

COUNCIL OF THE DISTRICT OF COLUMBIA

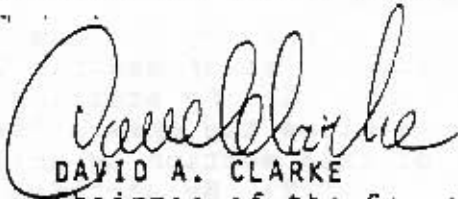
NOTICE

D.C. LAW 7-27

"District of Columbia Government Comprehensive Merit Personnel Act of 1978 Employee Benefits Amendment Act of 1987".

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P. L. 93-198, "the Act", the Council of the District of Columbia adopted Bill No. 7-228 on first and second readings, June 16, 1987, and June 30, 1987, respectively. Following the signature of the Mayor on July 17, 1987, this legislation was assigned Act 7-49, published in the August 7, 1987, edition of the D.C. Register, (Vol. 34 page 5079) and transmitted to Congress on July 21, 1987 for a 30-day review, in accordance with Section 602(c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired, and therefore, cites this enactment as D.C. Law 7-27, effective October 1, 1987.

  
DAVID A. CLARKE  
Chairman of the Council

Dates Counted During the 30-day Congressional Review Period:

July 21,22,23,24,27,28,29,30,31

August 3,4,5,6,7

September 9,10,11,14,15,16,17,18,21,22,23,24,25,28,29,30

OCT 01 1987

AN ACT

D.C. ACT 7 - 49

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

JUL 17 1987

To amend the District of Columbia Government Comprehensive Merit Personnel Act of 1978 to provide health and life insurance benefits for employees of the District government and retirement benefits for certain employees of the District government first employed after September 30, 1987.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "District of Columbia Government Comprehensive Merit Personnel Act of 1978 Employee Benefits Amendment Act of 1987".

Sec. 2. The District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-601.1 et seq.), is amended as follows:

(a) Section 201 (D.C. Code, sec. 1-602.1) is amended as follows:

(1) By designating the existing language as subsection (a) of section 201;

(2) By striking the word "Unless" and inserting in its place the phrase "Except as provided in subsection (b) of this section or unless";

(3) By striking the phrase "Superior Court of the District of Columbia Court of Appeals" and inserting in its place the phrase "Superior Court of the District of Columbia and the District of Columbia Court of Appeals"; and

(4) By adding a new subsection (b) to read as follows:

"(b) The Mayor may enter into an agreement with the District of Columbia court system or with any independent agency of the District to provide to their employees any or all of the benefits established under the District of Columbia Comprehensive Merit Personnel Act of 1978 Employee Benefits Amendment Act of 1987."

(b) Section 405 (D.C. Code, sec. 1-604.5) is amended by inserting the phrase "other than rules and regulations

D.C. Code  
sec. 1-602.1  
(1988 st

D.C. Code  
sec. 1-604.5  
(1988 st

issued pursuant to Title XXI, XXII and XXVI" after the phrase "such rules and regulations".

(c) Section 2101 (D.C. Code, sec. 1-622.1) is amended by inserting the phrase "first employed before October 1, 1987" after the phrase "all employees of the District government".

D.C. Code  
sec. 1-622.1  
(1988 sup)

(d) New sections 2102 through 2113 are added to read as follows:

"Section 2102. District health benefits. The District shall provide health benefits as set forth in section 2105 to all employees of the District first employed after September 30, 1987, except those specifically excluded by law or by rule.

New, D.C.  
Code, sec.  
1-622.2  
(1988 sup)

"Sec. 2103. Definitions.

New, D.C.  
Code, sec.  
1-622.3  
(1988 sup)

"For the purposes of sections 2104 through 2113, the term:

"(1) "Annuitant" means an employee first employed by the District after September 30, 1987, who has subsequently retired pursuant to title XXVI.

"(2) "Carrier" means a voluntary association, corporation, partnership, or other nongovernmental organization that is lawfully engaged in providing, paying for, or reimbursing the cost of health services under group insurance policies or contracts, medical or hospital service agreements, membership or subscription contracts, or similar group arrangements, in consideration of premiums or other periodic charges payable to the organization.

"(3) "Dependent child" includes:

"(A) An adopted child; and  
"(B) A stepchild, foster child, or natural child of an employee or annuitant.

"(4) "Employee" means an individual first employed by the District after September 30, 1987.

