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D.C. POLICE AND FIREMEN'S SALARY ACT AMENDMENTS

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HEARING

BEFORE THE

COMMITTEE ON THE DISTRICT OF COLUMBIA UNITED STATES SENATE

NINETY-SECOND CONGRESS

SECOND SESSION

ON

PROPOSED LEGISLATION SUBMITTED BY THE GOVERNMENT
OF THE DISTRICT OF COLUMBIA "TO AMEND THE DISTRICT
OF COLUMBIA POLICE AND FIREMEN'S SALARY ACT OF 1958
TO INCREASE SALARIES, AND FOR OTHER PURPOSES"

JUNE 22, 1972

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Committee on the District of Columbia



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D.C. POLICE AND FIREMEN'S SALARY ACT AMENDMENTS

THURSDAY, JUNE 22, 1972

U.S. SENATE,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
Washington, D.C.

The committee met at 9:30 a.m., pursuant to notice, in room 6226, New Senate Office Building, Senator Thomas F. Eagleton (chairman) presiding.

Present: Senators Eagleton and Mathias.

Also present: Gene E. Godley, general counsel; Robert B. Washington, counsel; and Sidney H. Hurlburt, minority staff director.

The CHAIRMAN. Good morning, ladies and gentlemen.

The Senate District of Columbia Committee is now in session.

Today's hearing concerns the need to increase the salaries of police and firemen in the District of Columbia.

Although we do not yet have a bill referred to the committee which has passed the House, it is my understanding that such a bill is presently scheduled for House floor action next Monday, June 26.

It is in anticipation of House action that the Senate District Committee has decided to proceed with hearings, using as a basis the District of Columbia government's proposed "District of Columbia Police and Firemen's Salary Act Amendments of 1972."

Our first witness today is Mayor Washington, who was also the first witness at the last hearing on police and firemen salaries in August 1969, over which I also presided.

Before going to Mayor Washington, I will yield to my colleague, Senator Mathias.

Senator MATHIAS. Mr. Chairman, very briefly, those of us who work or live in the District of Columbia are privileged to enjoy the protection of one of the finest police departments and one of the finest fire departments in the Nation.

Under the leadership of Chief Jerry Wilson, the Metropolitan Police have stemmed the tide of violent crime in the District and are making significant efforts toward the elimination of the root causes of crime.

The fire department, under Chief Joseph H. Mattare, has demonstrated its ability to handle a steadily growing volume of work, with full professional competence.

Speaking for my State, I can say we are proud that so many residents of Maryland are making an important contribution to the safety of the Nation's Capital through their work in the police or fire departments or related agencies.

Since the effective date of the last pay adjustment for police and firemen in the District of Columbia, a number of developments have occurred which make it mandatory that this committee and the Congress give prompt attention to new legislation in this area.

The last increase took place in 1970, but was retroactive to July 1, 1969, and was based on the District's competitive pay position for 1969.

The Bureau of Labor Statistics advises me that between August 1969 and May of this year, the cost of living in Metropolitan Washington rose 11.8 percent.

Over this same 3-year period, salaries of District and Federal classified employees have been increased an average 17.4 percent, and the District's blue-collar employees have received increases averaging 19.2 percent.

Competitively, salaries for starting police and firemen in the six major suburban jurisdictions in nearby Maryland and Virginia have risen to the point that they surpass those offered beginning police and firemen in the District.

In addition, I am reliably informed that Washington places 16th and 19th when ranked with 24 other American cities of 500,000 population or more on entrance salaries offered police and fire privates.

The worker family budget for Washington issued last fall showed that a family of four required a budget of \$11,252 in 1970 to maintain an intermediate standard of living. Yet, District fire and police privates were being paid \$8,500 to start and \$10,965 at the maximum.

Inflation since then has further eroded the economic position of these men we rely on to maintain public safety in the Capital.

Mr. Chairman, I am pleased to join you in welcoming the witnesses who appear today to discuss this question, and I look forward to giving my full cooperation to the prompt reporting of legislation to effectively overcome the pay gap which has developed for these vital public servants.

The CHAIRMAN. Thank you very much, Senator Mathias.

We welcome you, Mayor Washington, to the committee, and for the benefit of our reporter, will you please identify those who are with you.

STATEMENT OF WALTER E. WASHINGTON, MAYOR-COMMISSIONER OF THE DISTRICT OF COLUMBIA, ACCOMPANIED BY KENNETH BACK, DIRECTOR, DEPARTMENT OF FINANCE AND REVENUE; JOHN A. NEVIUS, CHAIRMAN, CITY COUNCIL; JERRY V. WILSON, CHIEF OF POLICE; JOSEPH H. MATTARE, FIRE CHIEF; AND DONALD WEINBERG, CHIEF, PAY SYSTEMS AND LABOR RELATIONS

Mayor WASHINGTON. Thank you very much, Mr. Chairman.

On my far left is the fire chief, Chief Mattare; next to me on my left is our police chief, Chief Jerry Wilson.

On my right is Mr. Donald Weinberg, Chief, Pay Systems and Labor Relations; and Ken Back, Director of the Department of Finance and Revenue.

The CHAIRMAN. Mr. Nevius has just joined us.

Mayor WASHINGTON. He was here a little earlier, Mr. Chairman, but he had to leave, and I see he has now joined us again.

I think, Mr. Chairman, that you should note that if ever a mayor had a top team, he has one here this morning, in whatever league you wish to play.

We have a rather formidable group of supporters of this legislation in the audience also, Mr. Chairman.

I wish to start, Mr. Chairman, if I may, by complimenting and actually commending you and Senator Mathias and the committee for holding this hearing.

As you have pointed out yourself, you do not have a bill officially before you, but this move on your part I think once again demonstrates your great confidence in these two Departments and in the city government, in the sense that you too realize the time frame that we are working in. If things had moved as we had hoped, we would have been in a position to move this legislation in a very timely and expeditious way.

I think the record should show that we are most appreciative of this action on your part, because it does, as I indicate, show your great concern for this problem.

I want all of our people to understand that. This morning we appreciate the opportunity to appear, and with your permission, I would like to have inserted in the record the letter of May 11, 1972, with its supporting material, transmitting our proposed pay legislation for the policemen and firemen.

The information contained in this letter provides the detail and analysis relating to the proposed legislation.

The CHAIRMAN. The letter and supporting material will be made a part of the record.

Mayor WASHINGTON. Thank you.

(The letter and supporting material follows:)



THE DISTRICT OF COLUMBIA
WASHINGTON, D.C. 20004

May 11, 1972

The President
United States Senate
Washington, D. C.

Dear Mr. President:

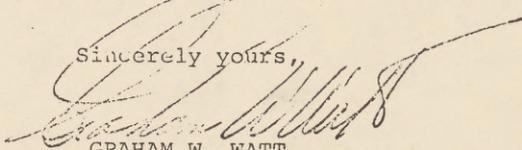
The Commissioner of the District of Columbia has the honor to submit a draft bill "To amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes", which may be cited as the "District of Columbia Police and Firemen's Salary Act Amendments of 1972".

The proposed bill would increase the salaries of police and firemen in the District of Columbia, make certain changes in their retirement benefits, and increase certain District of Columbia sales taxes to provide most of the revenue needed for these purposes.

For the reasons stated in the attached "Statement of Purpose and Justification", the Commissioner of the District of Columbia urges early and favorable consideration of this draft bill by the Congress. He believes action on this legislation is imperative in order to provide adequate compensation for policemen and firemen in the District of Columbia. Moreover, the bill would authorize a sufficient increase in local tax revenues to insure that the proposal is financially sound.

On May 8, 1972, the Federal Pay Board, pursuant to the Economic Stabilization Act of 1970, indicated it had no objection to the submission of the attached proposed legislation.

Sincerely yours,


GRAHAM W. WATT
Assistant to the Commissioner

For: WALTER E. WASHINGTON
Commissioner

Attachments

STATEMENT OF PURPOSE AND JUSTIFICATION
OF THE DISTRICT OF COLUMBIA POLICE AND
FIREMEN'S SALARY ACT AMENDMENTS OF 1972.

I. Basis for Recommendation.

The reasons for recommending the proposed legislation are several and if there is one overriding feature of this request it is the recognition of the "new professionalism" required of the policeman and fireman today. If the decade of the '60's can be termed the decade of education, the '70's can be considered as the era of public safety.

