ENROLLMENT(S)
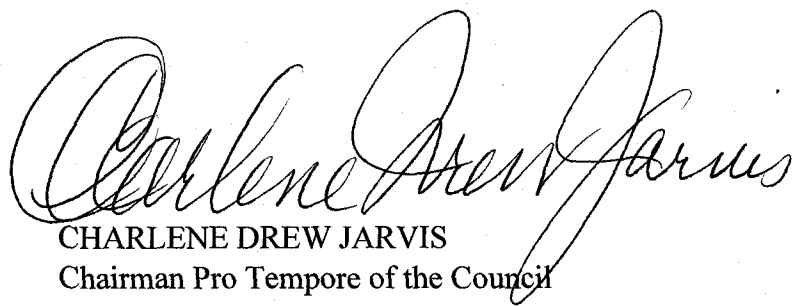
(5)

COUNCIL OF THE DISTRICT OF COLUMBIA

NOTICE

D.C. LAW 11-218

**"New Hires Police Officers, Fire Fighters, and Teachers
Pension Modification Amendment Act of 1996".**

Pursuant to Section 412 of the District of Columbia Self-Government and

Governmental Reorganization Act, P.L. 93-198 "the Act", the Council of the District of

Columbia adopted Bill No. 11-316, on first and second readings, September 17, 1996

and October 1, 1996, respectively. Following the signature of the Mayor on October 18,

1996, pursuant to Section 404(e) of "the Act", and was assigned Act No. 11-432, and

published in the November 15, 1996, edition of the D.C. Register (Vol. 43 page 6172)

and transmitted to Congress on January 15, 1997 for a 30-day review, in accordance

with Section 602(c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day

Congressional Review Period has expired, and therefore, cites this enactment as D.C.

Law 11-218, effective April 9, 1997.

CHARLENE DREW JARVIS
Chairman Pro Tempore of the Council

Dates Counted During the 30-day Congressional Review Period:

Feb. 3,4,5,6,7,10,11,12,13,24,25,26,27,28
Mar. 3,4,5,6,10,11,12,13,14,17,18,19,20,21
Apr. 7,8

AN ACT

D.C. ACT 11-432

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

OCTOBER 18, 1996

To amend An Act Making appropriations to provide for the expenses of the Government of the District of Columbia for the fiscal year ending June thirteenth, nineteen hundred and seventeen, and for other purposes, An Act To establish an actuarially sound basis for financing retirement benefits for police officers, fire fighters, teachers, and judges of the District of Columbia and to make certain changes in such benefits, and An Act For the retirement of public-school teachers in the District of Columbia to provide certain modified pension benefits to police officers, fire fighters, and teachers hired by the District government after September 30, 1996.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited a s the "New Hires Police Officers, Fire Fighters, and Teachers Pension Modification Amendment Act of 1996".

Sec. 2. Section 12 of An Act Making appropriations to provide for the expenses of the Government of the District of Columbia for the fiscal year ending June thirteenth, nineteen hundred and seventeen, and for other purposes, approved September 1, 1916 (39 Stat. 718; D.C. Code § 4-607 *passim*), is amended as follows:

(a) Subsection (a)(18) (D.C. Code § 4-607(18)) is amended by inserting the phrase ";   Note, Section except that in the case of members hired on or after the 1st day of the 1st pay period that begins   4-607 after the effective date of the New Hires Police Officers, Fire Fighters, and Teachers Pension Modification Emergency Amendment Act of 1996, the increase shall not exceed 3% per annum" after the word "dies".

(b) Subsection (d)(1) (D.C. Code § 4-612(a)) is amended by inserting the phrase "for all   Note, Section members hired before the 1st day of the 1st pay period that begins after the effective date of the   4-612 New Hires Police Officers, Fire Fighters, and Teachers Pension Modification Emergency Amendment Act of 1996, and 8% of such basic salary for all members hired on or after the 1st day of the 1st pay period that begins after the effective date of the New Hires Police, Fire Fighters, and Teachers Pension Modification Emergency Amendment Act of 1996" after the phrase "7% of such basic salary".

(c) Subsection (h) (D.C. Code § 4-618) is amended as follows: Note, Section 4-618

1

(1) Paragraph (1) is amended by inserting the following sentence before the first sentence: "Any member who first becomes employed on or after the 1st day of the 1st pay period that begins after the effective date of the New Hires Police Officers, Fire Fighters, and Teachers Pension Modification Emergency Amendment Act of 1996, and who completes 25 years of service, and gives at least 60 days written advanced notice to his department stating his intention to retire and stating the date of which he will retire, may voluntarily retire from the service and shall be entitled to an annuity computed at a rate of 2.5% of the member's average pay times the number of years of the member's creditable service; provided that such notice requirement may be waived by the department head when, in his opinion, circumstances justify such waiver; provided further, that whenever the Mayor shall determine that there exists an emergency which is likely to endanger the safety of the public and that the public safety cannot be adequately protected except by suspending the retirement provisions of this subsection, then the Mayor shall be authorized to suspend the retirement provisions of this subsection in any 1 or more of the departments under his jurisdiction until such time as, in the opinion of the Mayor, public safety can be adequately protected without such suspension.".