"(5) "Health benefit plan" means a group insurance policy or contract, medical or hospital service agreement, membership or subscription contract, or similar group arrangement provided by a carrier for the purpose of providing, paying for, or reimbursing expenses for health services under section 2105.

"(6) "Member of family" means:

"(A) The spouse of an employee or annuitant;  
"(B) An unmarried dependent child under 22 years of age;

"(C) An unmarried dependent child under 25 years of age who is a full-time student; and

"(D) An unmarried child regardless of age who is incapable of self-support because of mental or physical disability that existed before age 22.

"Sec. 2104. Contracting authority.

New, D.C.  
Code, sec.  
1-622.4  
(1988 sup)

"The Mayor may contract with qualified carriers to provide health benefits under the laws of the District for periods of time to be determined by the Mayor. Any contract under this section shall be in accordance with the provisions of the District of Columbia Procurement Practices Act, effective February 21, 1986 (D.C. Law 6-85; D.C. Code, sec. 1-1181.1 et seq.).

"Sec. 2105. Health benefit plans.

"The District may contract for or approve the following health benefit plans:

D.C. Code  
sec. 1-1181.1  
(1988 sup)

"(1) An Indemnity Benefit Plan: One District-wide plan offering at least 3 levels of benefits (one of which shall be deemed by the Mayor to be a standard option) under which a carrier agrees to pay certain sums of money, not in excess of the actual expenses incurred, for health benefits.

"(2) Health Maintenance Organization Plans including:

"(A) One or more group prepayment plans that offer health benefits, in whole or in substantial part on a prepaid basis, with professional services provided by physicians representing at least 3 major medical specialties practicing as a group in a common center or centers who receive all or a substantial part of their professional income from the prepaid funds; and

"(B) An individual practice prepayment plan that offers health benefits in whole or substantial part on a prepaid basis, with professional services provided by individual physicians who agree, under rules promulgated by the Mayor, to accept the payments provided by the plan as full payment for covered services that include in-hospital services, general care provided in their offices and in the patients' homes, out-of-hospital diagnostic procedures, and preventive care.

"(3) Preferred Provider Organization Plan: An individual practice plan that offers health benefits in whole or substantial part with professional services provided by individual physicians, hospitals, and other health care providers who agree under rules promulgated by the Mayor to accept contractually reduced payments for the covered services they provide.

"Sec. 2106. Types of benefits.

"(a) The benefits provided under the health benefit plans shall include benefits for costs associated with care in a general hospital and for health services of a catastrophic nature and may include at a minimum the following benefits:

New, D.C.  
Code, sec.  
1-622.6  
(1988 sup)

- "(1) Hospital benefits;
- "(2) Managed care;
- "(3) Office visits;

- "(4) Substance abuse;
- "(5) Well baby care;
- "(6) Prescription drugs;
- "(7) Obstetrical benefits;
- "(8) Mental health benefits; and
- "(9) Hospice care.

"(b) Each contract issued under section 2105 shall comply with the provisions of the Drug Abuse, Alcohol Abuse, and Mental Illness Insurance Coverage Act of 1986, effective February 24, 1987 (D.C. Law 6-195; to be codified at D.C. Code, sec. 2301 et seq.).

"Sec. 2107. Election of coverage.

"(a) Unless an employee or annuitant affirmatively waives health insurance coverage, each employee or annuitant shall enroll in 1 of the approved health benefit plans under section 2105 either as individual or for self and family or provide evidence satisfactory to the Mayor that the employee or annuitant is covered under another health benefit plan.

"(b) If an employee or annuitant has a spouse who is an employee or annuitant, either the spouse but not both may enroll for self and family, or each spouse may enroll as an individual. An individual shall not be enrolled as an employee or annuitant and also as a member of family.

"(c) An employee or an annuitant enrolled in a health benefit plan may change coverage by an application filed within 60 days of a change in family status or as otherwise permitted by rule promulgated by the Mayor.

"(d) An employee or annuitant may transfer enrollment from one health benefit plan to another health benefit plan under section 2105 as permitted by rules promulgated by the Mayor.

"Sec. 2108. Employee deductions and withholdings.

"(a) During each pay period in which an employee or an annuitant is enrolled under 1 of the health benefit plans there shall be withheld from the compensation of each employee and from the annuity of each annuitant or there shall be paid by each annuitant who received his or her benefits as a lump sum payment an amount equal to the cost of the selected health benefit plan less the amount of the District contribution for the employee or the annuitant. The amount withheld or paid by the employee or the annuitant, together with the District's contribution, shall be transferred to the carrier of the health benefit plan selected by the employee or the annuitant.