The last increase for District of Columbia policemen and firemen took place June 30, 1970, retroactive to July 1, 1969. The increase contained in Public Law 91-297, although retroactive, was based on the District's competitive pay position in 1969. The need for a salary adjustment for District policemen and firemen is reaching a critical point and the following facts and circumstances constitute the basis for this concern:

1. Between the periods of August, 1969 and February, 1972 the cost-of-living for Washington, D.C., has risen by 10.6 percent thereby substantially reducing the real earnings of District policemen and firemen.
2. Salaries for District and Federal classified employees have been increased an average 17.4 percent as a result of increases granted in January, 1970, June, 1971, and January, 1972. It should also be noted that the District's 8,000 "blue collar" employees have received increases averaging 19.2 percent between the period November, 1969 and November, 1971.
3. Competitively District police and fire privates rank in last place for both

minimum and maximum salaries paid in comparison with the six local jurisdictions in the Washington Metropolitan Area and in sixteenth and nineteenth place, respectively, in comparison with 24 other cities over 500,000 population for entrance salaries offered police and fire privates.

4. The Bureau of Labor Statistics reports that the average annual rate of increase in cities over 100,000 for policemen and firemen for the last five years ending in 1970-71 was 7.6 percent while for District policemen and firemen the average during this same period was 6.6 percent.

5. The Worker Family Budget issued in the Fall of 1971, although not as accurate as the Consumer Price Index, showed that a family of four (husband, age 38, a wife not employed, and two children ages 8 and 13) required a budget of \$11,252 in 1970 to maintain an intermediate standard of living.

The seriousness of the poor competitive position locally as well as in the national labor market requires the submission of this legislation to the Congress.

II. Restatement of the District's Salary Policy.

The effectiveness of any sound salary administration policy is its ability to recruit its share of qualified individuals in the labor market, retain highly competent employees who are giving quality performance, and provide a salary which gives employees relative economic security.

It will become quite evident, based on the five economic factors heretofore stated, that application of the District's salary policy under current conditions falls far short of its objectives.

The following principles have been used as guides:

1. Rates of pay for policemen and firemen must be in a favorable competitive position with the rates of pay of major cities having over 500,000 population, especially with those cities in the eastern half of the United States. In the past this area has constituted the primary labor market for recruitment of District of Columbia policemen and firemen. In addition, Washington, D.C., by reason of its national and international prominence and the need for a reputation for excellence, should rank at least in the top quarter of the other major cities in salaries paid policemen and firemen.

2. Rates of pay for policemen and firemen should be in reasonable alignment with rates of pay for classified employees of the Federal and District Governments not only on the basis of comparable duties and responsibilities, but also with due consideration of the hazards inherent in large urban police and fire activities and the special problems of large cities.

3. Rates of pay for District policemen and firemen should be higher than the rates of pay for policemen and firemen in other parts of the Washington Metropolitan Area. This is essential if the District Government is to successfully compete with the surrounding jurisdictions who use the difficulties of the city as a basis to entice police and fire candidates to the suburban areas.

At the present time the District Government is unable to comply with any one of these three principles with respect to pay for its policemen and firemen.

III. Legislative Recommendations.

In addition to providing salary adjustments, the proposed legislation also provides other key proposals which will aid both the Police and Fire Departments in keeping pace with the fast moving economic trends in the public safety field.

1. Title I of the bill would accomplish the following:

a. Establish a two phase salary increase which would adjust salaries approximately 11 percent on the first day of the first pay period which begins on or after date of enactment and an additional 6 percent increase which begins on the first day of the first pay period on or after July 1, 1972. New starting salaries for police and fire privates at salary class 1 would be \$9,500 and \$10,000 respectively.

b. Remove the longevity steps currently found in the schedule and establish longevity differentials based on continuous service at 15, 20, 25, and 30 years applicable to active members and those retiring after December 31, 1971, on a prospective basis.

c. Provide additional compensation of \$635 per annum in the first phase and \$680 per annum in the second phase for members who perform duties as helicopter pilots.

d. Increase the additional compensation for technicians \$595 per annum to \$635 per annum in the first phase and to \$680 per annum in the second phase.

e. Maintain the \$500 per annum differential for detective sergeant until the rank is finally phased out.

f. Authorize the Chief of Police to provide a clothing allowance not to exceed \$300 in any one year to an officer or member assigned in plain-clothes.

g. Establish educational incentive

pay for uniformed members who successfully complete educational course work leading to a degree in police or fire science or administration. The additional compensation would be paid at the rate of 2 percent of step 1 of salary class 1 for each block of 15 credits earned not to exceed 16 percent.

h. Correct the existing overtime limitation to provide that overtime earned in a pay period cannot exceed step 1 of the salary class of the Chief of Police or Fire Chief rather than step 1 of salary class 10 as is currently provided. This provision was not changed when the chiefs were changed from salary class 10 to salary class 11 in the Police and Firemen's Salary Act Amendments of 1970.

2. Title II of the bill would amend the Policemen and Firemen's Retirement and Disability Act to allow the crediting of unused sick leave at time of optional retirement to the same extent as such unused sick leave is credited to District and Federal classified employees and District teachers and school officers.

3. Title III of the bill relates to revenue sources necessary for funding the proposed legislation.

IV. Factors Establishing the Need for a Salary Increase for District Policemen and Firemen.

1. Impact of Classified Pay Raises on Police and Fire Salary Levels.

The District Government has never used the parity concepts to establish salary levels for its various employee groups as is done in other major cities such as New York or Philadelphia. The District has followed the precept that each pay group must stand alone and justify its own pay

levels based on the principles set forth in part II of this statement.

If parity with the classified system had been the sole determinant, a salary increase of 17.4 percent would have been supportable for policemen and firemen effective January 1, 1972. However, the fact that some of the factors which influence Federal classified pay also influence salary levels for District policemen and firemen cannot be overlooked.

In 1970 the District Personnel Office at the request of the Chairman of the Senate District Committee surveyed over 30 benchmark or key uniformed police jobs ranging from police private in salary class 1 to Chief of Police in salary class 11. These positions were described and evaluated, and a GS rating assigned. Chart No. 1 attached hereto indicates the disparity between current GS levels and salaries presently paid to police personnel whose duties and responsibilities equate to the GS grade levels shown.

If the District is to comply with that part of its salary policy which holds that police and fire salary levels should be in reasonable alignment with classified employees, the proposed salary adjustment averaging 11 percent and 6 percent respectively would achieve that goal and maintain reasonable alignment through fiscal year 1973.

2. Competitive Salary Position With Major Cities Over 500,000 Population and Local Jurisdictions.

Although the extent of recruiting

new police officers has slackened somewhat due to the Department's ability to substantially fill its expanded 5,100 man force, the ability of other law enforcement agencies to proselyte experienced police personnel is disturbing and reflects part of the 16 percent annual turnover of uniformed police personnel in the District.

To further expand on this point, exit interviews of policemen leaving the Department since May, 1970 through November, 1971 were analyzed. It was found that of 400 individuals leaving approximately 100 left to accept jobs with other law enforcement agencies and approximately 75 left to further their education. An interesting sidelight to this analysis disclosed that most of the individuals leaving to accept jobs in other law enforcement agencies had served in the Metropolitan Police Department for more than one year. Those officers leaving to further their education were generally in their probationary period.

Attached are Charts No. 2A and No. 2B, which clearly demonstrate the unfavorable competitive position of District policemen and firemen by showing the District's minimum and maximum salaries paid police and fire privates in relation to other major cities and the other municipalities in the Washington Metropolitan Area.

It is important to be competitive with cities in the eastern half of the United States. However, the District ranks below Chicago, Cleveland, Cincinnati, New York, Philadelphia, and Pittsburgh in minimum salaries paid and below the median (13th place) when compared to the 24 cities over 500,000 population. Several of these cities have been fruitful recruiting areas for policemen in the past. Locally the District is vulnerable in its ability to compete, as shown by the attached Chart No. 4. Every local jurisdiction which is contiguous to Washington pays higher entrance salaries to their police

and fire privates than does the District. Currently the District Government is almost out of the labor market in its ability to employ highly qualified police candidates.

The two-stage adjustments proposed are basically "catch-up" increases and reflect the loss of economic status of policemen and firemen because of inflation since 1969. If salary levels for policemen and firemen had been tied to an escalator or cost-of-living provision which would have automatically increased salary levels as the consumer price index advanced, the salary levels would have increased by the 11 percent requested in the first phase. The six percent requested in the second phase will offset the pay disparity which resulted from the January, 1972 pay increases to classified employees and the loss of competitive position as a result of increases given policemen and firemen locally and nationally. Many jurisdictions are contemplating pay increases of 5.5 percent in early 1972. These increases will meet wage stabilization guides.

The attached Chart No. 3 indicates that since 1969 all of the 23 cities of over 500,000 population and all of the local jurisdictions have increased salary levels for police. The most significant aspect of the chart reveals that most jurisdictions increased salaries several times between 1969 and 1971. Police salaries have been increased an average of 3 times since 1969 in the surrounding jurisdictions, thereby placing the District in a position of continuously falling behind.

With the July 1969 increase the District ranked in first place, locally, for minimum police salaries offered. The District is now in last place. As performance demands on our policemen and firemen have increased, their economic status has diminished and this condition is now causing a hardship.