(2) A new paragraph (1A) is added to read as follows:

"(1A) For the purposes of the first sentence of subsection (a) of this section, the term "creditable service" means the period of employment with the Metropolitan Police Department for police officers and the Fire Department of the District of Columbia for fire fighters first employed on or after the 1st day of the 1st pay period which begins after the effective date of the New Hires Police Officers, Fire Fighters, and Teachers Pension Modification Emergency Amendment Act of 1996 and includes any United States military service including the following:

"(A) Credit for periods of military service prior to the member's date of separation, that interrupts the member's service with the Department, unless the member applies for and receives a refund of the member's salary deductions; and

"(B) Credit for any period of time during which a member is on approved leave without pay to serve as a full-time officer or employee of a labor organization.".

Sec. 3. Section 209(a)(2)(B) of An Act To establish an actuarially sound basis for financing retirement benefits for police officers, fire fighters, teachers, and judges of the District of Columbia and to make certain changes in such benefits, approved November 17, 1979 (93 Stat. 914; D.C. Code § 4-625(2)), is amended by inserting the phrase ", except that in the case of members hired on or after the 1st day of the 1st pay period that begins after the effective date of the New Hires Police Officers, Fire Fighters, and Teachers Pension Modification Emergency Amendment Act of 1996, such increase shall not exceed 3% per annum, nor exceed one increase per annum" after the phrase "after the effective date of such amendment".

2

Sec. 4.   An Act For the retirement of public-school teachers in the District of Columbia, approved August 7, 1946 (60 Stat. 875; D.C. Code § 31-1221 *et seq.*), is amended as follows:

(a) Section 1 (D.C. Code § 31-1221) is amended by inserting the phrase "; except that in the case of teachers hired on or after the 1st day of the 1st pay period that begins after the effective date of the New Hires Police, Fire Fighters, and Teachers Pension Modification Emergency Amendment Act of 1996, there shall be deducted and withheld from the annual salary of each teacher in the public schools of the District of Columbia an amount equal to 8 per centum of the teacher's annual salary" after the phrase "7 per centum of the teacher's annual salary".   Note, Section 31-1221

(b) Section 3 (D.C. Code § 31-1224) is amended as follows: Note, Section 31-1224

(1) Subsection (a) is amended by striking the word "or" before the designation "(3)" and inserting the phrase "or (4) in the case of any teacher hired on or after the 1st day of the 1st pay period which begins after the effective date of the New Hires Police Officers, Fire Fighters, and Teachers Pension Modification Emergency Amendment Act of 1996, after completing 30 years of service" after the phrase "(3) after becoming 62 years of age;".

(2) Subsection (e) is amended by inserting the phrase "; except that any teacher hired on or after the 1st day of the 1st pay period which begins after the effective date of the New Hires Police Officers, Fire Fighters, and Teachers Pension Modification Emergency Amendment Act of 1996 who completes 30 years of service shall be entitled to an annuity computed in accordance with section 5" after the phrase "Board of Education."

(c) Section 5(a) (D.C. Code § 31-1226(a)) is amended by inserting a new sentence after the phrase "plus $25, multiplied by so much of the total service as exceeds 10 years." to read as follows: "Notwithstanding the preceding sentence, every teacher retired under the provisions of section 3 or 4 who is hired on or after the 1st day of the 1st pay period that begins after the effective date of the New Hires Police Officers, Fire Fighters, and Teachers Pension Modification Emergency Amendment Act of 1996 shall receive an annuity equal to 2 per centum of the average salary as defined in section 13 multiplied by the number of years of the teacher's creditable service.".   Note, Section 31-1226

(d) Section 21(c) (D.C. Code § 31-1241) is amended by adding a new paragraph (3) to read as follows: Note, Section 31-1241

