



2015 SEP 21 AM 9:56
OFFICE OF THE
SECRETARY

MURIEL BOWSER
MAYOR

SEP 21 2015

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
John A. Wilson Building
1350 Pennsylvania Avenue N.W., Suite 504
Washington, D.C. 20004

Dear Chairman Mendelson:

Enclosed for consideration and approval by the Council of the District of Columbia is proposed permanent legislation entitled "Deferred Compensation Program Enrollment Amendment Act of 2015 (the "Legislation")."

The purpose of the proposed legislation is to establish automatic enrollment of eligible new employees in the District government's 457 Plan (Deferred Compensation). As the current enrollment process for the program is voluntary, a change such as this will be beneficial as District government employees, like many other workers across the country, are not adequately prepared for retirement, having limited or no funds to supplement their retirement income once they make that crucial decision to retire.

Once the legislation is enacted, newly hired employees will have five percent (5%) of their base salary contributed to the plan. Despite the fact that enrollment in the plan will be automatic, employees will have the option of increasing, decreasing, or terminating the enrollment at any time during the year.

In light of the above concerns, the proposed amendments are being recommended. While the changes to the legislation will require automatic enrollment in the program, it is anticipated that the change to the program will benefit District government employees by providing that needed financial boost during retirement years.


I urge you and the Council to take prompt and favorable action on the enclosed legislation. If you have any questions, please contact Ventris C. Gibson, Acting Director of the Department of Human Resources, at (202) 442-9669.

Sincerely,

A handwritten signature in black ink, appearing to read "Muriel Bowser".

Muriel Bowser

Enclosures


Chairman Phil Mendelson
At the request of the Mayor

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

Chairman Phil Mendelson, at the request of the Mayor, introduced the following bill which was referred to the Committee on _____.

To amend the District of Columbia Government Comprehensive Merit Personnel Act of 1978 to provide for enrollments into the District government's deferred compensation program for newly hired employees of the District government.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Deferred Compensation Program Enrollment Amendment Act of 2015".

Sec. 2. The District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Official Code § 1-601.01), is amended as follows:

(a) Section 1117 (D.C. Official Code § 1-611.17) is amended as follows:

(1) The existing text is designated as subsection (a).

(2) New subsections (b) through (d) are added to read as follows:

“(b) The personnel authority shall enroll each newly hired employee in the District government's deferred compensation program. The employee's contribution level to the program upon such enrollment shall be 5% of the employee's base salary upon hire.

“(c) An employee shall have the right to increase, reduce or eliminate his or her contributions to the program at any time to the extent permitted by federal law.

33 “(d) The enrollment of an employee pursuant to this section shall be a management right.
34 However, and notwithstanding section 1708(a), the implementation of this section shall not
35 impact any existing collective bargaining agreements.”.

36 (b) Section 1708(a) (D.C. Official Code§ 1-617.08(a)), is amended by adding a new
37 paragraph (3A) to read as follows:

38 “(3A) To enroll employees in the deferred compensation program pursuant to
39 section 1117;”.

40 Sec. 3. Fiscal impact statement.

41 The Council adopts the fiscal impact statement in the committee report as the fiscal
42 impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act,
43 approved December 24, 1973 (87 Stat. 813; D.C. Official Code§ 1- 206.02(c)(3)).

44 Sec. 4. Effective date.

45 This act shall take effect following approval by the Mayor (or in the event of veto by the
46 Mayor, action by the Council to override the veto), a 30-day period of Congressional review as
47 provided in section 602(c)(2) of the District of Columbia Home Rule Act, approved December
48 24, 1973 (87 Stat. 813; D.C. Official Code§ 1-206.02(c)(1)), and publication in the District of
49 Columbia Register.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Attorney General



ATTORNEY GENERAL
KARL A. RACINE



Legal Counsel Division


TO: Lolita S. Alston
Director
Office of Legislative Support

FROM: Janet M. Robins
Deputy Attorney General
Legal Counsel Division

DATE: September 21, 2015

SUBJECT: Legal Sufficiency Review of Bill, the "Deferred Compensation Program
Enrollment Amendment Act of 2015"
(AE-15-589 C)

This is to Certify that this Office has reviewed the above-referenced legislation and has found it to be legally sufficient. If you have any questions regarding this certification, please do not hesitate to contact me at 724-5524.


Janet M. Robins

JMR/phg