

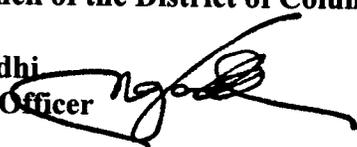
Government of the District of Columbia
Office of the Chief Financial Officer



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

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

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: APR -1 2008

SUBJECT: Fiscal Impact Statement: "On Site Meals for Correctional Workers Amendment Act of 2007"

REFERENCE: Draft - No Bill Number Available

Conclusion

Given that the proposed legislation is an authorization, but not a requirement, to provide funding for on-site meals for correctional workers, *enactment* of the proposed legislation would not have an impact on the FY 2008 through FY 2011 budget and financial plan.

However, should the Department of Corrections (DOC) choose to *implement* the provisions of the proposed bill, funds are *not* sufficient in the FY 2008 through FY 2011 budget and financial plan to do so. Assuming that the proposed legislation would take effect on October 1, 2008 (the first day of FY 2009), and assuming that overtime pay would be required to satisfy the requirements of implementing the proposed bill, implementation of the proposed legislation would not have a cost in FY 2008, but would result in an unbudgeted cost of \$4.8 million in FY 2009 and \$14.9 million over the FY 2008 through FY 2011 period.

Background

Subject to an available appropriation of Congress, and notwithstanding any other law, rule, or regulation, the proposed legislation would amend an Act to create a Department of Corrections in the District of Columbia¹ to *allow* DOC to require any or all correctional workers to remain on the premises of its facilities during meal periods that take place during the workers' tour of duty,

¹ Approved June 27, 1946. 60 Stat. 320; D.C. Official Code § 24-211.02.

provided that the Department supplies and pays for meals to be eaten on the premises of its facilities during any correctional worker's tour of duty.² Should the Department chose to implement this policy, it would also be required to pay said correctional workers during these meal periods.

Financial Plan Impact

Given that the proposed legislation is an authorization, but not a requirement, to provide funding for on-site meals for correctional workers, *enactment* of the proposed legislation would not have an impact on the FY 2008 through FY 2011 budget and financial plan.

However, should DOC choose to *implement* the provisions of the proposed bill, funds are *not* sufficient in the FY 2008 through FY 2011 budget and financial plan to do so. Assuming that the proposed legislation would take effect on October 1, 2008 (the first day of FY 2009), and assuming that overtime pay would be required to satisfy the requirements of implementing the proposed bill, implementation of the proposed legislation would not have a cost in FY 2008, but would result in an unbudgeted cost of \$4.8 million in FY 2009 and \$14.9 million over the FY 2008 through FY 2011 period.

The table and notes below describe in detail the cost of implementing the proposed legislation over the budget and financial plan period.

Expenditure Impact on the Budget and Financial Plan					
	FY 2008	FY 2009	FY 2010	FY 2011	4 Year Total
Meal Costs	\$0	\$1,200,120	\$1,242,124	\$1,285,599	\$3,727,843
Overtime Costs	\$0	\$3,606,130	\$3,732,344	\$3,862,976	\$11,201,451
Total	\$0	\$4,806,250	\$4,974,468	\$5,148,575	\$14,929,294

Table notes and assumptions:

- Assumes an implementation date of October 1, 2008 (the first day of FY 2009) because on-site meal expenses would be subject to an available appropriation of Congress.
- The General Counsel for DOC has indicated to the Office of the Chief Financial Officer that the DOC collective bargaining agreement would require the use of overtime in order to implement the provisions of the proposed bill. Therefore, this impact statement assumes that overtime payments would be required to implement the provisions of the proposed bill. Should DOC employee schedules be adjusted in such a way that satisfies the requirements of the bill without the need for overtime pay, the overtime costs listed above would be reduced, possibly to zero. However, DOC authorities have indicated to the OCFO that this is likely not possible due to shift-change needs.
- Assumes 3.5% annual inflation.

² "Correctional workers," as defined in the proposed legislation, means "...any full or part time employees of the Department (of Corrections) as well as any full or part time 'private correctional officers' or 'private operators' as those terms are defined in Section 2 of the Correctional Treatment Facility Act of 1996, effective June 3, 1997 (D.C. Law 11-276; D.C. Official Code § 24-261.02)."