"(b) During each pay period in which an individual receiving disability compensation benefits pursuant to title XXIII is enrolled under 1 of the health benefit plans, there shall be withheld from those benefits an amount equal to the cost of the selected health benefit plan less the amount of the District contribution for the enrolled individual. The

New, D.C.  
Code, se  
1-622.7  
(1988 su

New, D.C.  
Code, se  
1-622.8  
(1988 su

amount withheld from the employee or the annuitant, together with the District's contribution, shall be transferred to the carrier of the health benefit plan selected by the individual receiving disability benefits.

"Sec. 2109. District contribution.

"(a) The District's contribution to the cost of any health benefit plan shall be an amount equal to 75% of the subscription charge of the standard option of the indemnity benefit plan and shall be paid on a regular pay period basis.

"(b) The Mayor shall determine the amount of the District contribution for individual and for self and family enrollments before the beginning date of each contract period.

"Sec. 2110. Information to employees.

"(a) The Mayor shall make available to each employee information as may be necessary to enable the employee to exercise an informed choice among the types of health benefit plans offered.

"(b) The Mayor shall make available to each employee and annuitant enrolled in a health benefit plan a written statement or summary of:

"(1) The services or benefits, including maximums, limitations, and exclusions, to which the employee, annuitant, or member of the family of the employee or annuitant are entitled;

"(2) The procedures for obtaining benefits; and

"(3) The principal provisions of the health benefit plan affecting the employee, annuitant, or member of the family of the employee or annuitant.

"Sec. 2111. Coverage of restored employees.

"An employee enrolled in a health benefit plan under section 2102 who is removed or suspended without pay and later reinstated or restored to duty on the ground that the removal or suspension was unwarranted or unjustified may, at the employee's option, enroll as a new employee or have the employee's coverage restored, with appropriate adjustments made in contributions and claims, to the same extent and effect as though the removal or suspension had not taken place.

"Sec. 2112. Evaluations; reports; audits.

"(a) The Mayor shall make periodic evaluations of the operation and administration of the health benefit plans provided under section 2105.

"(b) Each contract entered into under section 2104 shall require the carrier to:

"(1) Furnish reasonable reports as the Mayor determines necessary to enable the District to carry out its functions under this title; and

New, D.C.  
Code, sec.  
1-622.9  
(1988 su

New, D.C.  
Code,  
sec. 1-6  
(1988 su

New, D.C.  
Code, sec.  
1-622:11  
(1988 su

New, D.C.  
Code, sec.  
1-622.12  
(1988 sup

"(2) Permit the Mayor to examine records of the carriers as may be necessary to carry out the purposes of this title.

"Sec. 2113. Rules; eligibility.

"(a) In order to ensure proper implementation of the health benefit plans under section 2105 by October 1, 1987, the Mayor may issue temporary rules regarding the health benefit plans that shall not be subject to Council review. These temporary rules shall remain in effect only until the proposed rules have been approved or been deemed approved by the Council in accordance with subsection (b) of this section.

"(b) The Mayor shall, pursuant to title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Code, sec. 1-1501 et seq.), issue proposed rules to implement the provisions of this title. The proposed rules shall be submitted to the Council for a 45-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed rules, in whole or in part, by resolution within this 45-day review period, the proposed rules shall be deemed approved.

"(c) The proposed rules submitted pursuant to subsection (a) of this section shall prescribe the time, manner, and conditions under which employees and annuitants are eligible for coverage. The proposed rules may exclude employees on the basis of the nature and type of employment or conditions of employment such as short-term appointment, seasonal employment, intermittent or part-time employment, or employment of a similar nature, but shall not exclude an employee or group of employees solely on the basis of the hazardous nature of employment."

(e) Section 2201 (D.C. Code, sec. 1-623.1) is amended by inserting the phrase "first employed before October 1, 1987" after the phrase "all employees of the District government".

(f) New sections 2203 through 2214 are added to read as follows:

"Sec. 2203. District life insurance benefits.

"The District shall provide the group life insurance benefits set forth in section 2207 to all employees of the District first employed after September 30, 1987, except those specifically excluded by law or by rule.

"Sec. 2204. Definitions.