V. The Need for a Career Oriented Salary Plan.

In these salary comparisons a major factor which must be considered is the number of years it takes to reach the maximum. In nearly all major cities surveyed (twenty-two of twenty-four) the time to reach the maximum salary for policemen took 5 years or less as compared to the

District's seven years. This is also generally true for firemen. Since other jurisdictions advance their uniformed personnel to the higher salary more rapidly, the cumulative income for these employees tends to be greater than for District policemen and firemen.

Comparisons of only minimum and maximum salaries can be misleading, but there must be the expectation of monetary growth which will allow a policeman or fireman to plan a reasonable standard of living for his family and himself. In order to professionalize public safety and make it a meaningful career, a policeman or fireman cannot look only at the short salary range which moves him to the maximum quickly but then leaves him with a bleak monetary outlook at a period of time when financial needs increase with family growth.

The Bureau of Labor Statistics recently reported that men who were employed on their primary job as teachers or as protective service workers (policemen, firemen and guards) had the highest multiple job holding rates. In addition, the International Association of Chiefs of Police noted in their report on the District of Columbia Metropolitan Police Department that "a policeman's salary should provide an adequate living standard without resorting to outside employment, either by himself or his wife".

1. Total Service Credit Proposal.

In order to make public safety an attractive career the District is proposing in the attached bill the elimination of all longevity steps and the establishment of credit for total service at fifteen years and beyond. After fifteen years of service each policeman and fireman would receive 5 percent additional compensation; after twenty years 10 percent; after twenty-five years 15 percent; after thirty years 20 percent; such percentage to be computed on service step one of the salary class occupied.

As proposed, the total service credit concept would apply only to active members and those who retire after December 31, 1971 and before the date of enactment of this title. In computing annuities, the additional compensation earned for total service longevity would be fixed at the time of the member's retirement. This does not affect the "equalization" provision for retired members, who would continue to receive increases in their annuities proportionate to the increases in the service step of the salary class to which they are assigned for annuity computation purposes.

Long service credit can only be acquired by an active member. It is unreasonable to credit longevity after an individual retires and it is on this principle that earned service during the active period becomes fixed upon retirement. Longevity earned under the present system has been credited monetarily and the currently retired member continues to maintain this difference. The reason for making the exception for those retiring after December 31, 1971 and before date of enactment is to alleviate a potential problem which might result from a reluctance to retire because of this pending legislation, on the part of those eligible for retirement. Promotional opportunities, especially in the Fire Department, have been seriously curtailed because vacancies normally occurring as a result of retirements do not exist. Therefore, members eligible for promotion will lose such eligibility and their promotional opportunities may be delayed for up to three years.

Records disclose that a total of 815 active members of the Police and Fire Departments will be eligible for the long service credit.

2. Educational Incentive Pay.

On July 23, 1965, President Johnson established, through Executive Order No. 11236, the Commission on Law Enforcement and Administration of Justice. The general report of the Commission -- "The Challenge of Crime in a Free Society" -- published in 1967, embodied all the major findings that the Commission drew from its examination of what the Chairman referred to as every facet of crime and law enforcement in America. In its report the Commission recognized the need for attracting recruits who had the potential to deal with the complex pressures of today's society.

The Commission recommended:

"The ultimate aim of all police departments should be that all personnel with general enforcement powers have baccalaureate degrees.

"Beyond question it will take many years for a reform this sweeping to be fully implemented. It never will be implemented if a strong movement toward it does not begin at once. It should be possible, for example, for every department to insist immediately that all recruits, except community service officers, have both a high school diploma and a demonstrated ability, measured by appropriate tests, to do college work. Those departments that put into effect the division of police functions that the Commission has proposed should immediately require . . .

candidates to have completed 2 years of college. As the supply of qualified police candidates increases, the standards can be raised step by step until the goal of a baccalaureate degree for all policemen is reached. No doubt many police administrators will, at first glance, consider this recommendation of the Commission so radical as to be unattainable. Let them consider the fact that the median education level for all policemen in the United States is 12.4 years, which indicates that many policemen already have done some college work. It is this trend that the Commission believes should be sharply accelerated.

"Clearly, if college degrees for police officers are a long-range objective, they must be a short-range objective for police supervisors and administrators, and an immediate objective for chiefs."

This recommendation was reinforced by the study of the District of Columbia Metropolitan Police Department conducted by the International Association of Chiefs of Police in 1966 and the recommendation was subsequently incorporated in a legislative proposal.

The District Government, the D. C. Policemen's Association, and Local No. 36 of the Fire Fighters Association support the establishment of educational incentive pay. As proposed, additional compensation would be payable at the rate of 2 percent of step 1 of salary class 1 for each 15 acceptable credit hours of educational course work leading to a degree in police or fire science or administration but not to exceed 16 percent.

The International City Management Association in its May 1970 report on Police Educational Incentive Pay Plan reported --

"In the past three years a trend has developed of compensating police officers for additional training and educational achievement. In 1968, the International Association of Chiefs of Police conducted a nationwide survey of cities to determine how prevalent the practice was. The returns on a state-by-state basis were published in the August 1969 issue of The Police Chief. These were the findings of this survey of 783 cities:

33 cities grant specific pay increases for college work.

20 cities provide higher starting salaries for college completion.

14 cities require continuing college work as a basis of receiving incentive increases.

68 cities give credit for college work on promotional exams.

278 cities pay the cost of tuition. Of this number, 30 percent pay the full costs of tuition while the rest provide reimbursement generally averaging from 50 to 90 percent.

448 cities arrange working hours to avoid conflict with school work."

Four of the six local jurisdictions, Montgomery County, Arlington, Falls Church, and Alexandria, provide educational incentive pay similar to that proposed in the draft legislation.

It is believed that the benefits to the city will ultimately justify the additional cost. As indicated in the discussion on police turnover, those who left the

department to further their education were young men in their first year with the department. The incentive to earn more while both working and learning should substantially reduce the turnover of highly qualified recruits during the probationary period.

In addition the police and fire departments will be building the administrative and technical capability needed to enhance the professional and career aspects of public safety.

VI. Other Proposed Amendments.

Following are brief explanations of other proposed amendments:

1. Special Rate for Helicopter Pilots.

Because of the need for pilots and the proficiency and unique job requirements necessary for the police helicopter patrol, the District proposes additional compensation of \$635 per annum in the first phase and \$680 per annum in the second phase as long as the officer remains proficient and is assigned flying duties.

2. Increase in Technicians Rate.

In addition to increases in scheduled rates of basic compensation, technicians would receive additional compensation of \$635 per annum in the first phase and \$680 per annum in the second phase, if the District's proposal is enacted.

3. Continuation of the Differential for Detective Sergeant.

In 1968 Congress, at the request of the District, provided for the elimination of the rank of detective sergeant through attrition. At the present time there are approximately sixty-one detective sergeants. The District is requesting in the draft legislation that

the \$500 differential continue until those in the position are promoted out or leave the police service.

4. Authorization for the Chief of Police to Provide a Clothing Allowance.

The proposed legislation establishes a clothing allowance, not to exceed \$300 in any one year, to be provided as authorized by the Chief of Police to any officer or member of the Police Department assigned in plain-clothes. Identical authority is vested in the Commanding Officers of the Executive Protective Service and the U. S. Park Police force under the draft legislation.

5. Change in Overtime Pay Limitation.

When the original limitation on the overtime earnings of policemen and firemen was established, it was the intent of Congress to limit total compensation to the salary made by the Police and Fire Chiefs. At that time, these positions were assigned to salary class 10 in the pay schedule. Thus, the overtime limitation provided that the salary paid to policemen and firemen could not exceed step 1, salary class 10. The Police and Firemen's Salary Act Amendments of 1970 placed the Police and Fire Chiefs in salary class 11 and placed Assistant Chiefs in salary class 10, thereby reducing the maximum level of earnings for policemen and firemen. To correct this inadvertent reduction in the overtime pay limitation and to prevent possible future error, the proposed legislation changes the present provision which limits policemen and firemen's compensation to step 1, class 10 so that the limitation will read "step 1 in the salary class applicable to the Fire Chief and Chief of Police".

VII. Cost Analysis and Financing.

The following analysis details the estimated cost

aspects of the proposed increases for the first phase increase and the second phase increase.

	Full Fiscal Year Costs	
	First Phase	Second Phase
Pay Increase	\$ 7,888,000	\$ 4,023,000
Longevity Provision	970,000	60,000
Education Incentive	1,020,000	900,000
Overtime, terminal leave and holiday pay	510,000	240,000
Helicopter Pay	24,000	1,500
Plainclothes Allowance	120,000	7,000
Retirement Equalization	<u>2,650,000</u>	<u>1,350,000</u>
Total	\$13,182,000	\$ 6,581,500

As the above chart indicates, the total full year cost of the proposed legislation would be \$19,763,500. In order to provide sufficient financing for these additional costs, it is proposed, in Title III of the bill, to increase the District of Columbia sales and use tax rates as follows: from 4% to 5% in the general sales tax rate; from 5% to 6% in the rate on room rentals, alcoholic beverages, and restaurant meals; and from 2% to 5% on laundry, cleaning, and nonprescription drugs.

