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108TH CONGRESS
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S. 1267

[Report No. 108–212]

To amend the District of Columbia Home Rule Act to provide the District of Columbia with autonomy over its budgets, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 16, 2003

Ms. COLLINS (for herself, Mr. LIEBERMAN, Mr. STEVENS, Mr. VOINOVICH, Mr. DURBIN, Mr. DEWINE, and Ms. LANDRIEU) introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

NOVEMBER 25, 2003

Reported by Ms. COLLINS, with an amendment

[Insert the part printed in *italic*]

A BILL

To amend the District of Columbia Home Rule Act to provide the District of Columbia with autonomy over its budgets, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “District of Columbia
3 Budget Autonomy Act of 2003”.

4 **SEC. 2. ENACTMENT OF DISTRICT OF COLUMBIA LOCAL**
5 **BUDGET.**

6 (a) IN GENERAL.—Section 446 of the District of Co-
7 lumbia Home Rule Act (sec. 1–204.46, D.C. Official Code)
8 is amended to read as follows:

9 “ENACTMENT OF LOCAL BUDGET

10 “SEC. 446. (a) ADOPTION OF BUDGETS AND SUP-
11 PLEMENTS.—The Council, within 50 calendar days after
12 receipt of the budget proposal from the Mayor, and after
13 public hearing, shall by Act adopt the annual budget for
14 the District of Columbia government. Any supplements
15 thereto shall also be adopted by Act by the Council after
16 public hearing.

17 “(b) TRANSMISSION TO PRESIDENT DURING CON-
18 TROL YEARS.—In the case of a budget for a fiscal year
19 which is a control year, the budget so adopted shall be
20 submitted by the Mayor to the President for transmission
21 by him to the Congress, except that the Mayor shall not
22 transmit any such budget, or amendments or supplements
23 thereto, to the President until the completion of the budg-
24 et procedures contained in this Act and the District of
25 Columbia Financial Responsibility and Management As-
26 sistance Act of 1995.

1 “(c) PROHIBITING OBLIGATIONS AND EXPENDI-
 2 TURES NOT AUTHORIZED UNDER BUDGET.—Except as
 3 provided in section 445A(b), section 467(d), section
 4 471(c), section 472(d), section 475(e), section 483(d), and
 5 subsections (f), (g), (h)(3), and (i)(3) of section 490, no
 6 amount may be obligated or expended by any officer or
 7 employee of the District of Columbia government unless—

8 “(1) such amount has been approved by an Act
 9 of the Council (and then only in accordance with
 10 such authorization) and a copy of such Act has been
 11 transmitted by the Chairman to the Congress; or

12 “(2) in the case of an amount obligated or ex-
 13 pended during a control year, such amount has been
 14 approved by an Act of Congress (and then only in
 15 accordance with such authorization).

16 “(d) RESTRICTIONS ON REPROGRAMMING OF
 17 AMOUNTS.—After the adoption of the annual budget for
 18 a fiscal year (beginning with the annual budget for fiscal
 19 year 1995), no reprogramming of amounts in the budget
 20 may occur unless the Mayor submits to the Council a re-
 21 quest for such reprogramming and the Council approves
 22 the request, but only if any additional expenditures pro-
 23 vided under such request for an activity are offset by re-
 24 ductions in expenditures for another activity.

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

5 (b) LENGTH OF CONGRESSIONAL REVIEW PERIOD
6 FOR BUDGET ACTS.—Section 602(c) of such Act (sec. 1–
7 206.02(c), D.C. Official Code) is amended—

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

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

13 “(4) In the case of any Act transmitted under the
14 first sentence of paragraph (1) to which section 446 ap-
15 plies and for which the fiscal year involved is not a control
16 year, such Act shall take effect upon the expiration of the
17 30-calendar-day period beginning on the day such Act is
18 transmitted, or upon the date prescribed by such Act,
19 whichever is later, unless during such 30-day period, there
20 has been enacted into law a joint resolution disapproving
21 such Act. If such 30-day period expires on any day on
22 which neither House is in session because of an adjourn-
23 ment sine die, a recess of more than three days, or an
24 adjournment of more than three days, the period applica-
25 ble under the previous sentence shall be extended for 5

1 additional days (excluding Saturdays, Sundays, and holi-
 2 days, and any day on which neither House is in session
 3 because of an adjournment sine die, a recess of more than
 4 three days, or an adjournment of more than three days).
 5 In any case in which any such joint resolution dis-
 6 approving such an Act has, within the applicable period,
 7 passed both Houses of Congress and has been transmitted
 8 to the President, such resolution, upon becoming law, sub-
 9 sequent to the expiration of such period, shall be deemed
 10 to have repealed such Act, as of the date such resolution
 11 becomes law. The provisions of section 604 shall apply
 12 with respect to any joint resolution disapproving any Act
 13 pursuant to this paragraph.”.

