

103^D CONGRESS
2^D SESSION

H. R. 3728

To eliminate the unfunded liability of the teachers', firefighters', police officers', and judges' pension funds of the District of Columbia by increasing and extending the contributions of the Federal Government to such funds, increasing employee contributions to such funds, and establishing a single annual cost-of-living adjustment for annuities paid from such funds, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 25, 1994

Ms. NORTON (for herself, Mr. DELLUMS, Mr. JEFFERSON, Mr. LEWIS of Georgia, and Mr. MCDERMOTT) introduced the following bill; which was referred to the Committee on the District of Columbia

A BILL

To eliminate the unfunded liability of the teachers', firefighters', police officers', and judges' pension funds of the District of Columbia by increasing and extending the contributions of the Federal Government to such funds, increasing employee contributions to such funds, and establishing a single annual cost-of-living adjustment for annuities paid from such funds, 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 Pension Liability Funding Reform Act of 1994”.

4 **TITLE I—FEDERAL CONTRIBU-**
5 **TION TO DISTRICT OF CO-**
6 **LUMBIA PENSION FUNDS**

7 **SEC. 101. INCREASE IN AND EXTENSION OF FEDERAL CON-**
8 **TRIBUTION.**

9 (a) IN GENERAL.—Section 144(a) of the District of
10 Columbia Retirement Reform Act (sec. 1-724(a), D.C.
11 Code) is amended—

12 (1) in the matter preceding paragraph (1), by
13 striking “2004—” and inserting “2035 the following
14 amounts:”;

15 (2) in paragraph (1)—

16 (A) by striking “as” and inserting “As”,
17 and

18 (B) by striking “Fund, the sum” and all
19 that follows and inserting the following:
20 “Fund—

21 “(A) for each fiscal year through fiscal
22 year 1995, the sum of \$34,170,000, reduced by
23 the amount of any reduction required under
24 section 145(c),

1 “(B) for fiscal year 1996, the sum of
2 \$35,879,000, reduced by the amount of any
3 such reduction, and

4 “(C) for fiscal year 1997 and each subse-
5 quent fiscal year, the amount calculated in ac-
6 cordance with this paragraph for the previous
7 fiscal year increased by 5 percent, reduced by
8 the amount of any such reduction;”;

9 (3) in paragraph (2)—

10 (A) by striking “as” and inserting “As”,
11 and

12 (B) by striking “Fund, the sum” and all
13 that follows and inserting the following:
14 “Fund—

15 “(A) for each fiscal year through fiscal
16 year 1995, the sum of \$17,680,000,

17 “(B) for fiscal year 1996, the sum of
18 \$18,564,000, and

19 “(C) for fiscal year 1997 and each subse-
20 quent fiscal year, the amount calculated in ac-
21 cordance with this paragraph for the previous
22 fiscal year increased by 5 percent; and”;

23 (4) in paragraph (3)—

24 (A) by striking “as” and inserting “As”,
25 and

1 (B) by striking “Fund, the sum” and all
2 that follows and inserting the following:

3 “Fund—

4 “(A) for each fiscal year through fiscal
5 year 1995, the sum of \$220,000,

6 “(B) for fiscal year 1996, the sum of
7 \$231,000, and

8 “(C) for fiscal year 1997 and each subse-
9 quent fiscal year, the amount calculated in ac-
10 cordance with this paragraph for the previous
11 fiscal year increased by 5 percent.”.

12 (b) CONFORMING AMENDMENTS.—The District of
13 Columbia Retirement Reform Act is amended—

14 (1) in section 144(e) (sec.1-724, D.C. Code)—

15 (A) by striking “2004” in paragraph (1)
16 and inserting “2035”, and

17 (B) by striking paragraph (2);

18 (2) in section 145 (sec. 1-725, D.C. Code), by
19 striking “2004” each place it appears in subsections
20 (a)(1) and (c)(1) and inserting “2035”; and

21 (3) in section 162(d) (sec. 1-732(d)(1), D.C.
22 Code), by striking paragraph (5).