The total income to be derived from these increases in the sales tax rates, on an annual basis, is estimated at \$17,200,000. The unfunded portion of the costs of the police and firemen salary increases -- \$2,563,500 -- will be absorbed by the respective departments in their operating budget.

VIII. Title II - Revisions in Police and Fire Retirement Benefits.

Title II of the proposed legislation makes certain revisions in the benefits provided under the Policemen and Firemen's Retirement and Disability Act. Primarily, it credits the days of unused sick leave in computing the annuity of an officer or member of the Metropolitan Police force, the Fire Department, the U. S. Park Police force, the Executive Protective Service, or the U. S. Secret Service who retires under the optional retirement provisions of the Act. In addition, title II

entitles parents and siblings who received more than one-half their support from a member who dies in the performance of duty to the \$50,000 lump sum payment provided in such cases, when there is no surviving spouse or child eligible for a survivor annuity under the Act. There is also a technical amendment in title II which deletes a word that was inadvertently included in the Act's original definition of the term "student-child".

1. Credit for Unused Sick Leave.

As provided in title II, the police or fire service of an officer or member retiring optionally shall include the days of unused sick leave credited to him at the time of retirement for annuity computation purposes. Such days of unused sick leave will not be counted in determining eligibility for an optional retirement annuity; nor will a deposit be required for any such days an officer or member earned during creditable government service performed prior to his appointment. The crediting of unused sick leave in computing retirement annuities is a benefit provided under both the Civil Service Retirement Act and the D. C. Teachers' Retirement Act. Extending this benefit to policemen and firemen is expected to encourage more conservative use of sick leave and greater utilization of optional retirement (rather than disability retirement) by those with long service in their departments. The sick leave credit provision is proposed to be effective on the first day of the pay period following date of enactment and will not apply to persons retired prior to that date.

The following table, prepared by the Office of Debt Analysis, U.S. Treasury Department, shows the projected estimated cost of this provision:

Projected Cost of Sick Leave Credit Provision
Assuming 40 Optional Retirement Cases Per Year *

Fiscal Year	: Extra : Months of : Credit :	: Extra : Credit : Percentage : (2) x 3% ÷ 12 :	: Increase in : Total Annu- : ity Rate : (3) x \$11.1 : x 40 ÷ 59% :	: Current : Year's : Retire- : ments : (4) x 1/2 :	: Total Fiscal : Year Cost : Assuming Ef- : fective Date : of 4/1/72 :
(1)	(2)	(3)	(4)	(5)	(6)
(Dollar amounts are in thousands)					
1972	5	1.25%	\$ 9.4	*	\$.3
1973	5 1/2	1.375	10.4	\$5.2	7.6
1974	6	1.5	11.3	5.6	18.4
1975	6 1/2	1.625	12.2	6.1	30.1
1976	7	1.75	13.2	6.6	42.8
1977	7 1/2	1.875	14.1	7.1	56.5
1978	8	2.0	15.0	7.5	71.1
1979	8 1/2	2.125	16.0	8.0	86.6
1980	9	2.25	16.9	8.5	103.1
Ultimate	9	2.25	16.9	8.5	449.6

* Assuming average length of service at time of retirement is 23 years and average annual annuity is \$11,100. If the effective date is April 1, 1972, only 10 cases would be involved for an average of 1 1/2 months - 1972 cost = \$9.4 x 1/4 x 1/8 = \$0.3.

2. Change in Lump Sum Payment Entitlement.

Under existing law, only the spouse and any children eligible for a survivor annuity are entitled to the \$50,000 lump sum payment in the case of an officer or member who dies in the performance of duty, if they were dependent upon him for more than one-half their support. The proposed legislation entitles parents and siblings who received more than one-half their support from the officer or member to the lump sum payment, if there is no one surviving who is entitled to a survivor annuity. Thus, in the event of death in the performance of duty, each dependent parent and sibling of a single officer or member would be entitled to share the \$50,000

lump sum payment. However, in any case involving an officer or member who is survived by a dependent spouse or child eligible for a survivor annuity, such dependent survivor takes precedence, and any dependent parent or sibling would not be entitled to share the lump sum payment. This provision is proposed to be effective retroactive to November 1, 1970, the date the \$50,000 lump sum payment benefit went into effect.

According to the Treasury Department's Office of Debt Analysis, the cost of the proposed change in lump sum payment entitlement would average an estimated \$5,000 per year. This is based on the assumption that one line-of-duty death will occur each year in which there is no eligible surviving spouse or child, and in 10 percent of such cases there would be a surviving dependent parent or a dependent sibling.

IX. Conclusion.

In the last few years District policemen and firemen have been subjected to taxing and severe mental, emotional, and physical pressures. Public safety responsibilities in the urban setting are predictably difficult and complex. However, when there is added to the usual situations the May Day demonstrations and the massive outpourings from both the left and the right, it is hard to overstate the degree of excellence with which District policemen and firemen have carried out their duties. "Police work" no longer can be considered only as a contest between the policeman and the criminal. All of the aspects of crime today, including juvenile delinquency, racial antagonisms, drugs, complex laws, and other social disorders require the best in our public safety officers.

The proposed legislation is intended to meet the challenge of a continuing professionalization of public safety in the District of Columbia. Equally important, it re-establishes economic security lost through inflation and provides several incentives toward reducing turnover and making public safety a complete career. The prime requirement in order to keep pace is to have the ability to focus on today's problems with the best talent possible rather than try to solve today's problems with yesterday's techniques. Enactment of the proposed bill by the Congress will be a major step in accomplishing this objective.

SUMMARY OF PROVISIONS OF THE PROPOSED
DISTRICT OF COLUMBIA POLICE AND
FIREMEN'S SALARY ACT AMENDMENTS OF
1972.

TITLE I - SALARY INCREASES FOR DISTRICT OF
COLUMBIA POLICEMEN AND FIREMEN.

Section 101 amends the District of Columbia Police and Firemen's Salary Act of 1958 (D.C. Code, sec. 4-823) by providing for a first-phase salary increase, effective the first pay period after enactment, averaging approximately 11%, and a second-phase increase, effective in July, 1972, averaging approximately 6%. The current longevity steps are either removed from the proposed salary schedules or replaced by service steps to accommodate the new total service longevity rate provision proposed in section 110 of this title.

Section 102 provides for the application of the proposed salary schedules to active officers and members, indicating the new service steps corresponding to their present service or longevity steps.

Section 103 provides compensation, in addition to basic compensation, for any officer or member of the Metropolitan Police force, Executive Protective Service or United States Park Police force who is assigned to perform the duty of a helicopter pilot. The additional compensation amounts to \$635 per year in the first phase and \$680 per year in the second phase. This section also amends present law by deleting reference to subclasses (b) and (c) of class 1. Privates who are technicians would have their salaries adjusted upwardly pursuant to sections 101 and 102 of this title and would receive additional compensation as proposed in section 106 of this title.

Section 104 provides that the aide to the Fire Marshal shall be included as a fire inspector in class 2 of the salary schedule. This provision corresponds to D. C. Code, section 4-826a, and replaces D. C. Code, section 4-826 which becomes obsolete in view of the previous deletion of subclass (c) of class 1.

Section 105 repeals D. C. Code, section 4-826a since this is now covered in section 104 of this title as stated above.

Section 106 amends section 302 of the District of Columbia Police and Firemen's Salary Act of 1958 (D.C. Code, sec. 4-828) to provide that each officer or member in salary class 1, 2 or 4, whose position now or hereafter is determined to be a technician, shall receive, in addition to his scheduled rate of basic compensation, an additional \$635 per annum in the first phase and \$680 per annum in the second phase.

Section 106 also provides that a Detective Sergeant now in subclass (b) of class 4 shall receive \$500 per annum in addition to his scheduled rate of basic compensation.

Section 107 accommodates the present waiting periods for step advancement within salary classes to the new salary schedules proposed in this title.

Section 108 provides that when an officer or member achieves a higher salary class he shall receive an increase in his scheduled rate of basic compensation at least equal to the increase he would have received if he had been advanced to the next higher step in his previous salary class. This is consistent with present law. The amendment made by this section removes reference to longevity steps and subclasses. It further provides that when an officer or member receiving additional compensation as provided in section 106 of this title, and who achieves a higher salary class, shall receive an increase in his scheduled rate of basic compensation at least equal to the sum of the increase he would have received if he had been advanced to the next higher step in his previous salary class plus the amount of his additional compensation.