"For the purposes of sections 2205 through 2214, the term:

"(1) "Annuitant" means an employee first employed by the District after September 30, 1987, who has subsequently retired pursuant to title XXVI.

"(2) "Dependent child" includes:

New, D.C.  
Code, sec.  
1-622.11  
(1988 su

D.C. Cod  
sec. 1-6  
(1988 su

New, D.C.  
Code, sec.  
1-623.3  
(1988 su

New, D.C.  
Code, sec.  
1-623.4  
(1988 su

"(A) An adopted child; and  
"(B) A stepchild, foster child, or natural child of an employee or annuitant.

"(3) "Employee" means an individual first employed by the District after September 30, 1987.

"(4) "Member of family" means:

"(A) The spouse of an employee or annuitant;  
"(B) An unmarried dependent child under 22 years of age;

"(C) An unmarried dependent child under 25 years of age who is a full-time student; and

"(D) An unmarried child regardless of age who is incapable of self-support because of mental or physical disability that existed before age 22.

"Sec. 2205. Contracting authority.

"(a) The Mayor may purchase from 1 or more life insurance companies a policy or policies of group life insurance to provide the benefits set forth in section 2207 from a life insurance company licensed to provide life and accidental death and dismemberment insurance under the laws of the District. Any contract under this section shall be in accordance with the District of Columbia Procurement Practices Act, effective February 21, 1986 (D.C. Law 6-85; D.C. Code, sec. 1-1181.1 et seq.).

"(b) The Mayor may discontinue at any time a policy purchased from a company under subsection (a) of this section.

"Sec. 2206. Automatic coverage; description of benefits.

"(a) Except as provided in subsection (b) of this section, an employee is automatically insured on the date the employee becomes eligible for insurance. Each policy purchased by the Mayor under section 2205 shall provide for this automatic coverage.

"(b) An employee who does not wish to be insured shall give written notice to the employee's employing office or such other office designated by the Mayor on a form prescribed by the Mayor. If notice is received before the employee becomes insured, then the employee shall not be insured. If notice is received after the employee has become insured, the insurance will end at the end of the pay period in which the notice was received.

"(c) The Mayor shall make available to each insured employee or annuitant a written statement or summary of:

"(1) The benefits to which the employee, annuitant, or member of the family of the employee or annuitant are entitled;

"(2) The procedures for obtaining benefits; and

"(3) The principal provisions of the policy in effect.

New, D.C.  
Code, sec  
1-623.5  
(1988 su

New, D.C.  
Code, sec  
1-623.6  
(1988 su



"Sec. 2207. Group insurance; amounts.

"(a) The group life insurance amounts purchased by the District under section 2205 shall be no less than the insurance amounts provided under the Federal Employees Group Life Insurance ("F.E.G.L.I.") plan pursuant to An Act to enact title 5, United States Code, "Government Organization and Employees", codifying the general and permanent laws relating to the organization of the Government of the United States and to its civilian officers and employees, approved September 6, 1966 (80 Stat. 593; 5 U.S.C. 8702), in effect as of the effective date of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 Employee Benefits Amendment Act of 1987.

"(b) Employees shall be offered the option of purchasing additional coverage for themselves, and for their spouses and dependent children, and the cost of the additional coverage shall be borne solely by the employees purchasing that coverage.

"Sec. 2208. Death claims; order of precedence.

"(a) The amount of group life insurance in force for an employee or annuitant at the date of the employee or annuitant death shall be paid, on the establishment of a valid claim, to the person or persons surviving at the date of the death of the employee or annuitant, in the following order of precedence:

"(1) To the beneficiary or beneficiaries designated by the employee or annuitant in a signed and witnessed writing executed and filed before death.

"(2) If there is no designated beneficiary, to the widow or widower of the employee or annuitant.

"(3) If none of the above, to the child or children of the employee or annuitant and decendants of a deceased child or children by representation.

"(4) If none of the above, to the parents or parent of the employee or annuitant.

"(5) If none of the above, to the duly appointed personal representative of the estate of the employee or annuitant.

"(6) If none of the above, to the other next of kin of the employee or annuitant under the laws of the domicile of the employee or annuitant at the date of death.

"(b) If no claim has been filed by any of the persons set forth in subsection (a) of this section within 4 years of the date of death of an employee or annuitant, then the funds shall be deposited into the General Fund of the District of Columbia to be kept for safekeeping and disbursed in accordance with the Uniform Disposition of Unclaimed Property Act of 1980, effective March 5, 1981 (D.C. Law 3-160; D.C. Code, sec. 42-201 et seq.).