14 (c) CONFORMING AMENDMENTS.—(1) Sections
 15 467(d), 471(c), 472(d)(2), 475(e)(2), and 483(d), and
 16 subsections (f), (g)(3), (h)(3), and (i)(3) of section 490
 17 of such Act are each amended by striking “The fourth
 18 sentence of section 446” and inserting “Section 446(c)”.

19 (2) The third sentence of section 412(a) of such Act
 20 (sec. 1–204.12(a), D.C. Official Code) is amended by in-
 21 serting “for a fiscal year which is a control year described
 22 in such section” after “section 446 applies”.

23 (3) Section 202(c)(2) of the District of Columbia Fi-
 24 nancial Responsibility and Management Assistance Act of
 25 1995 (sec. 47–392.02(c)(2), D.C. Official Code) is amend-

1 ed by striking “the first sentence of section 446” and in-
 2 serting “section 446(a)”.

3 (4) Section 202(d)(3)(A) of the District of Columbia
 4 Financial Responsibility and Management Assistance Act
 5 of 1995 (sec. 47–392.02(d)(3)(A), D.C. Official Code) is
 6 amended by striking “the first sentence of section 446”
 7 and inserting “section 446(a)”.

8 (5) Section 11206 of the National Capital Revitaliza-
 9 tion and Self-Government Improvement Act of 1997 (sec.
 10 24–106, D.C. Official Code) is amended by striking “the
 11 fourth sentence of section 446” and inserting “section
 12 446(c)”.

13 (d) CLERICAL AMENDMENT.—The item relating to
 14 section 446 in the table of contents of such Act is amended
 15 to read as follows:

“Sec. 446. Enactment of local budget.”.

16 **SEC. 3. ACTION BY COUNCIL OF DISTRICT OF COLUMBIA**
 17 **ON LINE-ITEM VETOES BY MAYOR OF PROVI-**
 18 **SIONS OF BUDGET ACTS.**

19 (a) IN GENERAL.—Section 404(f) of the District of
 20 Columbia Home Rule Act (sec. 1–204.4(f), D.C. Official
 21 Code) is amended by striking “transmitted by the Chair-
 22 man to the President of the United States” both places
 23 it appears and inserting the following: “incorporated in
 24 such Act (or, in the case of an item or provision contained

1 in a budget act for a control year, transmitted by the
2 Chairman to the President)”.

3 (b) CONFORMING AMENDMENT.—Section 404(f) of
4 such Act (sec. 1–204.04(f), D.C. Official Code) is amend-
5 ed—

6 (1) by striking “(f)” and inserting “(f)(1)”;

7 (2) in the fifth sentence, by striking “(as de-
8 fined in section 305(4) of the District of Columbia
9 Financial Responsibility and Management Assistance
10 Act of 1995), this subsection” and inserting “this
11 paragraph”; and

12 (3) by adding at the end the following new
13 paragraph:

14 “(2) In this subsection, the term ‘control year’ has
15 the meaning given such term in section 305(4) of the Dis-
16 trict of Columbia Financial Responsibility and Manage-
17 ment Assistance Act of 1995.”.

18 **SEC. 4. PERMITTING EMPLOYEES TO BE HIRED IF POSI-**
19 **TION AUTHORIZED BY ACT OF THE COUNCIL.**

20 Section 447 of the District of Columbia Home Rule
21 Act (sec. 1–204.47, D.C. Official Code) is amended—

22 (1) by striking “Act of Congress” each place it
23 appears and inserting “act of the Council (or Act of
24 Congress, in the case of a year which is a control
25 year)”; and

1 (2) by striking “Acts of Congress” and insert-
 2 ing “acts of the Council (or Acts of Congress, in the
 3 case of a year which is a control year)”.

4 **SEC. 5. OTHER CONFORMING AMENDMENTS RELATING TO**
 5 **CHANGES IN FEDERAL ROLE IN BUDGET**
 6 **PROCESS.**

7 (a) **FEDERAL AUTHORITY OVER BUDGET-MAKING**
 8 **PROCESS.**—Section 603(a) of the District of Columbia
 9 Home Rule Act (sec. 1–206.03, D.C. Official Code) is
 10 amended by inserting before the period at the end the fol-
 11 lowing: “for a fiscal year which is a control year”.

12 (b) **RESTRICTIONS APPLICABLE DURING CONTROL**
 13 **YEARS.**—Section 603(d) of such Act (sec. 1–206.03(d),
 14 D.C. Official Code) is amended to read as follows:

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

22 (c) **DEFINITION.**—Section 603(f) of such Act (sec. 1–
 23 206.03(f), D.C. Official Code) is amended to read as fol-
 24 lows:

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

5 **SEC. 6. CONTINUATION OF GENERAL PROVISIONS IN AP-**
 6 **PROPRIATIONS ACTS AND TREATMENT OF**
 7 **AMENDMENTS.**

8 (a) CONTINUATION.—Any general provision con-
 9 tained in a general appropriation bill which includes the
 10 appropriation of Federal payments to the District of Co-
 11 lumbia for a fiscal year (or, in the case of such a bill which
 12 is included as a division, title, or other portion of another
 13 general appropriation bill, any general provision contained
 14 in such division, title, or other portion) in effect on the
 15 date of enactment of this Act shall remain in effect until
 16 the date of the enactment of a general appropriation bill
 17 which includes the appropriation of Federal payments to
 18 the District of Columbia for the following fiscal year.

