

104TH CONGRESS  
2D SESSION

# H. R. 3389

To reduce 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.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 2, 1996

Ms. NORTON introduced the following bill; which was referred to the Committee on Government Reform and Oversight

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## A BILL

To reduce 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 1996”.

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 “2036 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 1996, the sum of \$34,170,000, reduced by  
23 the amount of any reduction required under  
24 section 145(c); and

1           “(B) for fiscal year 1997 and each subse-  
2           quent fiscal year, the sum of \$193,579,000, re-  
3           duced by the amount of any such reduction.”;

4           (3) in paragraph (2)—

5           (A) by striking “as” and inserting “As”,  
6           and

7           (B) by striking “Fund, the sum” and all  
8           that follows and inserting the following:  
9           “Fund—

10           “(A) for each fiscal year through fiscal  
11           year 1996, the sum of \$17,680,000; and

12           “(B) for fiscal year 1997 and each subse-  
13           quent fiscal year, the sum of \$100,152,500.”;  
14           and

15           (4) in paragraph (3)—

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 1996, the sum of \$220,000; and

23           “(B) for fiscal year 1997 and each subse-  
24           quent fiscal year, the sum of \$1,268,500.”.

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

3 (1) in section 142(b)(1) (sec. 1–722(b)(1), D.C.  
4 Code), by striking “2004” each place it appears in  
5 subparagraphs (A) and (D) and inserting “2036”;

6 (2) in section 142(b)(2) (sec. 1–722(b)(2), D.C.  
7 Code), by striking “2005” and inserting “2037”;

8 (3) in section 142(c)(1)(A) (sec. 1–  
9 722(c)(1)(A), D.C. Code), by striking “2003” and  
10 inserting “2035”;

11 (4) in section 144(e) (sec.1–724, D.C. Code)—

12 (A) by striking “2004” in paragraph (1)  
13 and inserting “2036”, and

14 (B) by striking paragraph (2);

15 (5) in section 145 (sec. 1–725, D.C. Code), by  
16 striking “2004” each place it appears in subsections  
17 (a)(1) and (c)(1) and inserting “2036”; and

18 (6) in section 162(d) (sec. 1–732(d)(1), D.C.  
19 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, 1996)”.

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

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

17 “(B) in the case of an annuity having a com-  
18 mencing date after September 1 of such preceding  
19 year, 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  
2 the nearest  $\frac{1}{10}$  of 1 per centum.”.

3 **SEC. 203. EQUALIZATION OF CONTRIBUTION RULES FOR**  
4 **FORMER RETIREES.**

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

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

13 **Subtitle B—Teachers’ Contribution**

14 **SEC. 211. INCREASE IN CONTRIBUTION.**

15 The first sentence of section 1 of the Act entitled “An  
16 Act for the retirement of public-school teachers in the Dis-  
17 trict of Columbia”, approved August 7, 1946 (sec. 31–  
18 1221(a), D.C. Code), is amended by inserting after “per  
19 centum” the following: “(or, with respect to each pay pe-  
20 riod which begins on or after October 1, 1996, 8 per cen-  
21 tum)”.

22 **SEC. 212. ESTABLISHMENT OF SINGLE ANNUAL COST-OF-**  
23 **LIVING ADJUSTMENT.**

24 Section 21(b) of the Act entitled “An Act for the re-  
25 tirement of public-school teachers in the District of Co-

1 lumbia”, approved August 7, 1946 (sec. 31–1241(b), D.C.  
2 Code) is amended—

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

12           (2) by amending paragraph (2) to read as fol-  
13 lows:

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

21           “(A) in the case of an annuity having a com-  
22 mencing date on or before September 1 of such pre-  
23 ceding year, the per centum change computed under  
24 paragraph (1), adjusted to the nearest  $\frac{1}{10}$  of 1 per  
25 centum; or

1           “(B) in the case of an annuity having a com-  
2           mencing date after September 1 of such preceding  
3           year, 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       **Subtitle C—Judges’ Contribution**

### 12       **SEC. 221. INCREASE IN CONTRIBUTION.**

13           (a) AMOUNT OF WITHHOLDING.—The first sentence  
14       of section 11–1563(a), D.C. Code, is amended by inserting  
15       after “per centum” the following: “(or, with respect to  
16       each pay period which begins on or after October 1, 1996,  
17        $4\frac{1}{2}$  per centum)”.

18           (b) COMPUTATION OF RETIREMENT SALARY.—Sec-  
19       tion 11–1564(d)(1), D.C. Code, is amended by inserting  
20       after “United States Code,” the following: “with respect  
21       to services performed before October 1, 1996, and equal  
22       to  $4\frac{1}{2}$  per centum of such salary, pay, or compensation  
23       with respect to services performed on or after October 1,  
24       1996,”.

1       **TITLE III—EFFECTIVE DATE**

2   **SEC. 301. EFFECTIVE DATE.**

3       The amendments made by this Act shall take effect

4   October 1, 1996.