Section 109 makes only technical corrections.

Section 110 provides for compensation in recognition of long and faithful service, in addition to the rate of basic compensation, to be known as a total

service longevity rate. At the completion of fifteen years of service each officer and member in active service would receive 5 percent additional compensation; after twenty years 10 percent; after twenty-five years 15 percent; and after thirty years 20 percent; such percentage to be computed on service step one of the salary class occupied. This provision also applies to those who retire after December 31, 1971 and before the effective date of Title I.

Section 111 makes only technical corrections.

Section 112 provides for authorization of a clothing allowance not to exceed \$300 in any one year to an officer or member assigned in plainclothes.

Section 113 provides for the authorization of the establishment of eligibility requirements for additional annual compensation for successful completion of educational course work leading to a degree in police or fire science or administration. For each 15 acceptable credit hours of course work, such additional compensation is to be payable at the rate of 2 percent of the salary for service step 1 of salary class 1, in the salary schedule in effect at the time of payment. The educational compensation may not exceed 16 percent of such salary.

Section 114 would restore the original limitation on the overtime earnings of policemen and firemen. The limitation was inadvertently reduced as a result of the enactment of the Police and Firemen's Salary Act Amendments of 1970.

Section 115 provides for certain increases in retirement annuities of individuals retired prior to the effective date of the first-phase salary schedule to reflect the new service step rates from which their annuities are computed under equalization.

Section 116 repeals certain earlier legislation which is obsolete or inconsistent with this title.

Section 117 sets forth the effective date of this title.

Section 118 states that the title may be cited as the "District of Columbia Police and Firemen's Salary Act Amendments of 1972".

TITLE II - REVISIONS IN THE RETIREMENT
BENEFITS FOR POLICEMEN AND
FIREMEN.

Section 201(a)(1) deletes an unnecessary word that was inadvertently included in the definition of the term "student-child" in the Police and Firemen's Retirement and Disability Act Amendments of 1970.

Section 201(a)(2) amends the provision of the Retirement Act that refers to the crediting of prior government service for retirement purposes. The amendment provides that a member will not be required to make deposit for days of unused sick leave included in the computation of his optional retirement annuity.

Section 201(a)(3) provides that the police or fire service of a member retiring optionally shall include the days of unused sick leave credited to him for annuity computation purposes. It further provides that (a) the days of unused sick leave will not be counted in determining eligibility for an optional retirement annuity and (b) the sick leave credit provisions will not apply to persons retired prior to the effective date of this amendment.

Section 201(a)(4) provides relief for certain dependents of members who die as the result of a personal injury sustained in the performance of duty even though the member is not married. Under existing law, only the spouse and any children eligible for a survivor annuity are entitled to the \$50,000 lump sum payment in the case of a member who dies in the performance of duty, if they were dependent upon him for more than one-half their support. The proposed amendment will, if there is no one surviving who is eligible for a survivor annuity, entitle parents and siblings who received more than one-half their support from the member to the lump sum payment.

Section 201(b)(1) establishes the retroactive effective date of November 1, 1970, for the amendments made by paragraphs (1) and (4) of subsection (a).

Section 201(b)(2) sets the first day of the first pay period after enactment of this title as the effective date for the amendments made by paragraphs (2) and (3) of subsection (a).

Section 202 amends the Act relating to the Metropolitan Police force band to eliminate the obsolete limitation therein which restricted the application of the retirement provisions of the Act to the individual who served as the band director on September 22, 1959.

TITLE III - AMENDMENTS TO THE DISTRICT
OF COLUMBIA SALES AND USE
TAX ACTS.

Sections 301, 302, and 303 amend the District of Columbia Sales Tax Act (D.C. Code, sec. 47-2602), to provide for an increase in the sales tax from 5% to 6% on accommodations furnished to transients, on the sale of alcoholic beverages, and on the sale of food in restaurants, and to 5% on other retail sales except sales of groceries which are currently taxed at 2%.

Sections 304 and 305 would make technical changes consistent with the above-mentioned increase in the tax accommodations furnished to transients.

Sections 306, 307, and 308 amend the District of Columbia Use Tax Act (D.C. Code, sec. 47-2702) to provide for increases in taxes on certain services and uses corresponding to the subject matter dealt with in sections 301, 302, and 303 of this title.

A BILL

To amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes.

1 BE IT ENACTED BY THE SENATE AND HOUSE OF
2 REPRESENTATIVES OF THE UNITED STATES OF AMERICA
3 IN CONGRESS ASSEMBLED,

4 TITLE I - SALARY INCREASES FOR DIS-
5 TRICT OF COLUMBIA POLICEMEN
6 AND FIREMEN

7 Sec. 101. Section 101 of the District of
8 Columbia Police and Firemen's Salary Act of 1958
9 (D.C. Code, sec. 4-823) is amended to read as
10 follows:

11 "Sec. 101. (a) Effective on the first day
12 of the first pay period beginning on or after the
13 date of enactment of this title, the annual rate
14 of basic compensation of the officers and members
15 of the Metropolitan Police force and the Fire De-
16 partment of the District of Columbia shall be fixed
17 in accordance with the following schedule of rates:

POLICE AND FIRE SALARY SCHEDULE I

"Salary Class and Title	Step 1	Step 2	Step 3	Service Steps			Step 8	Step 9	
				Step 4	Step 5	Step 6			Step 7
<u>Class 1</u> Fire Private Police Private	9,500	9,785	10,260	10,735	11,495	12,255	12,730	13,205	13,680
<u>Class 2</u> Fire Inspector	10,900	11,520	12,140	12,760	13,380	14,000	14,620		
<u>Class 3</u> Detective Assistant Pilot Assistant Marine Engineer	11,875	12,470	13,065	13,660	14,255	14,850	15,445		
<u>Class 4</u> Fire Sergeant Police Sergeant Detective Sergeant	12,890	13,520	14,150	14,780	15,410	16,040			
<u>Class 5</u> Fire Lieutenant Police Lieutenant	14,915	15,660	16,405	17,150	17,895				
<u>Class 6</u> Marine Engineer Pilot	16,230	17,040	17,850	18,660					
<u>Class 7</u> Fire Captain Police Captain	17,550	18,425	19,300	20,175					
<u>Class 8</u> Battalion Fire Chief Police Inspector	20,535	21,560	22,585	23,610					
<u>Class 9</u> Deputy Fire Chief Deputy Chief of Police	24,060	25,705	27,350	28,995					

1 "(b) Effective on the first day of the first
2 pay period beginning on or after July 1, 1972, such
3 salary schedule is amended to read as follows:

POLICE AND FIRE SALARY SCHEDULE 11

<u>Salary Class and Title</u>	<u>Service Steps</u>								
	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>	<u>Step 8</u>	<u>Step 9</u>
<u>Class 1</u> Fire Private Police Private	10,000	10,300	10,800	11,300	12,100	12,900	13,400	13,900	14,400
<u>Class 2</u> Fire Inspector	11,400	12,100	12,800	13,500	14,200	14,900	15,600		
<u>Class 3</u> Detective Assistant Pilot Assistant Marine Engineer	12,500	13,125	13,750	14,375	15,000	15,625	16,250		
<u>Class 4</u> Fire Sergeant Police Sergeant Detective Sergeant	13,580	14,260	14,940	15,620	16,300	16,980			
<u>Class 5</u> Fire Lieutenant Police Lieutenant	15,700	16,485	17,270	18,055	18,840				
<u>Class 6</u> Marine Engineer Pilot	17,150	18,005	18,860	19,715					
<u>Class 7</u> Fire Captain Police Captain	18,600	19,530	20,460	21,390					
<u>Class 8</u> Battalion Fire Chief Police Inspector	21,560	22,640	23,720	24,800					

POLICE AND FIRE SALARY SCHEDULE II (Cont'd):

Salary Class and Title	Service Steps								
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9
Class 9 Deputy Fire Chief Deputy Chief of Police	25,300	27,015	28,730	30,445					
Class 10 Assistant Chief of Police Assistant Fire Chief C.O.Exec.Prot. Service C.O.U.S. Park Police	30,000	32,000	34,000						
Class 11 Fire Chief Chief of Police."	34,700	36,800*							

* The salary for employees at this rate is limited to the rate for Level V of the Executive Schedule...