19 (b) AMENDMENTS IN THE SENATE.—In the case of
 20 the consideration in the Senate of a general appropriations
 21 bill that includes the appropriations of Federal payments
 22 to the District of Columbia, an amendment proposing a
 23 limitation on the use of any District of Columbia funds
 24 by the District of Columbia shall not constitute general

1 legislation under paragraphs 2 and 4 of Rule XVI of the
2 Standing Rules of the Senate.

3 **SEC. 7. EFFECTIVE DATE.**

4 The amendments made by this Act shall apply to
5 budgets of the District of Columbia for fiscal years begin-
6 ning on or after October 1, 2004.

7 ***TITLE II—DISTRICT OF COLUM-***
8 ***BIA INDEPENDENCE OF THE***
9 ***CHIEF FINANCIAL OFFICER***
10 ***ACT OF 2003***

11 ***SEC. 201. SHORT TITLE.***

12 *This title may be cited as the “District of Columbia*
13 *Independence of the Chief Financial Officer Act of 2003”.*

14 ***SEC. 202. AMENDMENTS TO THE HOME RULE ACT.***

15 *(a) IN GENERAL.—Part B of title IV section 424 of*
16 *the District of Columbia Home Rule Act is amended to read*
17 *as follows:*

18 *“OFFICE OF THE CHIEF FINANCIAL OFFICER OF THE*
19 *DISTRICT OF COLUMBIA*

20 *“SEC. 424. (a) IN GENERAL.—*

21 *“(1) ESTABLISHMENT.—There is hereby estab-*
22 *lished within the executive branch of the government*
23 *of the District of Columbia an Office of the Chief Fi-*
24 *nancial Officer of the District of Columbia (‘Office’),*
25 *which shall be headed by the Chief Financial Officer*

1 *of the District of Columbia ('Chief Financial Offi-*
 2 *cer').*

3 “(2) *ORGANIZATIONAL ANALYSIS.*—

4 “(A) *OFFICE OF BUDGET AND PLANNING.*—

5 *The name of the Office of Budget and Manage-*
 6 *ment, established by Commissioner's Order 69-*
 7 *96, issued March 7, 1969, is changed to the Of-*
 8 *fice of Budget and Planning.*

9 “(B) *OFFICE OF TAX AND REVENUE.*—*The*

10 *name of the Department of Finance and Rev-*
 11 *enue, established by Commissioner's Order 69-*
 12 *96, issued March 7, 1969, is changed to the Of-*
 13 *fice of Tax and Revenue.*

14 “(C) *OFFICE OF FINANCE AND TREASURY.*—

15 *The name of the Office of Treasurer, established*
 16 *by Mayor's Order 89-244, dated October 23,*
 17 *1989, is changed to the Office of Finance and*
 18 *Treasury.*

19 “(D) *OFFICE OF FINANCIAL OPERATIONS*

20 *AND SYSTEMS.*—*The Office of the Controller, es-*
 21 *tablished by Mayor's Order 89-243, dated Octo-*
 22 *ber 23, 1989, and the Office of Financial Infor-*
 23 *mation Services, established by Mayor's Order*
 24 *89-244, dated October 23, 1989, are consolidated*

1 *into the Office of Financial Operations and Sys-*
 2 *tems.*

3 “(3) *TRANSFERS.*—*Effective with the appoint-*
 4 *ment of the first Chief Financial Officer under sub-*
 5 *section (b), the functions and personnel of the fol-*
 6 *lowing offices are established as subordinate offices*
 7 *within the Office of the Chief Financial Officer:*

8 “(A) *The Office of Budget and Planning,*
 9 *headed by the Deputy Chief Financial Officer for*
 10 *the Office of Budget and Planning.*

11 “(B) *The Office of Tax and Revenue, headed*
 12 *by the Deputy Chief Financial Officer for the Of-*
 13 *fice of Tax and Revenue.*

14 “(C) *The Office of Research and Analysis,*
 15 *headed by the Deputy Chief Financial Officer for*
 16 *the Office of Research and Analysis.*

17 “(D) *The Office of Financial Operations*
 18 *and Systems, headed by the Deputy Chief Finan-*
 19 *cial Officer for the Office of Financial Oper-*
 20 *ations and Systems.*

21 “(E) *The Office of Finance and Treasury,*
 22 *headed by the District of Columbia Treasurer.*

23 “(F) *The Lottery and Charitable Games*
 24 *Control Board, established by the Law to Legal-*
 25 *ize Lotteries, Daily Numbers Games, and Bingo*

1 *and Raffles for Charitable Purposes in the Dis-*
 2 *trict of Columbia, effective March 10, 1981 (D.C.*
 3 *Law 3-172; D.C. Official Code § 3-1301 et seq.).*

