To amend the District of Columbia Home Rule Act to eliminate all Federally-imposed mandates over the local budget process and financial management of the District of Columbia and the borrowing of money by the District of Columbia.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 27, 2015

Ms. NORTON introduced the following bill; which was referred to the Committee on Oversight and Government Reform

A BILL

To amend the District of Columbia Home Rule Act to eliminate all Federally-imposed mandates over the local budget process and financial management of the District of Columbia and the borrowing of money by the District of Columbia.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “District of Columbia Budget Autonomy Act of 2015”.

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SEC. 2. TERMINATION OF FEDERAL MANDATES OVER LOCAL BUDGET PROCESS AND FINANCIAL MANAGEMENT OF DISTRICT OF COLUMBIA.

(a) Termination of Mandates.—

(1) In general.—Part D of title IV of the District of Columbia Home Rule Act (sec. 1—204.41 et seq., D.C. Official Code) is amended by adding at the end the following new subpart:

“Subpart 3—Termination of Federal Mandates

“TERMINATION OF FEDERAL MANDATES

“Sec. 458. (a) Budget and Financial Management Governed Under District Law.—Effective with respect to fiscal year 2016 and each succeeding fiscal year which is not a control year—

“(1) the provisions of subpart 1 and subpart 2 (other than sections 445A, 449, 453(e), and 455) shall not apply; and

“(2) the process by which the District of Columbia develops and enacts the budget for the District government for a fiscal year, and the activities carried out with respect to the financial management of the District government for a fiscal year, shall be established under such laws as may be enacted by the District (except that nothing in this subsection may be construed to permit the District to waive the
application of any other provision of this Act to such
budget or such activities for the fiscal year).

“(b) Special Rule for Determination of Fiscal Year.—Section 441 (relating to the fiscal year of the
District) shall not apply with respect to fiscal year 2016
or any succeeding fiscal year, without regard to whether
or not the fiscal year is a control year.

“(c) No Effect on Existing Obligations.—Nothing in this section may be construed to relieve the
District of Columbia of any contractual or other financial
obligations incurred by the District under a budget en-
acted for a fiscal year prior to fiscal year 2016.

“(d) No Effect on Other Provisions of Law.—Nothing in this section may be construed to waive the ap-
lication of any provision of this Act with respect to the
process and activities described in subsection (a)(2) for a
fiscal year, other than the provisions which do not apply
to the fiscal year pursuant to subsection (a)(1).”.

(2) Clerical Amendment.—The table of con-
tents of such Act is amended by adding at the end
of the items relating to part D of title IV the fol-
lowing:

“Subpart 3—Termination of Federal Mandates

“Sec. 458. Termination of Federal mandates.”.
(b) Elimination of Congressional Review Period For Budget Acts.—Section 602(e) of such Act (sec. 1–206.02(c), D.C. Official Code) is amended—

(1) in the second sentence of paragraph (1), by striking “paragraph (2)” and inserting “paragraphs (2) and (4)”; and

(2) by adding at the end the following new paragraph:

“(4) In the case of any Act adopting the annual budget for the District of Columbia government for fiscal year 2016 or any succeeding fiscal year which is not a control year, such Act shall take effect upon the date prescribed by such Act.”.

SEC. 3. TERMINATION OF FEDERAL MANDATES OVER BORROWING OF MONEY.

(a) Termination of Mandates.—

(1) In general.—Part E of title IV of the District of Columbia Home Rule Act (sec. 1–204.61 et seq., D.C. Official Code) is amended by adding at the end the following new subpart:

“Subpart 6—Termination of Federal Mandates

“TERMINATION OF FEDERAL MANDATES

“Sec. 490A. (a) Borrowing Governed Under District Law.—Except as provided in subsection (b), ef-
effective with respect to fiscal year 2016 and each suc-
ceeding fiscal year which is not a control year—

“(1) the provisions of subparts 1 through 5
shall not apply; and

“(2) the process and rules by which the District
of Columbia issues bonds or otherwise borrows
money shall be established under such laws as may
be enacted by the District.

“(b) EXCEPTION FOR CERTAIN PROVISIONS.—Sub-
section (a) does not apply with respect to the following
sections:

“(1) Section 482 (relating to the full faith and
credit of the District).

“(2) Section 484 (relating to the nonapplica-
bility of the full faith and credit of the United
States).

“(3) Section 485 (relating to the tax treatment
of bonds and notes).

“(4) Section 486 (relating to legal investment
in bonds and notes).

“(5) Section 487 (relating to payments for san-
tary sewage water works, water pollution projects,
and waste treatment services).

“(6) Section 488 (relating to payments for res-
ervoirs on the Potomac River).
“(7) Section 489 (relating to contributions to the Washington Metropolitan Area Transit Authority).