1 Sec. 102. (a) Subsection (a) of section 201
2 of the District of Columbia Police and Firemen's Sala-
3 ry Act of 1958 (D.C. Code, sec. 4-824(a)) is amended
4 to read as follows:

5 "(a) The rates of basic compensation of officers
6 and members in service on the effective date of the
7 salary schedule in section 101(a) of this Act shall
8 be adjusted as follows:

9 "(1) Each officer or member receiving basic compen-
10 sation immediately prior to such effective date at one
11 of the scheduled service rates of subclass (a) or
12 (b) of salary class 1 in the salary schedule in effect
13 on the day next preceding such effective date shall be
14 placed in and receive basic compensation in salary class 1
15 in the salary schedule in effect on and after such date,
16 and each shall be placed at the respective service step
17 in which he was serving immediately prior to such date.
18 Each officer or member receiving basic compensation imme-
19 diately prior to such date at one of the scheduled lon-
20 gevity rates of subclass (a) or (b) of salary class 1
21 in the salary schedule in effect on the day next preceding

1 such effective date shall be placed in and receive
 2 basic compensation in salary class 1 in the salary
 3 schedule in effect on and after such date, and each
 4 shall be placed in a service step as follows:

5	From --	To --
6	Class 1, subclass (a) or (b):	Class 1:
7	Longevity step A	Service step 7.
8	Longevity step B	Service step 8.
9	Longevity step C	Service step 9.

10 "(2) Each officer or member receiving basic
 11 compensation immediately prior to such effective date
 12 at one of the scheduled service rates of subclass (a)
 13 or (b) of salary class 2 in the salary schedule in effect
 14 on the day next preceding such effective date shall be
 15 placed in and receive basic compensation in salary class 2
 16 in the salary schedule in effect on and after such date,
 17 and each shall be placed at the respective service step
 18 in which he was serving immediately prior to such date.
 19 Each officer or member receiving basic compensation imme-
 20 diately prior to such date at one of the scheduled lon-
 21 gevity rates of subclass (a) or (b) of salary class 2 in
 22 the salary schedule in effect on the day next preceding

1 such effective date shall be placed in and receive
 2 basic compensation in salary class 2 in the salary
 3 schedule in effect on and after such date, and each
 4 shall be placed in a service step as follows:

5	From --	To --
6	Class 2, subclass (a) or (b):	Class 2:
7	Longevity step A	Service step 5.
8	Longevity step B	Service step 6.
9	Longevity step C	Service step 7.

10 "(3) Each officer or member receiving basic
 11 compensation immediately prior to such effective date
 12 at one of the scheduled service rates of salary class 3,
 13 5, 6, 7, 8, or 9 in the salary schedule in effect on
 14 the day next preceding such effective date shall receive
 15 a rate of basic compensation at the corresponding scheduled
 16 service step and salary class in the salary schedule in
 17 effect on and after such date. Each officer or member
 18 receiving basic compensation immediately prior to such
 19 date at one of the scheduled longevity rates of salary
 20 class 3, 5, 6, 7, 8, or 9 in the salary schedule in effect
 21 on the day next preceding such effective date shall receive

1 basic compensation at the corresponding salary class
 2 in the salary schedule in effect on and after such
 3 date, and each shall be placed in a service step as
 4 follows:

5	From --	To --
6	Class 3:	Class 3:
7	Longevity step A	Service step 5.
8	Longevity step B	Service step 6.
9	Longevity step C	Service step 7.
10	From --	To --
11	Class 5:	Class 5:
12	Longevity steps A and B	Service step 5.
13	From --	To --
14	Class 6, 7, 8, or 9:	Class 6, 7, 8, or 9:
15	Longevity steps A and B	Service step 4.

16 "(4) Each officer or member receiving basic compen-
 17 sation immediately prior to such effective date at one
 18 of the scheduled service rates of subclass (a), (b), or
 19 (c) of salary class 4 in the salary schedule in effect
 20 on the day next preceding such effective date shall be
 21 placed in and receive basic compensation in salary class 4
 22 in the salary schedule in effect on or after such date, and

1 each shall be placed at the respective service step
 2 in which he was serving immediately prior to such date.
 3 Each officer or member receiving basic compensation
 4 immediately prior to such date at one of the scheduled
 5 longevity rates of subclass (a), (b), or (c) of salary
 6 class 4 in the salary schedule in effect on the day next
 7 preceding such effective date shall be placed in and
 8 receive basic compensation in salary class 4 in the
 9 salary schedule in effect on and after such date, and
 10 each shall be placed in a service step as follows:

11	From --	To --
12	Class 4, subclass (a), (b) or (c):	Class 4:
13	Longevity step A	Service step 5.
14	Longevity steps B and C	Service step 6.

15 "(5) Each officer or member receiving basic compen-
 16 sation immediately prior to such effective date at one
 17 of the scheduled service rates of salary class 10 or 11
 18 in the salary schedule in effect on the day next preceding
 19 such effective date shall receive a rate of basic compen-
 20 sation at the corresponding scheduled service step and
 21 salary class in the salary schedule in effect on and
 22 after such date, except that any such officer or member

1 who immediately prior to such date was serving in service
 2 step 4 of salary class 10 or in service step 3 of sala-
 3 ry class 11 shall be placed in and receive basic compen-
 4 sation in a service step as follows:

5	From --	To --
6	Class 10:	Class 10:
7	Service step 4	Service step 3.
8	From --	To --
9	Class 11:	Class 11:
10	Service step 3	Service step 2."

11 (b) Subsection (b) of section 201 of such Act
 12 (D.C. Code, sec. 4-824(b)) is amended to read as follows:

13 "(b) Each officer or member receiving basic
 14 compensation immediately prior to the effective date
 15 of the salary schedule in section 101(b) of this Act
 16 at one of the scheduled service rates of a salary class
 17 in the salary schedule in section 101(a) of this Act
 18 shall receive a rate of basic compensation at the corre-
 19 sponding scheduled service step in effect on and after
 20 such date."

21 Sec. 103. Section 202 of the District of Columbia
 22 Police and Firemen's Salary Act of 1958 (D.C. Code,
 23 section 4-825) is amended to read as follows:

1 "Sec. 202. Each officer or member of the Metro-
2 politan Police force, Executive Protective Service, and
3 United States Park Police force assigned to perform the
4 duty of a helicopter pilot on or after the effective
5 date of the salary schedule in section 101(a) of this
6 Act shall receive in addition to his scheduled rate of
7 basic compensation the amount of \$635 per annum, so long
8 as he remains in such assignment. Further, at such time
9 as scheduled rates of basic compensation in section
10 101(b) of this Act become effective, such additional
11 rate shall be increased to \$680 per annum."

12 Sec. 104. Section 203 of the District of Columbia
13 Police and Firemen's Salary Act of 1958 (D.C. Code,
14 sec. 4-826) is amended to read as follows:

15 "Sec. 203. The aide to the Fire Marshal shall
16 be included as a fire inspector in class 2."

17 Sec. 105. Section 204 of the District of Columbia
18 Police and Firemen's Salary Act of 1958 (D.C. Code,
19 sec. 4-826a), as added by the Act of October 24, 1962
20 is repealed.

21 Sec. 106. Section 302 of the District of Columbia
22 Police and Firemen's Salary Act of 1958 (D.C. Code,
23 sec. 4-828) is amended to read as follows:

1 "(a) The Commissioner of the District of Co-
2 lumbia, in the case of the Metropolitan Police force
3 and the Fire Department of the District of Columbia,
4 the Secretary of the Treasury, in the case of the
5 Executive Protective Service, and the Secretary of the
6 Interior, in the case of the United States Park Police
7 force, are hereby authorized to establish and determine,
8 from time to time, the positions in salary classes 1,
9 2 and 4 to be included as technicians.

10 "(b) Each officer or member who immediately prior
11 to the effective date of the salary schedule in section
12 101(a) of this Act was receiving a rate of pay in sub-
13 class (b) of class 1 or 2 or subclass (c) of class 4,
14 or was performing the duty of a dog handler in class 4,
15 or whose position is determined to be a technician under
16 (a) above shall receive on or after such date in addition
17 to his scheduled rate of basic compensation an additional
18 \$635 per annum. Further, at such time as the scheduled
19 rates of basic compensation in section 101(b) of this
20 Act become effective such additional rate shall be in-
21 creased to \$680 per annum.

22 "(c) Each officer or member who immediately prior
23 to the effective date of the salary schedule in section 101(a)

1 of this Act was assigned as a Detective Sergeant in
2 subclass (b) of class 4 shall receive on or after such
3 effective date in addition to his scheduled rate of basic
4 compensation an additional \$500 per annum, so long as he
5 remains in such assignment. Each officer or member who
6 is subsequently promoted to the rank of Detective Sergeant
7 from the eligible list in force on such effective date
8 shall receive in addition to his scheduled rate of basic
9 compensation an additional \$500 per annum, so long as he
10 remains in such assignment."

