

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare, on an emergency basis, the need to amend the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005 to remove industrial revenue bonds from the definition of government assisted project.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Small and Certified Business Enterprise Development and Assistance Clarification Emergency Declaration Resolution of 2014”.

Sec. 2. (a) On March 4, 2014, The Council approved the Small and Certified Business Enterprise Development and Assistance Amendment Act of 2014, effective June 10, 2014 (D.C. Act 20-307; D.C. Official Code § 2-218.01 *et seq.*) (“Act”). The Act clarifies the functions of the Department of Small and Local Business Development and the procedures for Certified Business Enterprises (“CBE”) by revising several provisions of the law.

(b) The Act defines “Government assisted projects” to include projects receiving various types of bond financing. The intent of the definition is to require CBE Agreements for projects that utilize District of Columbia funds.

(c) The Industrial Revenue Bond Program (“IRB Program”) is a federal government program whereby a private bank supports a project by issuing bonds at a tax exempt rate.

(d) The District administers the IRB Program and collects a fee from the applicant for IRB bonds.

(e) IRB bonds are not issued utilizing District funds, nor are they backed by the full faith and credit of the District. The District is merely a conduit for the transactions.

31 (e) There are currently several IRB Program projects projected to close within the next 6
32 months, for which there is no enforceable CBE agreement in place.

33 (f) The proposed legislation will amend the definition of “Government assisted project”
34 to exclude conduit transactions such as the IRB Program.

35 Sec. 3. The Council of the District of Columbia determines that the circumstances
36 enumerated in section 2 constitute emergency circumstances making it necessary that the Small
37 and Certified Business Enterprise Development and Assistance Clarification Emergency
38 Amendment Act of 2014 be adopted after a single reading.

39 Sec. 4. This resolution shall take effect immediately.