"Sec. 2209. Termination of insurance.

New, D.  
Code, §  
1-623.7  
(1988 st

New, D.  
Code, §  
1-623.8  
(1988 st

New, D.C.  
Code, se  
1-623.9  
(1988 st

"(a) A policy purchased under section 2205 shall contain a provision, approved by the Mayor, providing that insurance on an employee ends 1 month after separation from the District or after discontinuance of pay, with provision for temporary extension of life insurance coverage and for conversion to an individual policy of life insurance under conditions approved by the Mayor.

"(b) An employee in a group life insurance plan under section 2205 who is removed or suspended without pay and later reinstated or restored to duty on the grounds that the removal or suspension was unwarranted or unjustified may, at the employee's option, enroll as a new employee or have the employee's coverage restored, with appropriate adjustments made in contributions and claims, to the same extent and effect as though the removal or suspension had not taken place.

"Sec. 2210. Employee deductions; withholdings; payments.

"(a) During each pay period in which the employee or annuitant is insured under a policy of insurance purchased by the District under section 2204, an amount determined by the Mayor shall be withheld from the compensation of the employee or the annuity of the annuitant as his or her share of the cost of the group life insurance benefits purchased under section 2205. The amount withheld from an employee or annuitant paid on other than a biweekly basis shall be determined at a proportional rate adjusted to the nearest cent.

"(b) During each pay period in which an employee receiving disability compensation benefits pursuant to title XXIII is insured under a policy of group life insurance purchased by the District under section 2205, an amount determined by the Mayor shall be withheld from the disability compensation benefits of the individual as his or her share of the cost of the group insurance.

"(c) There shall be paid by each annuitant who received his or her benefits as a lump sum payment an amount equal to the cost of the life insurance plan less the amount of the District contribution to the life insurance plan for the annuitant.

"Sec. 2211. District contributions.

"For each pay period in which an employee or annuitant is insured under a policy of insurance purchased under section 2205, a sum computed at a rate determined by the Mayor shall be contributed from the appropriation or fund that is used to pay the employee or annuitant to the carrier of the plan that the employee or annuitant has selected. This sum shall not exceed one-half the amount that is withheld from the compensation of the employee or annuitant under section 2210 for basic life insurance coverage.

New, D.C.  
Code, se  
1-623.10  
(1988 su

New, D.C.  
Code, se  
1-623.11  
(1988 su

"Sec. 2212. Annual accounting; reports.

"(a) Each policy purchased by the District under section 2205 shall provide for an accounting by the company from which the insurance was purchased to the Mayor not later than 90 days after the end of each policy year. The accounting shall set forth, in form approved by the Mayor:

"(1) The amounts of premiums actually accrued under the policy from its date of issue to the end of the policy year;

"(2) The total of all mortality and other claim charges incurred for that period; and

"(3) The amounts of the company's expenses and risk charges incurred for that period.

"(b) Each contract entered into under section 2205 shall require the company to:

"(1) Furnish reasonable reports as the Mayor determines to be necessary to enable the District to carry out its functions under this title; and

"(2) Permit the Mayor to examine records of the company as may be necessary to carry out the purposes of this title.

"Sec. 2213. Special contingency reserve.

(a) An excess of the total of section 2212(a)(1) over the sum of sections 2212(a)(2) and (a)(3) shall be held by the company issuing the policy as a special contingency reserve to be used by the company only for charges under the policy purchased under section 2205.

"(b) The special contingency reserve shall bear interest at a rate determined in advance of each policy period by the company from which the insurance was purchased under section 2205 and approved by the Mayor as being consistent with the rates generally used by the company from which the insurance was purchased under section 2205 for similar funds held under other group life insurance policies.

"(c) When the Mayor determines that the amount of the special contingency reserve is sufficient to provide for adverse fluctuations in future charges under the policy, any funds in excess of that amount may be used to increase benefits, to reduce premiums, or both, or may be deposited in the General Fund of the District.

(d) When a policy purchased under section 2205 is discontinued, any balance remaining in the special contingency reserve after all charges have been paid shall be deposited in the General Fund of the District.

"Sec. 2214. Rules; eligibility.

"(a) In order to ensure proper implementation of the group life insurance under section 2205 by October 1, 1987, the Mayor may issue temporary rules regarding the group life insurance that shall not be subject to Council review.