4 “(4) *SUPERVISOR.—The heads of the offices list-*
 5 *ed in paragraph (3) of this section shall serve at the*
 6 *pleasure of the Chief Financial Officer.*

7 “(5) *APPOINTMENT AND REMOVAL OF OFFICE*
 8 *EMPLOYEES.—The Chief Financial Officer shall ap-*
 9 *point the heads of the subordinate offices designated*
 10 *in paragraph (3), after consultation with the Mayor*
 11 *and the Council. The Chief Financial Officer may re-*
 12 *move the heads of the offices designated in paragraph*
 13 *(3), after consultation with the Mayor and the Coun-*
 14 *cil.*

15 “(6) *ANNUAL BUDGET SUBMISSION.—The Chief*
 16 *Financial Officer of the District of Columbia shall*
 17 *prepare and annually submit to the Mayor of the*
 18 *District of Columbia, for inclusion in the annual*
 19 *budget of the District of Columbia government for a*
 20 *fiscal year, annual estimates of the expenditures and*
 21 *appropriations necessary for the year for the oper-*
 22 *ation of the Office of the Chief Financial Officer and*
 23 *all other District of Columbia accounting, budget, and*
 24 *financial management personnel (including personnel*
 25 *of executive branch independent agencies) that report*

1 *to the Office of the Chief Financial Officer pursuant*
 2 *to this Act.*

3 “(b) *APPOINTMENT OF THE CHIEF FINANCIAL OFFI-*
 4 *CER.—*

5 “(1) *IN GENERAL.—The Chief Financial Officer*
 6 *shall be appointed by the Mayor with the advice and*
 7 *consent, by resolution, of the Council.*

8 “(2) *TERM.—*

9 “(A) *IN GENERAL.—All appointments made*
 10 *after June 30, 2007, shall be for a term of 5*
 11 *years, except for appointments made for the re-*
 12 *mainder of unexpired terms. The appointments*
 13 *shall have an anniversary date of July 1.*

14 “(B) *TEMPORARY.—The term of office of the*
 15 *Chief Financial Officer first appointed pursuant*
 16 *to subsection (a) shall begin upon the date of en-*
 17 *actment of the District of Columbia Independ-*
 18 *ence of the Chief Financial Officer Act of 2003.*
 19 *The initial term shall end on June 30, 2007.*

20 “(C) *CONTINUANCE.—Any Chief Financial*
 21 *Officer may continue to serve beyond his term*
 22 *until a successor takes office.*

23 “(D) *VACANCIES.—Any vacancy in the Of-*
 24 *fice of Chief Financial Officer shall be filled in*

1 *the same manner as the original appointment*
 2 *under paragraph (1).*

3 “(E) *PAY.—The Chief Financial Officer*
 4 *shall be paid at an annual rate equal to the rate*
 5 *of basic pay payable for level I of the Executive*
 6 *Schedule.*

7 “(c) *REMOVAL OF THE CHIEF FINANCIAL OFFICER.—*
 8 *The Chief Financial Officer may only be removed for cause*
 9 *by the Mayor.*

10 “(d) *DUTIES OF THE CHIEF FINANCIAL OFFICER.—*
 11 *The Chief Financial Officer shall have the following duties*
 12 *and shall take such steps as are necessary to perform these*
 13 *duties:*

14 “(1) *Preparing the financial plan and the budget*
 15 *for the use of the Mayor for purposes of subpart B of*
 16 *subchapter VII of chapter 3 of title 47 of the D.C.*
 17 *Code and preparing the 5-year financial plan based*
 18 *upon the adopted budget for submission with the Dis-*
 19 *trict of Columbia budget by the Mayor to Congress.*

20 “(2) *Preparing the budgets of the District of Co-*
 21 *lumbia for the year for the use of the Mayor for pur-*
 22 *poses of sections 441–444, 446, 448–452, 455 of the*
 23 *District of Columbia Home Rule Act, approved (87*
 24 *Stat. 798–803; D.C. Official Code §§ 1–204.41*
 25 *through 1–204.44, 1–204.46, 1–204.48 through 1–*

204.52, 1–204.55), section 445a of the District of Columbia Home Rule Act, approved August 6, 1996 (110 Stat. 1698; D.C. Official Code § 1–204.45a), section 453 of the District of Columbia Home Rule Act, approved April 17, 1991 (105 Stat. 539; D.C. Official Code § 1–204.53), sections 456(a) through 456(d) of the District of Columbia Home Rule Act, approved October 19, 1994 (108 Stat. 3488; D.C. Official Code §§ 1–204.56a through 1–204.56d), and section 456(e) of the District of Columbia Home Rule Act, approved April 17, 1995 (109 Stat. 140; D.C. Official Code § 1–204.56e).

“(3) Implementing appropriate procedures and instituting such programs, systems, and personnel policies within the Officer’s authority, to ensure that budget, accounting, and personnel control systems and structures are synchronized for budgeting and control purposes on a continuing basis and to ensure that appropriations are not exceeded.

