

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend Chapter 36 of Title 47 of the District of Columbia Official Code to make enrollments into the District government’s deferred compensation program automatic for newly hired employees of the District government and to authorize the Mayor to promulgate rules to implement the automatic enrollment provisions.

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 2018”.

Sec. 2. Chapter 36 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) Section 47-3601 is amended as follows:

(1) Subsection (a) is amended by adding a new paragraph (1A) to read as follows:

“(1A)(A) All newly hired employees eligible to participate in the employee deferred compensation program, including employees eligible pursuant to subsection (c) of this section, shall be automatically enrolled in the deferred compensation program.

“(B) All newly hired employees’ contributions shall be no less than 5% of their annual base salary upon hire.

“(C) An employee may increase, reduce, or cease his or her contributions to the deferred compensation program at any time.”.

(2) A new subsection (b-1) is added to read as follows:

“(b-1)(1) The Mayor shall select default investments for the accounts of employees automatically enrolled in the District government’s deferred compensation program. The Mayor may delegate this responsibility to an employee’s personnel authority.

“(2) Upon an eligible employee’s hire, the Mayor shall provide the employee notice of the automatic enrollment required pursuant to subsection (a) of this section; provided, that the Mayor may delegate this function to an employee’s personnel authority or independent agency pursuant to an agreement executed pursuant to subsection (c) of this section. The notice shall explain:

“(A) The employee’s right under the plan to designate how contributions and earnings will be invested;

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“(B) How, in the absence of an investment election by the employee, such contributions and earnings will be invested;

“(C) The percentage of the employee’s base salary that will be contributed to the program;

“(D) The employee’s right to increase, reduce, or cease the employee’s contributions to the program; and

“(E) How an employee may elect investments and change or cease contribution amounts under the plan.”.

(b) Section 47-3602 is amended as follows:

(1) Paragraph (2) is amended by striking the phrase “; and” and inserting a semicolon in its place.

(2) Paragraph (3) is amended by striking the period and inserting the phrase “; and” in its place.

(3) A new paragraph (4) is added to read as follows:

“(4) Rules to implement the Deferred Compensation Program Enrollment Amendment Act of 2018, passed on 2nd reading on March 6, 2018 (Enrolled version of Bill 22-68), within 180 days of its effective date.”.

Sec. 3. Applicability.

(a) This act shall apply upon the date of inclusion of its fiscal effect in an approved budget and financial plan.

(b) The Chief Financial Officer shall certify the date of the inclusion of the fiscal effect in an approved budget and financial plan, and provide notice to the Budget Director of the Council of the certification.

(c)(1) The Budget Director shall cause the notice of the certification to be published in the District of Columbia Register.

(2) The date of publication of the notice of the certification shall not affect the applicability of this act.

Sec. 4. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 5. Effective date.

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), a 30-day period of congressional review as

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provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

Chairman
Council of the District of Columbia

Mayor
District of Columbia