New, D.C.  
Code, sec  
1-623.14  
(1988 su

New, D.C.  
Code, sec  
1-623.13  
(1988 su

New, D.C.  
Code, sec  
1-623.14  
(1988 sup

These temporary rules shall remain in effect only until the proposed rules have been approved or been deemed approved by the Council in accordance with subsection (b) of this section.

"(b) The Mayor shall, pursuant to title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Code, sec. 1-1501 et seq.), issue proposed rules to implement the provisions of this title. The proposed rules shall be submitted to the Council for a 45-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed rules, in whole or in part, by resolution within this 45-day review period, the proposed rules shall be deemed approved.

"(c) The proposed rules shall prescribe the time, manner, and conditions under which employees are eligible for coverage. The proposed rules may exclude employees on the basis of the nature and type of employment or conditions of employment such as short-term appointment, seasonal employment, intermittent or part-time employment, and employment of a similar nature, but shall not exclude an employee or group of employees solely on the basis of the hazardous nature of employment."

(f) Section 2602 (D.C. Code, sec. 1-627.2) is amended by striking the period after "all employees" and inserting the phrase, "except that the Civil Service Retirement system pursuant to 5 U.S.C. 8331 shall not be applicable to employees first employed after September 30, 1987".

D.C. Code  
sec. 1-6  
(1988 su

(g) New sections 2603 through 2612 are added to read as follows:

"Section 2603. District retirement benefits.

"The District shall provide retirement benefits to all employees first employed after September 30, 1987, who would otherwise have been covered under the Civil Service Retirement System pursuant to 5 U.S.C. 8331 except those specifically excluded by law or by rule.

New, D.C.  
Code, sec  
1-627.3  
(1988 su

"Sec. 2604. Definitions.

"For the purpose of sections 2605 through 2612, the term:

New, D.C.  
Code, sec  
1-627.4  
(1988 su

"(1) "Creditable service" means the period of employment to be recognized for purposes of eligibility for retirement benefits, which shall be set forth for in rules promulgated by the Mayor pursuant to section 2607.

"(2) "Detention officer" means an employee who is not covered by the Police and Fire Retirement System, whose duties are primarily the investigation, apprehension, or detention of individuals suspected or convicted of offenses against, or violation of, the laws of the United States or the District and whose duties may require frequent contact, supervision, inspection, training, employment, care,

transportation, or rehabilitation of individuals in detention. The term "detention officer" includes:

"(A) Employees engaged in the activities listed above who are transferred to a supervisory or administrative position;

"(B) Employees of the District of Columbia Department of Corrections, its industries and utilities who are engaged in the activities listed above;

"(C) Employees of the Department of Human Services who are engaged in the activities listed above; and

"(D) Members of the Board of Parole, parole officers, and probation officers who are engaged in the activities listed above.

"(3) "Employee" means an individual first employed by the government of the District after September 30, 1987, who would have been covered by the Civil Service Retirement System pursuant to 5 U.S.C. 8331 had the employee been first employed prior to October 1, 1987.

"(4) "Internal Revenue Code" means the Internal Revenue Code of 1986.

"Sec. 2605. District retirement benefits program.

"The retirement benefits program of the District shall consist of:

"(1) A defined benefit plan, as provided in An Act to provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, blind persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment compensation laws, to establish a Social Security Board; to raise revenue; and for other purposes, approved August 14, 1935 (49 Stat. 624; 4 U.S.C. 301 et seq.) ("Social Security Act")

"(2) An employee deferred compensation plan pursuant to section 457 of the Internal Revenue Code governed by the Deferred Compensation Act of 1984, effective September 26, 1984 (D.C. Law 5-118; D.C. Code, sec. 47-3601 et seq.); and

"(3) A defined contribution plan pursuant to section 401(a) of the Internal Revenue Code.

"Sec. 2606. Contracting authority.

"The Mayor may select 1 or more contractors to provide services as may be part of the defined contribution plan under section 2605(3). Any contract under section 2605(2) and (3) shall be in accordance with the provisions of the District of Columbia Procurement Practices Act, effective February 21, 1986 (D.C. Law 6-85; D.C. Code, sec. 1-1181.1 et seq.).

"Sec. 2607. Eligibility.

New, D.C.  
Code, sec.  
1-627.5  
(1988 su

New, D.C.  
Code, sec.  
1-627.6  
(1988 su

New, D.C.  
Code, sec.  
1-627.7  
(1988 su

"(a) An employee is eligible to participate in the deferred compensation plan under section 2605(2) upon commencement of employment with the District.