“(4) Preparing and submitting to the Mayor and the Council and making public—

“(A) annual estimates of all revenues of the District of Columbia (without regard to the source of such revenues), including proposed revenues, which shall be binding on the Mayor and

1 *the Council for purposes of preparing and sub-*
2 *mitting the budget of the District government for*
3 *the year under sections 441 through 444, 446,*
4 *448 through 452, and 455 of the District of Co-*
5 *lumbia Home Rule Act, approved December 24,*
6 *1973 (87 Stat. 798–803; D.C. Official Code §§ 1–*
7 *204.41 through 1–204.44, 1–204.46, 1–204.48*
8 *through 1–204.52, 1–204.55), section 445a of the*
9 *District of Columbia Home Rule Act, approved*
10 *August 6, 1996 (110 Stat. 1698; D.C. Official*
11 *Code § 1–204.45a), section 453 of the District of*
12 *Columbia Home Rule Act, approved April 17,*
13 *1991 (105 Stat. 539; D.C. Official Code § 1–*
14 *204.53), sections 456(a) through 456(d) of the*
15 *District of Columbia Home Rule Act, approved*
16 *October 19, 1994 (108 Stat. 3488; D.C. Official*
17 *Code §§ 1–204.56a through 1–204.56d), and sec-*
18 *tion 456(e) of the District of Columbia Home*
19 *Rule Act, approved April 17, 1995 (109 Stat.*
20 *140; D.C. Official Code § 1–204.56e), except that*
21 *the Mayor and the Council may prepare the*
22 *budget based on estimates of revenues which are*
23 *lower than those prepared by the Chief Financial*
24 *Officer; and*

1 “(B) quarterly re-estimates of the revenues
2 of the District of Columbia during the year.

3 “(5) Supervising and assuming responsibility for
4 financial transactions to ensure adequate control of
5 revenues and resources.

6 “(6) Maintaining systems of accounting and in-
7 ternal control designed to provide—

8 “(A) full disclosure of the financial impact
9 of the activities of the District government;

10 “(B) adequate financial information needed
11 by the District government for management pur-
12 poses;

13 “(C) accounting for all funds, property, and
14 other assets of the District of Columbia; and

15 “(D) reliable accounting results to serve as
16 the basis for preparing and supporting agency
17 budget requests and controlling the execution of
18 the budget.

19 “(7) Submitting to the Council a financial state-
20 ment of the District government, containing such de-
21 tails and at such times as the Council may specify.

22 “(8) Supervising and assuming responsibility for
23 the assessment of all property subject to assessment
24 and special assessments within the corporate limits of
25 the District of Columbia for taxation, preparing tax

1 *maps, and providing such notice of taxes and special*
2 *assessments (as may be required by law).*

3 *“(9) Supervising and assuming responsibility for*
4 *the levying and collection of all taxes, special assess-*
5 *ments, licensing fees, and other revenues of the Dis-*
6 *trict of Columbia (as may be required by law), and*
7 *receiving all amounts paid to the District of Colum-*
8 *bia from any source (including the District of Colum-*
9 *bia Financial Responsibility and Management Assist-*
10 *ance Authority).*

11 *“(10) Maintaining custody of all public funds*
12 *belonging to or under the control of the District gov-*
13 *ernment (or any department or agency of the District*
14 *government), and depositing all amounts paid in*
15 *such depositories and under such terms and condi-*
16 *tions as may be designated by the Council.*

17 *“(11) Maintaining custody of all investment and*
18 *invested funds of the District government or in posses-*
19 *sion of the District government in a fiduciary capac-*
20 *ity, and maintaining the safekeeping of all bonds and*
21 *notes of the District government and the receipt and*
22 *delivery of District government bonds and notes for*
23 *transfer, registration, or exchange.*

24 *“(12) Apportioning the total of all appropri-*
25 *ations and funds made available during the year for*

1 *obligation so as to prevent obligation or expenditure*
2 *in a manner which would result in a deficiency or*
3 *a need for supplemental appropriations during the*
4 *year, and (with respect to appropriations and funds*
5 *available for an indefinite period and all authoriza-*
6 *tions to create obligations by contract in advance of*
7 *appropriations) apportioning the total of such appro-*
8 *priations, funds, or authorizations in the most effec-*
9 *tive and economical manner.*

10 *“(13) Certifying all contracts and leases (wheth-*
11 *er directly or through delegation) prior to execution*
12 *as to the availability of funds to meet the obligations*
13 *expected to be incurred by the District government*
14 *under such contracts and leases during the year.*

15 *“(14) Prescribing the forms of receipts, vouchers,*
16 *bills, and claims to be used by all agencies, offices,*
17 *and instrumentalities of the District government.*

18 *“(15) Certifying and approving prior to pay-*
19 *ment of all bills, invoices, payrolls, and other evi-*
20 *dences of claims, demands, or charges against the Dis-*
21 *trict government, and determining the regularity, le-*
22 *gality, and correctness of such bills, invoices, payrolls,*
23 *claims, demands, or charges.*