1 **TITLE II—CHANGES IN**
2 **RETIREMENT BENEFITS**
3 **Subtitle A—Police Officers’ and**
4 **Fire Fighters’ Contribution**

5 **SEC. 201. INCREASE IN CONTRIBUTION.**

6 The first sentence of subsection (d)(1) of the Police-
7 men and Firemen’s Retirement and Disability Act (sec.
8 4–612(a), D.C. Code) is amended by inserting after “per
9 centum” the following: “(or, with respect to a member who
10 is an officer or member of the Metropolitan Police force
11 or the Fire Department of the District of Columbia, 8 per
12 centum for each pay period which begins on or after Octo-
13 ber 1, 1995)”.

14 **SEC. 202. ESTABLISHMENT OF SINGLE ANNUAL COST-OF-**
15 **LIVING ADJUSTMENT.**

16 Subsection (m) of the Policemen and Firemen’s Re-
17 tirement and Disability Act (sec. 4–624, D.C. Code) is
18 amended—

19 (1) in paragraph (2), by striking “the Mayor
20 shall” and all that follows and inserting the follow-
21 ing: “on January 1 of each year (or within a reason-
22 able time thereafter), the Mayor shall determine the
23 per centum change in the price index for the preced-
24 ing year by determining the difference between the
25 index published for December of the preceding year

1 and the index published for December of the second
2 preceding year.”; and

3 (2) by amending paragraph (3) to read as fol-
4 lows:

5 “(3)(A) If (in accordance with paragraph (2)) the
6 Mayor determines in a year (beginning with 1997) that
7 the per centum change in the price index for the preceding
8 year indicates a rise in the price index, each annuity hav-
9 ing a commencing date on or before March 1 of the year
10 shall, effective March 1 of the year, be increased by an
11 amount equal to—

12 “(i) in the case of an annuity having a com-
13 mencing date on or before March 1 of such preced-
14 ing year, the per centum change computed under
15 paragraph (2), adjusted to the nearest $\frac{1}{10}$ of 1 per
16 centum; or

17 “(ii) in the case of an annuity having a com-
18 mencing date after March 1 of such preceding year,
19 a pro rata increase equal to the product of—

20 “(I) $\frac{1}{12}$ of the per centum change com-
21 puted under paragraph (2), multiplied by

22 “(II) the number of months (not to exceed
23 12 months, counting any portion of a month as
24 an entire month) for which the annuity was
25 payable before the effective date of the increase,

1 adjusted to the nearest $\frac{1}{10}$ of 1 per centum.

2 “(B) On January 1, 1996 (or within a reasonable
3 time thereafter), the Mayor shall determine the per cen-
4 tum change in the price index published for December
5 1995 over the price index published for June 1995. If such
6 per centum change indicates a rise in the price index, ef-
7 fective March 1, 1996—

8 “(i) each annuity having a commencing date on
9 or before September 1, 1995, shall be increased by
10 an amount equal to such per centum change, ad-
11 justed to the nearest $\frac{1}{10}$ of 1 per centum; and

12 “(ii) each annuity having a commencing date
13 after September 1, 1995, and on or before March 1,
14 1996, shall be increased by a pro rata increase equal
15 to the product of—

16 “(I) $\frac{1}{6}$ of such per centum change, multi-
17 plied by

18 “(II) the number of months (not to exceed
19 6 months, counting any portion of a month as
20 an entire month) for which the annuity was
21 payable before the effective date of the increase,
22 adjusted to the nearest $\frac{1}{10}$ of 1 per centum.”.

1 **SEC. 203. EQUALIZATION OF CONTRIBUTION RULES FOR**
 2 **FORMER RETIREES.**

3 (a) IN GENERAL.—Section 209(a)(2)(B) of the Dis-
 4 trict of Columbia Retirement Reform Act (sec. 4–625(2),
 5 D.C. Code) is amended by striking “having a commencing
 6 date after the effective date of such amendment.”.

7 (b) REPEAL OF RELIEF ALLOWANCE OR COMPENSA-
 8 TION INCREASE.—Section 301 of the District of Columbia
 9 Police and Firemen’s Salary Act of 1953 (sec. 4–605,
 10 D.C. Code) is repealed.

