transferred or established by sections 201 [Amendments] and 202 [D.C. Official Code § 1-202.02], whether incurred before or after such transfer or establishment, and obligations incurred pursuant to general obligation bonds of the District of Columbia issued prior to October 1, 1996, for the financing of Department of Public Works, Water and Sewer Utility Administration capital projects, shall not be included in determining the aggregate amount of all outstanding obligations subject to the limitation specified in the preceding paragraph.

(3) The 17 percent limitation specified in paragraph (1) [of this subsection] shall be calculated in the following manner:

(A) Determine the dollar amount equivalent to 17 percent of the District revenues (less any fees or revenues directed to servicing revenue bonds, any revenues, charges, or fees dedicated for the purposes of water and sewer facilities described in section 490(a) [D.C. Official Code § 1-204.90(a)] (including fees or revenues directed to servicing or securing revenue bonds issued for such purposes), retirement contributions, revenues from retirement systems, and revenues derived from such Treasury loans and the sale of general obligation or revenue bonds) which the Mayor estimates, and the District of Columbia Auditor certifies, will be credited to the District during the fiscal year for which the bonds will be issued;

(B) Determine the actual total amount of principal and interest to be paid in each fiscal year for all outstanding general obligation bonds (less the allocable portion of principal and interest to be paid during the year on general obligation bonds of the District of Columbia issued prior to October 1, 1996, for the financing of Department of Public Works, Water and Sewer Utility Administration capital projects) and such Treasury loans;

(C) Determine the amount of principal and interest to be paid during each fiscal year over the term of the proposed general obligation bond or such Treasury loan to be issued; and

(D) If in any one fiscal year the sum arrived at by adding subparagraphs (B) and (C) [of this paragraph] exceeds the amount determined under subparagraph (A) [of this paragraph], then the proposed general obligation bond or such Treasury loan in subparagraph (C)