

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

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Natwar M. Gandhi  
Chief Financial Officer

CHAIRMAN GRAY

MEMORANDUM

**TO:** The Honorable Vincent C. Gray  
Chair, Council of the District of Columbia

**FROM:** Natwar M. Gandhi   
Chief Financial Officer

**DATE:** NOV 27 2007

**SUBJECT:** Fiscal Impact Statement: "Enhanced Professional Security  
Amendment Act of 2007"

**REFERENCE:** Bill Number 17-199 Committee Print

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**Conclusion**

Funds are sufficient in the FY 2008 through FY 2011 budget and financial plan to implement the proposed legislation. The proposed legislation would not have a fiscal impact on the District government over the FY 2008 through FY 2011 period.

**Background**

The proposed legislation would amend Title I of the Enhanced Professional Security Amendment Act of 2006<sup>1</sup> to establish minimum compensation requirements for privately employed security officers working in the District.

Specifically, such security officers would be required to receive no less than the combined amount of the minimum wage and fringe benefit rate for the guard 1 classification established by the U.S. Secretary of Labor pursuant to the Service Contract Act of 1965,<sup>2</sup> including any upward rate adjustment by the Secretary. Also, no employer would be permitted to employ any security officer for a workweek that is longer than 40 hours, unless the security officer receives compensation for employment in excess of 40 hours at a rate not less than 1 1/2 times the regular rate at which the officer is employed.

<sup>1</sup> Effective November 16, 2006. D.C. Law 16-187; D.C. Official Code § 5-129.21

<sup>2</sup> Approved October 22, 1965. P.L. 89-286; 41 U.S.C. § 351

### **Financial Plan Impact**

Funds are sufficient in the FY 2008 through FY 2011 budget and financial plan to implement the proposed legislation.

Section 102(b) of the proposed legislation states that the District of Columbia "shall not" be included in the definition of "employer" for the purposes of the proposed bill. With regards to District government security officer contracts, the District is already required by law to ensure that security contractors are paid the higher of the Service Contract Act wages established by the U.S. Department of Labor or the District's living wage (currently \$11.75 an hour).

Therefore, this legislation would not have a fiscal impact on the District government over the FY 2008 through FY 2011 period.