11 **Subtitle B—Teachers’ Contribution**

12 **SEC. 211. INCREASE IN CONTRIBUTION.**

13 The first sentence of section 1 of the Act entitled “An
 14 Act for the retirement of public-school teachers in the Dis-
 15 trict of Columbia”, approved August 7, 1946 (sec. 31–
 16 1221(a), D.C. Code), is amended by inserting after “per
 17 centum” the following: “(or, with respect to each pay pe-
 18 riod which begins on or after October 1, 1995, 8 per cen-
 19 tum)”.

20 **SEC. 212. ESTABLISHMENT OF SINGLE ANNUAL COST-OF-**
 21 **LIVING ADJUSTMENT.**

22 Section 21(b) of the Act entitled “An Act for the re-
 23 tirement of public-school teachers in the District of Co-
 24 lumbia”, approved August 7, 1946 (sec. 31–1241(b), D.C.
 25 Code) is amended—

1 (1) in paragraph (1), by striking “The Mayor
2 shall—” and all that follows and inserting the fol-
3 lowing: “On January 1 of each year (or within a
4 reasonable time thereafter), the Mayor shall deter-
5 mine the per centum change in the price index for
6 the preceding year by determining the difference be-
7 tween the index published for December of the pre-
8 ceding year and the index published for December of
9 the second preceding year.”; and

10 (2) by amending paragraph (2) to read as fol-
11 lows:

12 “(2)(A) If (in accordance with paragraph (1)) the
13 Mayor determines in a year (beginning with 1997) that
14 the per centum change in the price index for the preceding
15 year indicates a rise in the price index, each annuity hav-
16 ing a commencing date on or before March 1 of the year
17 shall, effective March 1 of the year, be increased by an
18 amount equal to—

19 “(i) in the case of an annuity having a com-
20 mencing date on or before March 1 of such preced-
21 ing year, the per centum change computed under
22 paragraph (1), adjusted to the nearest $\frac{1}{10}$ of 1 per
23 centum; or

1 “(ii) in the case of an annuity having a com-
2 mencing date after March 1 of such preceding year,
3 a pro rata increase equal to the product of—

4 “(I) $\frac{1}{12}$ of the per centum change com-
5 puted under paragraph (1), multiplied by

6 “(II) the number of months (not to exceed
7 12 months, counting any portion of a month as
8 an entire month) for which the annuity was
9 payable before the effective date of the increase,
10 adjusted to the nearest $\frac{1}{10}$ of 1 per centum.

11 “(B) On January 1, 1996 (or within a reasonable
12 time thereafter), the Mayor shall determine the per cen-
13 tum change in the price index published for December
14 1995 over the price index published for June 1995. If such
15 per centum change indicates a rise in the price index, ef-
16 fective March 1, 1996—

17 “(i) each annuity having a commencing date on
18 or before September 1, 1995, shall be increased by
19 an amount equal to such per centum change, ad-
20 justed to the nearest $\frac{1}{10}$ of 1 per centum; and

21 “(ii) each annuity having a commencing date
22 after September 1, 1995, and on or before March 1,
23 1996, shall be increased by a pro rata increase equal
24 to the product of—

1 “(I) $\frac{1}{6}$ of such per centum change, multi-
2 plied by

3 “(II) the number of months (not to exceed
4 6 months, counting any portion of a month as
5 an entire month) for which the annuity was
6 payable before the effective date of the increase,
7 adjusted to the nearest $\frac{1}{10}$ of 1 per centum.”.

8 **Subtitle C—Judges’ Contribution**

9 **SEC. 221. INCREASE IN CONTRIBUTION.**

10 (a) AMOUNT OF WITHHOLDING.—The first sentence
11 of section 11–1563(a), D.C. Code, is amended by inserting
12 after “per centum” the following: “(or, with respect to
13 each pay period which begins on or after October 1, 1995,
14 $4\frac{1}{2}$ per centum)”.

15 (b) COMPUTATION OF RETIREMENT SALARY.—Sec-
16 tion 11–1564(d)(1), D.C. Code, is amended by inserting
17 after “United States Code,” the following: “with respect
18 to services performed before October 1, 1995, and equal
19 to $4\frac{1}{2}$ per centum of such salary, pay, or compensation
20 with respect to services performed on or after October 1,
21 1995,”.

22 **TITLE III—EFFECTIVE DATE**

23 **SEC. 301. EFFECTIVE DATE.**

24 The amendments made by this Act shall take effect
25 October 1, 1995.