"(b) An employee is eligible to participate in the defined contribution plan under section 2605(3) upon the completion of 1 year of employment with the District.

"Sec. 2608. Rules; eligibility.

"(a) In order to ensure proper implementation of the District retirement program under section 2605 by October 1, 1987, the Mayor may issue temporary rules regarding the District retirement program that shall not be subject to Council review. These temporary rules shall remain in effect only until the proposed rules have been approved or been deemed approved by the Council in accordance with subsection (b) of this section.

"(b) The Mayor shall, pursuant to title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Code, sec. 1-1501 et seq.), issue proposed rules to implement the provisions of this title. The proposed rules shall be submitted to the Council for a 45-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed rules, in whole or in part, by resolution within this 45-day review period, the proposed rules shall be deemed approved.

"(c) The proposed rules shall prescribe the time, manner, and conditions under which employees are eligible for coverage. The proposed rules may exclude employees on the basis of the nature and type of employment or conditions of employment such as short-term appointment, seasonal employment, intermittent or part-time employment, and employment of a similar nature, but shall not exclude an employee or group of employees solely on the basis of hazardous nature of employment.

"Sec. 2609. Contributions.

"(a) The District and each employee shall contribute to the defined benefit plan under section 2605(1) the social security amounts mandated by federal law.

"(b) Each employee may voluntarily contribute to the deferred compensation plan under section 2605(2) in amounts not exceeding the limits set by section 457 of the Internal Revenue Code.

"(c) The District shall contribute an amount equal to not less than 7% of the base salary of each employee participating in the defined contribution plan under section 2605(3). The District contribution shall be made not less frequently than quarterly and shall be placed in the Section 401(a) Trust established by section 2611.

"(d) In addition to the contribution under subsection (c) of this section, the District shall contribute no less

New, D.C.  
Code, sec.  
1-627.8  
(1988 su

New, D.C.  
Code, sec.  
1-627.9  
(1988 su

than an additional .5% of a detention officer's base salary each pay period to the Section 401(a) Trust established by section 2611.

"Sec. 2610. Vesting.

"(a) The employee's contribution to the deferred compensation plan under section 2605(2) and the earnings on those contributions shall vest immediately.

"(b) The District's contributions to the defined contribution plan under section 2605(3) and the earnings on the District's contributions shall vest when an employee completes 5 years of creditable service with the District, dies, or becomes entitled to disability benefits under the Social Security Act.

"(c) The employee's interest in the benefits in the defined contribution plan shall be forfeited upon separation from employment if separation occurs prior to completion of 5 years of creditable service. An employee in a defined contribution plan under section 2605(3) who is removed or suspended without pay and later reinstated or restored to duty on the grounds that the removal or suspension was unwarranted or unjustified shall be entitled to resume immediately participation in the defined contribution plan, with appropriate increases made in the Section 401(a) Trust to reflect the District contributions that would have been made had the employee not been removed or suspended. An employee who is otherwise separated from employment and is later reinstated to employment with the District within 1 year of separation shall be entitled to immediately resume participation in the defined contribution plan.

"Sec. 2611. Establishment and administration of Section 401(a) Trust.

"(a) There shall be established an irrevocable trust called the Section 401(a) Trust, that shall be managed so as to be exempt from income tax under section 501(a) of the Internal Revenue Code. The funds contributed by the District under the defined contribution plan of section 2605(3) shall be placed in the Section 401(a) Trust. The assets of the Section 401(a) Trust shall be administered by the Mayor.

"(b) The cost of any contract for provisions of services as may be part of the defined contribution plan under 2605(3) shall be paid solely from the assets of the Section 401(a) Trust or from a fund or funds established to administer the defined contribution plan.

"Sec. 2612. Payment of benefits.

"The payment of benefits under the retirement programs under sections 2605(2) and (3) shall be in accordance with the applicable provisions of sections 401(a) and 457 of the Internal Revenue Code."