24 *“(16) In coordination with the Inspector General*
25 *of the District of Columbia, performing internal au-*

1 *dits of accounts and operations and records of the*
2 *District government, including the examination of*
3 *any accounts or records of financial transactions, giv-*
4 *ing due consideration to the effectiveness of account-*
5 *ing systems, internal control, and related administra-*
6 *tive practices of the departments and agencies of the*
7 *District government.*

8 *“(17) Exercising responsibility for the adminis-*
9 *tration and supervision of the District of Columbia*
10 *Treasurer (except that the Chief Financial Officer*
11 *may delegate any portion of such responsibility as the*
12 *Chief Financial Officer considers appropriate and*
13 *consistent with efficiency).*

14 *“(18) Supervising and administering all bor-*
15 *rowing programs secured by the full faith and credit*
16 *of the District government for the issuance of long-*
17 *term and short-term indebtedness.*

18 *“(19) Administering the cash management pro-*
19 *gram of the District government, including the invest-*
20 *ment of surplus funds in governmental and non-gov-*
21 *ernmental interest-bearing securities and accounts.*

22 *“(20) Administering the centralized District gov-*
23 *ernment payroll and retirement systems.*

24 *“(21) Governing the accounting policies and sys-*
25 *tems applicable to the District government.*

1 “(22) *Preparing appropriate annual, quarterly,*
2 *and monthly financial reports of the accounting and*
3 *financial operations of the District government.*

4 “(23) *Not later than 120 days after the end of*
5 *each fiscal year, preparing the complete financial*
6 *statement and report on the activities of the District*
7 *government for such fiscal year, for the use of the*
8 *Mayor under section 448(a)(4) of the District of Co-*
9 *lumbia Home Rule Act, approved December 24, 1973*
10 *(87 Stat. 801; D.C. Official Code § 1–204.48(a)(4)).*

11 “(24) *Preparing fiscal impact statements on reg-*
12 *ulations, multiyear contracts, contracts over*
13 *\$1,000,000 and on legislation, as required by section*
14 *4a of the General Legislative Procedures Act of 1975.*

15 “(25) *Preparing under the direction of the*
16 *Mayor, who has the specific responsibility for formu-*
17 *lating budget policy using Chief Financial Officer*
18 *technical and human resources, the budget for submis-*
19 *sion by the Mayor to the Council and to the public*
20 *and upon final adoption to Congress and to public.*

21 “(26) *Certifying all collective bargaining agree-*
22 *ments and nonunion pay proposals prior to submis-*
23 *sion to the Council for approval as to the availability*
24 *of funds to meet the obligations expected to be in-*
25 *curring by the District government under such collec-*

1 *tive bargaining agreements and nonunion pay pro-*
 2 *posals during the year.*

3 “(e) *APPOINTMENT OF CERTAIN EXECUTIVE BRANCH*
 4 *AGENCY CHIEF FINANCIAL OFFICERS.*—*The chief financial*
 5 *officers of all District of Columbia executive branch subordi-*
 6 *nate and independent agencies not included in subsection*
 7 *a(3) and associate chief financial officers shall be appointed*
 8 *by the Chief Financial Officer, in consultation with the*
 9 *agency head, where applicable. The appointment shall be*
 10 *made from a list of qualified candidates developed by the*
 11 *Chief Financial Officer.*

12 “(f) *FUNCTIONS OF TREASURER.*—*At all times, the*
 13 *Treasurer shall have the following duties:*

14 “(1) *Assisting the Chief Financial Officer in re-*
 15 *porting revenues received by the District government,*
 16 *including submitting annual and quarterly reports*
 17 *concerning the cash position of the District govern-*
 18 *ment not later than 60 days after the last day of the*
 19 *quarter (or year) involved which shall include—*

20 “(A) *comparative reports of revenue and*
 21 *other receipts by source, including tax, nontax,*
 22 *and Federal revenues, grants and reimburse-*
 23 *ments, capital program loans, and advances.*
 24 *Each source shall be broken down into specific*
 25 *components;*

1 “(B) statements of the cash flow of the Dis-
2 trict government for the preceding quarter or
3 year, including receipts, disbursements, net
4 changes in cash inclusive of the beginning bal-
5 ance, cash and investment, and the ending bal-
6 ance, inclusive of cash and investment. Such
7 statements shall reflect the actual, planned, better
8 or worse dollar amounts and the percentage
9 change with respect to the current quarter, year-
10 to-date, and fiscal year;

11 “(C) quarterly cash flow forecast for the
12 quarter or year involved, reflecting receipts, dis-
13 bursements, net change in cash inclusive of the
14 beginning balance, cash and investment, and the
15 ending balance, inclusive of cash and investment
16 with respect to the actual dollar amounts for the
17 quarter or year, and projected dollar amounts
18 for each of the 3 succeeding quarters;

19 “(D) monthly reports reflecting a detailed
20 summary analysis of all District of Columbia
21 government investments, including—

22 “(i) the total of long-term and short-
23 term investments;

1 “(ii) a detailed summary analysis of
2 investments by type and amount, including
3 purchases, sales (maturities), and interest;