"(3) Each annuity increase payable from the fund to an annuitant hired on or after the 1st day of the 1st pay period which begins after the effective date of the New Hires Police Officers, Fire Fighters, and Teachers Pension Modification Emergency Amendment Act of 1996, or to such annuitant's beneficiary or survivor, shall in no event exceed 3 per centum per annum.".
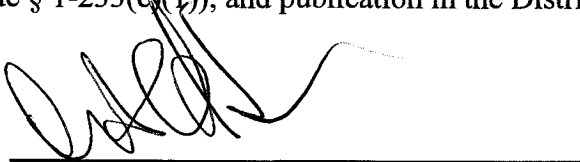
Sec. 5. The Police Officers', Fire Fighters', and Teachers' Defined Benefit Pension Program Emergency Establishment Act of 1996, effective August 21, 1996 (D.C. Act 11-369; 41 DCR 4637), is repealed.
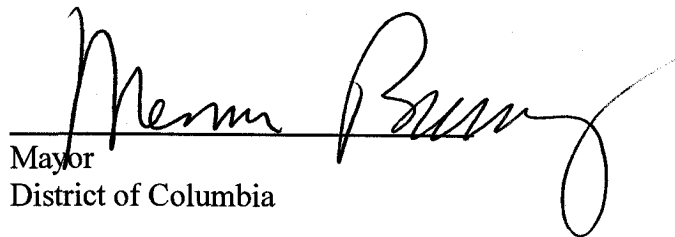
Sec. 6. Fiscal Impact -- In that the District is not creating a new pension fund, but merely establishing a third tier to its existing plans for new police officers, fire fighters, and teachers hired on or after October 1, 1996, this will not create a need for the District to provide for additional annual budget outlays to meet its anticipated pension payments, pursuant to the prescribed funding formula set forth in Public Law 96-122 ("District of Columbia Retirement Reform Act"). In every year since 1979, the District has made payments to the retirement funds that are more than adequate to finance the cost of benefits earned since Home Rule was implemented in 1975--In other words, the District government has more than fully funded its share of the plans.

In that this new tier would be subject to the same funding formula as existing plans, it would not generate any additional expense to the District. However, in that the benefit provided by this new tier are less generous than those offered by the existing plans, the District will realize substantial savings, with respect to benefit payments that will be required to be disbursed when members of this third tier are eligible to receive payments. In other words, this new tier substantially reduces benefits for new hires, while not creating additional costs to the District, and will also generate substantial savings in future years. This represents significant cost avoidance. However, if Delegate Norton's bill (H.R. 3389) is passed, or Congress takes some similar action in addressing the unfunded liability, the District will begin to realize savings much earlier.

Sec. 7. This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), approval by the Financial Responsibility and Management Assistance Authority as provided in section 203(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 116; D.C. Code § 47-392.3(a)), and a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; D.C. Code § 1-233(c)(1)), and publication in the District of Columbia Register.

_____
Chairman
Council of the District of Columbia

_____
Mayor
District of Columbia

APPROVED: October 18, 1996

4

Docket No. **B11-316**

[ ] ITEM ON CONSENT CALENDAR

X] ACTION & DATE **ADOPTED FIRST READING, 09-17-96**

[ ] VOICE VOTE ____

    RECORDED VOTE ON REQUEST

ABSENT ____

X] ROLL CALL VOTE - Result **PASSED** **12 0 0 1**

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Clarke	X				Jarvis	X				Smith, Jr.	X			
Brazil	X				Lightfoot	X				Thomas, Sr.	X			
Chavous	X				Mason	X				Whittington	X			
Cropp	X				Patterson	X								
Evans	X				Ray				X					

X - Indicates Vote   AB - Absent   NV - Present not Voting

CERTIFICATION RECORD

_____ Secretary to the Council   October 4, 1996 Date

[ ] ITEM ON CONSENT CALENDAR

X] ACTION & DATE **ADOPTED FINAL READING, 10-01-96**

X] VOICE VOTE **APPROVED**

    RECORDED VOTE ON REQUEST

ABSENT **LIGHTFOOT AND THOMAS**

[ ] ROLL CALL VOTE - Result ____ (___)

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Clarke					Jarvis					Smith, Jr.				
Brazil					Lightfoot					Thomas, Sr.				
Chavous					Mason					Whittington				
Cropp					Patterson									
Evans					Ray									

X-indicates no   AB-Absent   NV-Present not voting

CERTIFICATION RECORD

_____ Secretary to the Council   October 4, 1996 Date

[ ] ITEM ON CONSENT CALENDAR

[ ] ACTION & DATE ____

[ ] VOICE VOTE ____

    RECORDED VOTE ON REQUEST

ABSENT ____

[ ] ROLL CALL VOTE - Result ____ (___)

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Clarke					Jarvis					Smith, Jr.				
Brazil					Lightfoot					Thomas, Sr.				
Chavous					Mason					Whittington				
Cropp					Patterson									
Evans					Ray									

X - Indicates Vote   AB - Absent   NV - Present not Voting

CERTIFICATION RECORD

_____ Secretary to the Council   _____ Date