New, D.C.  
Code, sec  
1-627.11  
(1988 su

New, D.C.  
Code, sec  
1-627.11  
(1988 su

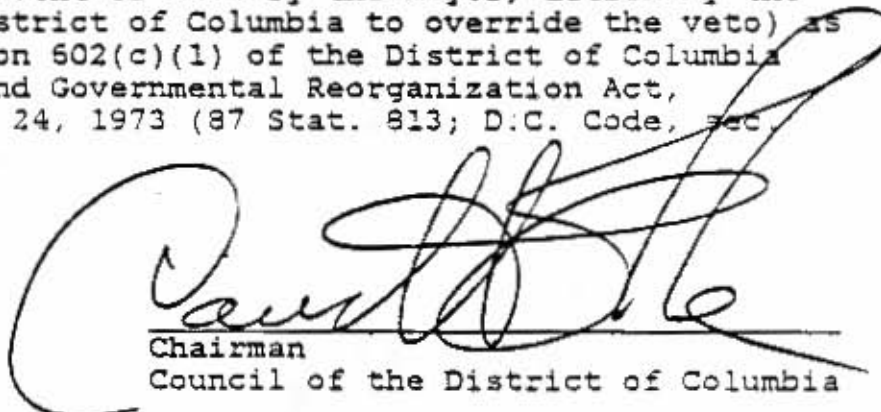
New, D.C.  
Code, sec  
1-627.12  
(1988 su

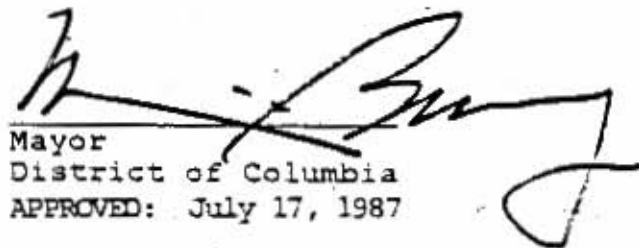
(h) Section 1717(1) (D.C. Code, sec. 1-618.17(1)) is amended to read as follows:

D.C. Code  
sec. 1-  
(1988 st

"Notwithstanding any provisions of titles XXI, XXII, or XXVI to the contrary, the health, life, and retirement programs authorized by these titles are proper subjects of collective bargaining under this section."

Sec. 3. This act shall take effect after a 30-day period of Congressional review following approval by the Mayor (or in the event of veto by the Mayor, action by the Council of the District of Columbia to override the veto) as provided in section 502(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; D.C. Code, sec. 1-233(c)(1)). -

  
Chairman  
Council of the District of Columbia

  
Mayor  
District of Columbia  
APPROVED: July 17, 1987





**COUNCIL OF THE DISTRICT OF COLUMBIA**  
Council Period Seven

**RECORD OF OFFICIAL COUNCIL VOTE**

DOCKET NO: 37-228

Item on Consent Calendar

ACTION & DATE: Adopted First Reading, 6-16-87

VOICE VOTE: Unanimous

Recorded vote on request

Absent: Crawford

ROLL CALL VOTE: — RESULT \_\_\_\_\_

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE					NATHANSON					THOMAS SR.				
CRAWFORD					RAY					WILSON				
JARVIS					ROLARK					WINTER				
KANE					SCHWARTZ									
MASON					SMITH, JR.									

X — Indicates Vote      A.B. — Absent      N.V. — Present, not voting

CERTIFICATION RECORD

Russell A. Smith  
Secretary to the Council

6 July 1987  
Date

Item on Consent Calendar

ACTION & DATE: Adopted Final Reading, 6-30-87

VOICE VOTE: Unanimous

Recorded vote on request

Absent: all present

ROLL CALL VOTE: — RESULT \_\_\_\_\_

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE					NATHANSON					THOMAS, SR.				
CRAWFORD					RAY					WILSON				
JARVIS					ROLARK					WINTER				
KANE					SCHWARTZ									
MASON					SMITH, JR.									

X — Indicates Vote      A.B. — Absent      N.V. — Present, not voting

CERTIFICATION RECORD

Russell A. Smith  
Secretary to the Council

6 July 1987  
Date

Item on Consent Calendar

ACTION & DATE: \_\_\_\_\_

VOICE VOTE: \_\_\_\_\_

Recorded vote on request

Absent: \_\_\_\_\_

ROLL CALL VOTE: — RESULT \_\_\_\_\_

COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.
CHMN. CLARKE					NATHANSON					THOMAS, SR.				
CRAWFORD					RAY					WILSON				
JARVIS					ROLARK					WINTER				
KANE					SCHWARTZ									
MASON					SMITH, JR.									

X — Indicates Vote      A.B. — Absent      N.V. — Present, not voting

CERTIFICATION RECORD

Secretary to the Council