

PUBLIC HEARING ON

**General Obligation Bonds and Bond Anticipation Notes for
Fiscal Years 2023-2028 Authorization Act of 2022, Bill 24-1094**

**Before the
Committee on Business and Economic Development
The Honorable Kenyan McDuffie, Chairman**

Council of the District of Columbia

**December 7, 2022, 11:00 a.m.
Virtual Meeting Platform**



Testimony of

**Carmen Pigler
Deputy Chief Financial Officer and Treasurer
Office of Finance and Treasury**

**Glen M. Lee
Chief Financial Officer
Government of the District of Columbia**

Good morning, Chairman McDuffie and members of the Committee on Business and Economic Development. I am Carmen Pigler, Deputy Chief Financial Officer and Treasurer of the District of Columbia. I am pleased to testify for the Office of the Chief Financial Officer (“OCFO”) on Bill 24-1094, the General Obligation Bonds and Bond Anticipation Notes for Fiscal Years 2023-2028 Authorization Act of 2022.

The proposed bill would authorize the aggregate issuance of \$6.4 billion of General Obligation Bonds and General Obligation Bond Anticipation Notes in Fiscal Years 2023 through 2028 for the purposes of financing certain capital projects pursuant to the Council-approved Capital Improvements Program (“CIP”). As in prior years, the proposed bill requires that the Council shall specify and determine from time to time, by resolution, the capital projects for which the issuance of bonds shall be authorized. These projects are associated with various agencies and functions of the District, including school modernization, transportation, parks and recreation, public safety, public works, and information technology infrastructure.

The District issues bonds and notes to finance a major portion of its ongoing CIP. Upon taking effect, the proposed bill would authorize the District to issue General Obligation Bonds or General Obligation Bond Anticipation Notes for the next six fiscal years. Previously, the Council granted the authority to issue Income Tax Secured Revenue

Bonds pursuant to the Income Tax Secured Bond Authorization Act of 2008, for the same purpose: to finance current and future Council-approved capital projects. The authority to issue general obligation bonds and notes and the authority to issue income tax secured revenue bonds work hand-in-hand, allowing the District to use the vehicle providing the greatest advantage in prevailing market conditions. However, the two vehicles do not increase the total amount of bonds (i.e., debt) that may be issued pursuant to the District's Debt Ceiling Act or Home Rule Act.

It is important to note the District's General obligation bonds are rated Aaa by Moody's, and AA+ by Standard and Poor's and Fitch; and the District's Income Tax Secured Revenue Bonds are rated Aa1, AAA, AA+ by Moody's, Standard and Poor's, and Fitch, respectively. The District's high-quality credit profile reflects the sound financial health and prudent financial management of the District.

Thank you for the opportunity to testify. This concludes my testimony, and I am happy to answer any questions you have at this time.