11 Sec. 107. Section 303 of the District of Columbia
12 Police and Firemen's Salary Act of 1958 (D.C. Code,
13 sec. 4-829) is amended to read as follows:

14 "Sec. 303. (a) Subsequent to the salary adjustment
15 provided in sections 101 and 102 of the District of
16 Columbia Police and Firemen's Salary Act Amendments of
17 1972, each officer and member, if he has a current per-
18 formance rating of 'satisfactory' or better, shall have
19 his service step adjusted in the following manner:

20 "(1) Each officer and member in service step 1, or
21 2, or 3 of salary class 1 shall be advanced in compensa-
22 tion successively to the next higher service step at the
23 beginning of the first pay period immediately subsequent
24 to the completion of fifty-two calendar weeks of active

1 service;

2 "(2) Each officer and member in service step 4,
3 or 5 of salary class 1 shall be advanced in compensation
4 successively to the next higher service step at the
5 beginning of the first pay period immediately subsequent
6 to the completion of one hundred and four calendar weeks
7 of active service;

8 "(3) Each officer and member in service step 6,
9 or 7, or 8 of salary class 1 shall be advanced in com-
10 pensation successively to the next higher service step
11 at the beginning of the first pay period immediately
12 subsequent to the completion of one hundred and fifty-
13 six calendar weeks of active service;

14 "(4) Each officer and member in salary class 2
15 through 11 who has not attained the maximum service
16 step rate of compensation for the rank or title in
17 which he is placed shall be advanced in compensation
18 successively to the next higher service step rate for
19 such rank or title at the beginning of the first pay
20 period immediately subsequent to the completion of one
21 hundred and four calendar weeks of active service, except
22 that in the case of an officer or member in service step
23 4, or 5, or 6 of salary class 2 or 3; service step 4 or
24 5 of salary class 4 and service step 4 of salary class 5

1 he shall be advanced successively to the next higher
2 service step at the beginning of the first pay period
3 immediately subsequent to the completion of one hundred
4 and fifty-six calendar weeks of active service;

5 " (b) As used in this title the term 'calendar week
6 of active service' includes all periods of leave with
7 pay, and periods of nonpay status which do not cumulative-
8 ly equal one basic workweek."

9 Sec. 108. Section 304 of the District of Columbia
10 Police and Firemen's Salary Act of 1958 (D.C. Code,
11 sec. 4-830) is amended to read as follows:

12 "Sec. 304. (a) Except as otherwise provided in
13 subsection (b) of this section, any officer or member
14 who is promoted or transferred to a higher salary class
15 shall receive basic compensation at the lowest scheduled
16 rate of such higher salary class which exceeds his exist-
17 ing scheduled rate of basic compensation by not less
18 than one step increase of the next higher step of the
19 salary class from which he is promoted or transferred.

20 " (b) Any officer or member receiving additional
21 compensation as provided in section 302 of this Act who
22 is promoted or transferred to a higher salary class shall
23 receive basic compensation at the lowest scheduled rate

1 of such higher class which exceeds his existing
2 scheduled rate of basic compensation by at least
3 the sum of one step increase of the next higher step
4 of the salary class from which he is promoted or trans-
5 ferred and the amount of such additional compensation."

6 Sec. 109. Section 305 of the District of Columbia
7 Police and Firemen's Salary Act of 1958 (D.C. Code,
8 sec. 4-831) is amended by (1) striking out "Commission-
9 ers" and inserting in lieu thereof "Commissioner",
10 and (2) striking out "or Subclass" immediately after
11 "Class".

12 Sec. 110. Section 401 of the Police and Firemen's
13 Salary Act of 1958 (D.C. Code, sec. 4-832) is amended
14 to read as follows:

15 "Sec. 401. (a) In recognition of long and faith-
16 ful service, each officer and member in the active
17 service on or after the effective date of the salary
18 schedule in section 101(a) of this Act shall receive
19 an amount in addition to the rate of basic compensation
20 prescribed in the salary schedule in section 101 of
21 this Act to be known as a total service longevity rate.
22 Such total service longevity rate, fixed at the nearest

1 dollar, shall be established as follows:

2 "(1) Each officer and member in the active
3 service shall receive 5 percent additional compen-
4 sation, computed on service step 1 of the class he
5 occupies, upon completion of at least fifteen but
6 less than twenty years of continuous service; 10
7 percent additional compensation, computed on service
8 step 1 of the class he occupies, upon completion of
9 at least twenty but less than twenty-five years of
10 continuous service; 15 percent additional compensation,
11 computed on service step 1 of the class he occupies,
12 upon completion of at least twenty-five but less than
13 thirty years of continuous service; 20 percent addi-
14 tional compensation, computed on service step 1 of
15 the class he occupies, upon completion of thirty years
16 of continuous service. For purposes of this paragraph,
17 continuous service as an officer or member includes
18 service in the Armed Forces of the United States but
19 excludes any period of time determined not to have been
20 satisfactory service.

1 "(2) Each officer and member shall accrue
2 total service longevity compensation as provided
3 in the first paragraph of this subsection so long
4 as he remains in the active service. Such compen-
5 sation shall be paid in the same manner as the basic
6 compensation to which such officer or member is en-
7 titled; shall be subject to deduction and withholding
8 for retirement and insurance; and shall be considered
9 as salary for the purpose of computing annuities pur-
10 suant to the provisions of the Policemen and Firemen's
11 Retirement and Disability Act and for the purpose of
12 computing insurance coverage under the provisions of
13 Chapter 87 of title 5, United States Code. At such
14 time as an officer or member for any reason retires
15 under the provisions of the Policemen and Firemen's
16 Retirement and Disability Act the total service lon-
17 gevity rate to which he was entitled at the time of
18 retirement shall remain fixed for purposes of computing
19 his retirement compensation and, at the time of his
20 death, the annuity of any survivors.

21 "(b) Notwithstanding any other provision of this
22 or any other law, individuals retired from active service

1 prior to the effective date of title I of the District
2 of Columbia Police and Firemen's Salary Act Amendments of
3 1972, and who are entitled to receive a pension relief
4 allowance or retirement compensation under the provisions
5 of the Policemen and Firemen's Retirement and Disability
6 Act, shall not be entitled to receive an increase in their
7 pension relief allowance or retirement compensation by
8 reason of the enactment of this section, except that each
9 individual whose retirement was effective from and after
10 December 31, 1971, but prior to such effective date shall,
11 on the first day of the first month following such effec-
12 tive date, be entitled to receive the increase in his pen-
13 sion relief allowance or retirement compensation to which
14 he would have been entitled by reason of the enactment of
15 this section had such retirement occurred on or after such
16 effective date."

17 Sec. 111. Section 501 of the District of Columbia
18 Police and Firemen's Salary Act of 1958 (D.C. Code, sec.
19 4-833) is amended by (1) adding "and the Executive Protec-
20 tive Service" immediately after "United States Park Police",
21 and (2) striking out "or Sub-Classes" at the end of such
22 section.

23 Sec. 112. The Act approved May 25, 1926 (D.C. Code,
24 sec. 4-131) is amended (1) by inserting "(a)" before the

1 first word and (2) by adding at the end thereof the
2 following new subsection:

3 "(b) The Chief of Police, Metropolitan Police
4 force, Commanding Officer, Executive Protective Service,
5 or Commanding Officer, United States Park Police force,
6 is authorized to provide a clothing allowance, not to
7 exceed \$300 in any one year, to an officer or member
8 assigned in plainclothes. Such clothing allowance is
9 not part of basic compensation and shall not be used for
10 the purpose of computing overtime, promotions, or retire-
11 ment benefits. Such individual allowance may be discontin-
12 ued at any time upon written notification by the author-
13 izing official."

14 Sec. 113. (a) The Commissioner of the District of
15 Columbia, in the case of the Metropolitan Police Depart-
16 ment and the Fire Department of the District of Columbia,
17 the Secretary of the Treasury, in the case of the Execu-
18 tive Protective Service, and the Secretary of the Interior,
19 in the case of the United States Park Police force, are
20 authorized to establish the eligibility requirements for
21 and pay to any officer or member who meets such eligibility
22 requirements, except officers and members in salary classes
23 10 and 11 in section 101 of this title, additional annual
24 compensation for having successfully completed educational

1 course work leading to a degree in police or fire science
2 or administration. Such additional compensation, fixed
3 at the nearest dollar, shall be payable at the rate
4 of 2 percent of the salary for service step 1 of salary
5 class 1 in the salary schedule in section 101 of this
6 title in effect at the time of payment for each 15
7 acceptable credit hours of educational course work,
8 except that the rate payable may not exceed 16 percent
9 of such salary.

10 (b) The additional compensation authorized by
11 this section shall be in addition to the basic compen-
12 sation to which such officer or member is entitled
13 and shall be paid in the same manner as such basic
14 compensation. Such additional compensation shall not
15 be subject to deduction or withholding for retirement
16 or insurance and shall not be considered as salary
17 for the purpose of computing annuities pursuant to
18 the provisions of the Policemen and Firemen's Retirement
19 and Disability Act, or for the purpose of computing
20 insurance coverage under the provisions of Chapter 87
21 of title 5, United States Code.

