

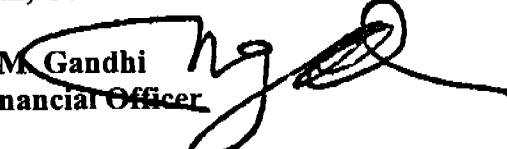
**Government of the District of Columbia
Office of the Chief Financial Officer**



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: APR -7 2006

SUBJECT: Fiscal Impact Statement: "District of Columbia Government Comprehensive Merit Personnel Act of 1978 Operation Enduring Freedom and Operation Iraqi Freedom Active Duty Pay Differential Amendment Act of 2006"

REFERENCE: Draft Legislation as Introduced – No Bill Number Available

Conclusion

Funds are sufficient in the FY 2006 budget and the FY 2007 through FY 2010 budget and financial plan as proposed by the Mayor to the Council of the District of Columbia, because the proposed legislation will require additional resources. No additional staff or resources will be required.

Background

Eligible employees may receive a payroll differential representing the difference between a District employee's salary and their military active duty pay if the latter is smaller. Eligibility requires participation in Operation Enduring Freedom or Operation Iraqi Freedom. The proposed legislation is an amendment to the District of Columbia Government Comprehensive Merit Personnel Act of 1978 Operation Enduring Freedom Active Duty Pay Differential Temporary Act of 2001¹ extending the payroll benefit.

¹ D.C. Official Code § 1-611.03(a). Original Council action was Bill 14-470; Law 14-116; effective December 18, 2001.

The pilot act expired on September 30, 2002 and the initiative has subsequently been re-authorized to present. Under the provisions of the proposed legislation the pay differential will become effective immediately and continue until the person's release from active duty as was authorized similarly in the pilot act.

Financial Plan Impact

Funds are sufficient in the FY 2006 budget and the FY 2007 through FY 2010 budget and financial plan to provide for additional pay differential costs necessary to offset the pay and benefits, agency operational and overtime pressures due to staffing decisions and deployment that impact the District leadership. To date, the District has adequately funded all the requirements of this initiative