4 “(iii) an analysis of investment port-
5 folio mix by type and amount, including li-
6 quidity, quality/risk of each security, and
7 similar information;

8 “(iv) an analysis of investment strat-
9 egy, including near-term strategic plans
10 and projects of investment activity, as well
11 as forecasts of future investment strategies
12 based on anticipated market conditions,
13 and similar information; and

14 “(v) an analysis of cash utilization,
15 including—

16 “(I) comparisons of budgeted per-
17 centages of total cash to be invested
18 with actual percentages of cash in-
19 vested and the dollar amounts;

20 “(II) comparisons of the next re-
21 turn on invested cash expressed in per-
22 centages (yield) with comparable mar-
23 ket indicators and established District
24 of Columbia government yield objec-
25 tives; and

1 “(III) comparisons of estimated
2 dollar return against actual dollar
3 yield; and

4 “(E) monthly reports reflecting a detailed
5 summary analysis of long-term and short-term
6 borrowings inclusive of debt as authorized by
7 § 1–206.03, in the current fiscal year and the
8 amount of debt for each succeeding fiscal year
9 not to exceed 5 years; all such reports shall re-
10 flect—

11 “(i) the amount of debt outstanding by
12 type of instrument;

13 “(ii) the amount of authorized and
14 unissued debt, including availability of
15 short-term lines of credit, United States
16 Treasury borrowings, and similar informa-
17 tion;

18 “(iii) a maturity schedule of the debt;

19 “(iv) the rate of interest payable upon
20 the debt; and

21 “(v) the amount of debt service require-
22 ments and related debt service reserves.

23 “(2) Such other functions assigned to the Chief
24 Financial Officer under subsection (d) as the Chief
25 Financial Officer may delegate.

1 “(g) *TRANSITION PROVISIONS.*—

2 “(1) *CFO.*—*Any Chief Financial Officer ap-*
 3 *pointed by the Mayor prior to the date of enactment*
 4 *of the District of Columbia Independence of the Chief*
 5 *Financial Officer Act of 2003 may continue to serve*
 6 *in that capacity without reappointment until a new*
 7 *appointment under subsection (a) becomes effective.*

8 “(2) *EXECUTIVE BRANCH CFO.*—*Any executive*
 9 *branch agency chief financial officer appointed prior*
 10 *to the date of enactment of the District of Columbia*
 11 *Independence of the Chief Financial Officer Act of*
 12 *2003 may continue to serve in that capacity without*
 13 *reappointment.”.*

14 **SEC. 203. CLARIFICATION OF DUTIES OF CHIEF FINANCIAL**
 15 **OFFICER AND MAYOR.**

16 (a) *RELATION TO FINANCIAL DUTIES OF MAYOR.*—
 17 *Section 448(a) of such Act (section 1–204.48(a), D.C. Offi-*
 18 *cial Code) is amended by striking “section 603,” and insert-*
 19 *ing “section 603 and except to the extent provided under*
 20 *section 424(d),”.*

21 (b) *RELATION TO MAYOR’S DUTIES REGARDING AC-*
 22 *COUNTING SUPERVISION AND CONTROL.*—*Section 449 of*
 23 *such Act (section 1–204.49, D.C. Official Code) is amended*
 24 *by striking “The Mayor” and inserting “Except to the ex-*
 25 *tent provided under section 424(d), the Mayor”.*

1 **SEC. 204. RULE REGARDING PERSONNEL AUTHORITY.**

2 (a) *IN GENERAL.*—*The Home Rule Act is amended by*
 3 *adding by adding after section 424g the following:*

4 “*AUTHORITY OVER PERSONNEL OF OFFICE AND OTHER*
 5 *FINANCIAL PERSONNEL*

6 “*SEC. 424h. (a) IN GENERAL.*—*Notwithstanding any*
 7 *provision of law or regulation, employees of the Office of*
 8 *the Chief Financial Officer, including personnel described*
 9 *in subsection (b), shall be appointed by, shall serve at the*
 10 *pleasure of, and shall act under the direction and control*
 11 *of the Chief Financial Officer of the District of Columbia,*
 12 *and shall be considered at-will employees, except that the*
 13 *Chief Financial Officer shall comply with any collective*
 14 *bargaining agreement entered into by the Office of the Chief*
 15 *Financial Officer.*

16 “(b) *PERSONNEL.*—*The personnel described in this*
 17 *subsection are as follows:*

18 “(1) *The Office of the General Counsel within the*
 19 *Office of the Chief Financial Officer of the District of*
 20 *Columbia, such office shall include the General Coun-*
 21 *sel to the Chief Financial Officer and individuals*
 22 *hired or retained as attorneys by the Chief Financial*
 23 *Officer or any office under the personnel authority of*
 24 *the Office of the Chief Financial Officer, all such at-*
 25 *torneys shall act under the direction and control of*
 26 *the General Counsel to the Chief Financial Officer.*