“(c) RULE OF CONSTRUCTION.—Nothing in this section may be construed—

“(1) to relieve the District of Columbia of any obligation incurred with respect to bonds or other forms of borrowing issued prior to fiscal year 2016; or

“(2) to waive the application to the District of Columbia of any other Federal law governing the borrowing of funds by States or units of local government, including the Internal Revenue Code of 1986.”.

(2) CLERICAL AMENDMENT.—The table of contents of such Act is amended by adding at the end of the items relating to part E of title IV the following:

“Subpart 6—Termination of Federal Mandates

“Sec. 490A. Termination of Federal mandates.”.

(b) REPEAL OF CAP ON AMOUNT OF DISTRICT BORROWING.—Section 603(b) of such Act (sec. 1—206.03(b), D.C. Official Code) is amended by adding at the end the following new paragraph:
“(4) Paragraphs (1) through (3) shall not apply with respect to fiscal year 2016 or any succeeding fiscal year which is not a control year.”.

SEC. 4. REPEAL OF APPLICATION OF FEDERAL ANTI-DEFICIENCY ACT TO DISTRICT OF COLUMBIA GOVERNMENT.

(a) REPEAL OF PROVISIONS RELATING TO LIMITATIONS ON APPROPRIATIONS.—Subchapter III of chapter 13 of title 31, United States Code, is amended by striking “or of the District of Columbia government” each place it appears in the following sections:

(1) Section 1341(a)(1).
(2) Section 1342.
(3) Section 1349(a).
(4) Section 1350.
(5) Section 1351.

(b) REPEAL OF PROVISIONS RELATING TO APPORTIONMENT OF APPROPRIATIONS.—Subchapter II of chapter 15 of such title is amended by striking “or of the District of Columbia government” each place it appears in the following sections:

(1) Section 1517(a).
(2) Section 1517(b).
(3) Section 1518.
(4) Section 1519.
(c) Other Conforming Amendments.—Such title is further amended as follows:

(1) Section 1341 is amended by striking subsection (b).

(2) Section 1351 is amended by striking “or the Mayor of the District of Columbia, as the case may be,”.

(3) Section 1513(a) and section 1514(a) are each amended by striking “the United States International Trade Commission, or the District of Columbia government” and inserting “or the United States International Trade Commission”.

(4) Section 1517(b) is amended by striking “or the Mayor of the District of Columbia, as the case may be,”.

(d) Effective Date.—The amendments made by this section shall apply with respect to fiscal year 2016 and each succeeding fiscal year.


(a) Federal Authority Over Budget-Making Process.—Section 603(a) of the District of Columbia Home Rule Act (see. 1–206.03, D.C. Official Code) is

•HR 552 IH
amended by inserting before the period at the end the fol-
lowing: “for a fiscal year which is a control year”.

(b) Restrictions Applicable During Control Years.—Section 603(d) of such Act (sec. 1–206.03(d), D.C. Official Code) is amended to read as follows:

“(d) In the case of a fiscal year which is a control year, the Council may not approve, and the Mayor may not forward to the President, any budget which is not con-
sistent with the financial plan and budget established for the fiscal year under subtitle A of title II of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.”.

(c) Definition.—Section 603(f) of such Act (sec. 1–
206.03(f), D.C. Official Code) is amended to read as fol-
lows:

“(f) In this section, the term ‘control year’ has the meaning given such term in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.”.

(d) Effective Date.—The amendments made by this section shall apply with respect to fiscal year 2016 and each succeeding fiscal year.
SEC. 6. OTHER CONFORMING AMENDMENTS RELATING TO FEDERALLY-AUTHORIZED ADJUSTMENTS TO LOCAL APPROPRIATIONS.

(a) Authority granted by Federal Government to increase spending in case of general fund surplus.—Section 816 of the Financial Services and General Government Appropriations Act, 2009 (sec. 47–369.01, D.C. Official Code), is amended by striking “Beginning in fiscal year 2009 and each fiscal year thereafter,” and inserting the following: “With respect to fiscal years 2009 through 2015 and any fiscal year thereafter which is a control year (as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995),”.

(b) Authority granted by Federal Government to increase spending in case of increased revenue collections.—Section 817(a) of such Act (sec. 47–369.02(a), D.C. Official Code) is amended by striking “Beginning in fiscal year 2009 and each fiscal year thereafter,” and inserting the following: “With respect to fiscal years 2009 through 2015 and any fiscal year thereafter which is a control year (as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995),”.

(c) Authority granted by Federal Government regarding use of federally-mandated re-
SERVE FUNDS.—Section 818 of such Act (sec. 47–369.03, D.C. Official Code) is amended by striking “Beginning in fiscal year 2009 and each fiscal year thereafter,” and inserting the following: “With respect to fiscal years 2009 through 2015 and any fiscal year thereafter which is a control year (as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995),”.

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