

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: March 24, 2003

SUBJECT: Fiscal Impact Statement: "Management Supervisory Service Pre-Employment Travel Expenses, Relocation Expenses and Temporary Housing Allowance Amendment Act of 2003"

REFERENCE: Draft Legislation as Introduced - No Bill Number Available

Conclusion

Funds are sufficient in the FY 2003 through FY 2006 budget and financial plan because District agencies will be required to implement the provisions of the proposed legislation from within existing resources. Implementing the proposed legislation will not result in a reduction in local General Fund revenue nor will the bill significantly increase District liabilities associated with employment relocation. To the extent that agencies incur the types of expenses proposed in this legislation, future agency personnel decisions could be affected by available budget authority.

Anti-deficiency laws, 31USCA § 1341 (2000), prohibit District officers and employees from exceeding agency appropriations in any fiscal year. Should the District determine that funding is available to absorb the additional costs in FY 2003, then the net fiscal impact would be zero for this year. For subsequent years, the additional expenditures need to be included as budgeted expenditures.

Background

The proposed legislation amends the District of Columbia Comprehensive Merit Personnel Act of 1978 to allow District agencies to offer reimbursement for reasonable relocation expenses. Specifically, the proposed legislation authorizes the District to pay pre-employment travel expenses, temporary housing expenses and reasonable relocation expenses to Management Supervisory Service personnel who live outside the immediate

metropolitan Washington area. Currently, the program is offered to only those Excepted Service and Executive Service personnel.

Financial Plan Impact

Funds are sufficient in the FY 2003 through FY 2006 budget and financial plan because District agencies will be required to implement the provisions of the proposed legislation from within existing resources. Agencies will be required to examine their budgets when packaging reasonable relocation expenses into position offerings. To relocate existing Excepted Service and Executive Service personnel to the District, agencies must find the funds from within their existing budget authority.

Although the proposed legislation comes at some expense to the agency directors who choose to make the types of offerings authorized by this bill, agency budget authority is not going to be increased to offset the costs. Agency directors will need to be mindful of their existing resources and understand that when funds are made available for relocation expenses, as they are decreasing the availability of funds for other program or personnel needs.

The Chief Financial Officer's legislative fiscal analysis is prepared by the Special Projects and Fiscal Analysis Administration in the Office of Research and Analysis. Contact us at 441 4th Street, NW, Suite 400S, Washington D.C., 20001 or view our work on-line at <http://cfo.dc.gov>.