1 “(2) *Personnel of the Office not described in*
2 *paragraph (1).*

3 “(3) *The heads and all personnel of the offices*
4 *described in subsection (c) and the Chief Financial*
5 *Officers of all District of Columbia executive branch*
6 *subordinate and independent agencies, Associate chief*
7 *financial officers, together with all other District of*
8 *Columbia accounting, budget, and financial manage-*
9 *ment personnel (including personnel of executive*
10 *branch independent agencies).*

11 “(c) *OFFICES DESCRIBED.—The offices referred to in*
12 *this subsection are as follows:*

13 “(1) *The Office of Finance and Treasury (or any*
14 *successor office).*

15 “(2) *The Office of Financial Operations and*
16 *Systems (or any successor office).*

17 “(3) *The Office of the Budget and Planning (or*
18 *any successor office).*

19 “(4) *The Office of Tax and Revenue (or any suc-*
20 *cessor office).*

21 “(5) *The District of Columbia Lottery and Char-*
22 *itable Games Control Board.*

23 “(d) *INDEPENDENT AUTHORITY OVER LEGAL PER-*
24 *SONNEL.—Sections 851 through 862 of the District of Co-*
25 *lumbia Government Comprehensive Merit Personnel Act of*

1 1978, effective March 3, 1979 (D.C. Law 2–260; D.C. Offi-
 2 cial Code § 1–608.51–1–608.62) shall not apply to attorneys
 3 employed by the Office of the Chief Financial Officer.”

4 (b) *CONFORMING AMENDMENT.*—Section 862 of the
 5 District of Columbia Government Comprehensive Merit
 6 Personnel Act of 1978 (D.C. Law 2–260; D.C. Official Code
 7 § 1–608.62) is amended by striking paragraph (2).

8 **SEC. 205. PROCUREMENT AUTHORITY.**

9 (a) *MAINTENANCE OF A PROCUREMENT OFFICE INDE-*
 10 *PENDENT OF THE MAYOR’S PROCUREMENT OFFICE.*—Sec-
 11 tion 104(c) of the District of Columbia Procurement Prac-
 12 tices Act of 1986, effective February 21, 1986 (D.C. Law
 13 6–85; D.C. Official Code § 2–301.04), is amended by strik-
 14 ing beginning with “During a control year, as defined by
 15 § 47–393(4),” through “Chief Financial Officer shall be
 16 bound by the provisions contained in this Act.”.

17 (b) *HOME RULE ACT.*—The Home Rule Act is amend-
 18 ed by adding after section 424h the following:

19 “PROCUREMENT AUTHORITY OF THE CHIEF FINANCIAL
 20 OFFICER

21 “SEC. 424i. The Office of the Chief Financial Officer’s
 22 procurement practices shall be governed by the provisions
 23 of chapter 3 of title 2 of the D.C. Official Code, except that
 24 the Office of the Chief Financial Officer shall maintain a
 25 procurement office or division that shall operate inde-
 26 pendent of, and shall not be governed by, the Office of Con-

1 *tracting and Procurement, established by section 2–301.05,*
 2 *or its successor office.”.*

3 (c) *EFFECTIVE DATE.*—*This section and the amend-*
 4 *ments made by this section shall take effect 6 months after*
 5 *the date of enactment of this Act.*

6 **SEC. 206. FISCAL IMPACT STATEMENTS.**

7 *The General Legislative Procedures Act of 1975, effec-*
 8 *tive September 23, 1975 (D.C. Law 1–17; D.C. Official*
 9 *§ § Code 1–301.45 through 1–301.47), is amended by adding*
 10 *after section 4 the following:*

11 “*FISCAL IMPACT STATEMENTS*

12 “*SEC. 4a. (a) BILLS AND RESOLUTIONS.*—

13 “(1) *IN GENERAL.*—*Notwithstanding any other*
 14 *law, except as provided in subsection (c), all perma-*
 15 *nent bills and resolutions shall be accompanied by a*
 16 *fiscal impact statement before final adoption by the*
 17 *Council.*

18 “(2) *CONTENTS.*—*The fiscal impact statement*
 19 *shall include the estimate of the costs which will be*
 20 *incurred by the District as a result of the enactment*
 21 *of the measure in the current and each of the first*
 22 *four fiscal years for which the act or resolution is in*
 23 *effect, together with a statement of the basis for such*
 24 *estimate.*

25 “(b) *APPROPRIATIONS.*—*Permanent and emergency*
 26 *acts which are accompanied by fiscal impact statements*

1 *which reflect unbudgeted costs, shall be subject to appropria-*
2 *tions prior to becoming effective.*

3 “(c) *APPLICABILITY.—Subsection (a) shall not apply*
4 *to emergency declaration, ceremonial, confirmation, and*
5 *sense of the Council resolutions.”.*

Calendar No. 418

108TH CONGRESS
1ST SESSION

S. 1267

[Report No. 108-212]

A BILL

To amend the District of Columbia Home Rule Act
to provide the District of Columbia with auton-
omy over its budgets, and for other purposes.

NOVEMBER 25, 2003

Reported with an amendment