22 (c) Notwithstanding any other provision of this
23 or any other law, individuals retired from active service
24 prior to the effective date of this title and entitled

1 to receive a pension relief allowance or retirement
2 compensation under the provisions of the Policemen
3 and Firemen's Retirement and Disability Act shall not
4 be entitled to receive an increase in their pension
5 relief allowance or retirement compensation by reason
6 of the enactment of this section.

7 (d) The effective date of this section shall
8 be the first day of the first pay period which begins
9 more than sixty days after the date of enactment of
10 this title.

11 Sec. 114. Subsection (h) of the first section
12 of the Act approved August 15, 1950 (D.C. Code,
13 sec. 4-904(h)), is amended by deleting "class 10"
14 wherever it appears therein and inserting in lieu
15 thereof "the salary class applicable to the Fire Chief
16 and Chief of Police".

17 Sec. 115. Notwithstanding section 301, title III
18 of the District of Columbia Police and Firemen's Salary
19 Act of 1953 (D.C. Code, sec. 4-518), each individual
20 retired from active service prior to the effective date
21 of section 101(a) of this title and entitled to receive
22 a pension relief allowance or retirement compensation

1 under the provisions of the Policemen and Firemen's
2 Retirement and Disability Act whose pension relief
3 allowance or retirement compensation on the day next
4 preceding such effective date was an amount computed
5 upon the scheduled salary rate for longevity step C
6 of subclass (a), (b), or (c) of salary class 4, lon-
7 gevity step B of salary class 5, longevity steps A
8 and B of salary class 6, 7, 8, or 9, service step 4
9 of salary class 10, or service step 3 of salary class
10 11 in the salary schedule in section 101 of the Dis-
11 trict of Columbia Police and Firemen's Salary Act of
12 1958 shall be entitled to receive an increase in his
13 pension relief allowance or retirement compensation
14 in an amount at least equal to the ratio between the
15 scheduled salary rate for the highest service step of
16 the respective salary class in the salary schedule in
17 effect on and after such effective date and the scheduled
18 salary rate which corresponds thereto in the salary
19 schedule in effect on the day next preceding such ef-
20 fective date. For the purpose of this section, the
21 corresponding scheduled salary rates for service step 6
22 of salary class 4 and service step 5 of salary class 5

1 in the salary schedule in effect on and after such
2 effective date are the scheduled salary rates for
3 longevity step B of salary class 4 and longevity
4 step A of salary class 5, respectively, in the salary
5 schedule in effect on the day next preceding such ef-
6 fective date.

7 Sec. 116. (a) Section 2 of the Act of Septem-
8 ber 8, 1960, (74 Stat. 868; D.C. Code, sec. 4-823b)
9 is hereby repealed.

10 (b) Section 2 of the Act of October 24, 1962,
11 (76 Stat. 1240; D.C. Code, sec. 4-823c) is hereby
12 repealed.

13 (c) Section 102 of the Act of September 2, 1964,
14 (78 Stat. 881; D.C. Code, sec. 4-823d) is hereby re-
15 pealed.

16 (d) Section 102 of the District of Columbia Po-
17 licemen and Firemen's Salary Act Amendments of 1966,
18 approved November 13, 1966, (80 Stat. 1592; D.C. Code,
19 sec. 4-823d-1) is hereby repealed.

20 (e) Section 2 of the District of Columbia Police
21 and Firemen's Salary Act Amendments of 1968, approved

1 May 27, 1968, (82 Stat. 142; D.C. Code, sec. 4-823d-2)
2 is hereby repealed.

3 (f) Section 103 of the District of Columbia Po-
4 lice and Firemen's Salary Act Amendments of 1970, ap-
5 proved June 30, 1970 (84 Stat. 355; D.C. Code,
6 sec. 4-823d-3) is hereby repealed.

7 Sec. 117. Except as otherwise provided in sections
8 101 and 113, the effective date of this title and the
9 amendments made by this title shall be the first day
10 of the first pay period beginning on or after the date
11 of enactment of this title.

12 Sec. 118. This title may be cited as the "Dis-
13 trict of Columbia Police and Firemen's Salary Act
14 Amendments of 1972".

15 TITLE II - REVISIONS IN THE RETIREMENT
16 BENEFITS FOR POLICEMEN AND
17 FIREMEN

18 Sec. 201. (a) Section 12 of the Act of Septem-
19 ber 1, 1916 (39 Stat. 718), as amended (D.C. Code,
20 sec. 4-521 et seq.) is amended as follows:

1 (1) Subparagraph (5)(B) in subsection (a) of
2 such section (D.C. Code, sec. 4-521) is amended by
3 striking out "or" immediately after "residence".

4 (2) Paragraph (5) of subsection (c) of such
5 section (D.C. Code, sec. 4-523) is amended by adding
6 at the end thereof the following new sentence: "No
7 deposit shall be required for days of unused sick
8 leave credited under subsection (h) of this section."

9 (3) Subsection (h) of such section (D.C. Code,
10 sec. 4-528) is amended by adding at the end thereof
11 the following new paragraph:

12 "(4) In computing an annuity under this sub-
13 section, the police or fire service of a member who
14 has not retired prior to the effective date of this
15 paragraph shall include, without regard to the limi-
16 tation imposed by paragraph (3) of this subsection,
17 the days of unused sick leave credited to him. Days
18 of unused sick leave shall not be counted in determining
19 a member's eligibility for an annuity under this sub-
20 section."

1 (4) The first paragraph of subsection (k) of
2 such section (D.C. Code, sec. 4-521) is amended to
3 read as follows:

4 "(k) (1) In the event that any member dies in
5 the performance of duty, and such death is determined
6 by the Commissioner to have been the sole and direct
7 result of a personal injury sustained while performing
8 such duty, leaving a survivor, or if there be none
9 a parent or a sibling, who received more than one-half
10 his support from the member, such person shall be en-
11 titled to receive a lump sum payment of \$50,000:
12 Provided, That if such death is caused by the willful
13 misconduct of the member or by the member's intention
14 to bring about the death of himself, or if intoxication
15 of the injured member is the proximate cause of such
16 death, no such lump sum payment shall be made: And
17 provided further, that if such member leaves more
18 than one survivor, or if there be none, more than one parent
19 or sibling, who received more than one-half his support
20 from the member, each such person shall be entitled to
21 receive an equal share of such lump sum payment."

1 in lieu thereof "5 per centum".

2 Sec. 302. Section 125(1) of the District of
3 Columbia Sales Tax Act (D.C. Code, sec. 47-2602(1))
4 is amended to read as follows:

5 "(1) the rate of tax shall be 2 per centum
6 of the gross receipts from sales of food for
7 human consumption off the premises where such
8 food is sold;"

9 Sec. 303. Section 125(2) of the District of
10 Columbia Sales Tax Act (D.C. Code, sec. 47-2602(2))
11 is amended by striking out "5 per centum" and in-
12 serting in lieu thereof "6 per centum".

13 Sec. 304. Section 125(3) of the District of
14 Columbia Sales Tax Act (D.C. Code, sec. 47-2602(3))
15 is amended by striking out "5 per centum" and in-
16 serting in lieu thereof "6 per centum".

17 Sec. 305. Paragraph (a) of section 127 of the
18 District of Columbia Sales Tax Act (D.C. Code,
19 sec. 47-2604(a)) is amended by (1) striking out "and
20 other than sales or charges for rooms, lodgings, or
21 accommodations furnished to transients", and (2) strik-
22 ing out the comma following the word "transients".

1 Sec. 306. Paragraph (c) of section 127 of the
2 District of Columbia Sales Tax Act (D.C. Code,
3 sec. 47-2604(c)) is repealed.

4 Sec. 307. Section 212 of the District of Columbia
5 Use Tax Act (D.C. Code, sec. 47-2702) is amended by
6 striking out "4 per centum" and inserting in lieu
7 thereof "5 per centum".

8 Sec. 308. Section 212(1) of the District of
9 Columbia Use Tax Act (D.C. Code, sec. 47-2702(1)) is
10 amended to read as follows:

11 "(1) the rate of tax shall be 2 per
12 centum of the sales price of sales of food
13 for human consumption off the premises
14 where such food is sold;"

15 Sec. 309. Section 212(2) of the District of
16 Columbia Use Tax Act (D.C. Code, sec. 47-2702(2)) is
17 amended by striking out "5 per centum" and inserting
18 in lieu thereof "6 per centum".

19 Sec. 310. Section 212(3) of the District of
20 Columbia Use Tax Act (D.C. Code, sec. 47-2702(3))
21 is amended by striking out "5 per centum" and in-
22 serting in lieu thereof "6 per centum".

1 Sec. 311. The amendments made by this title
2 shall take effect on the first day of the first
3 month which begins on or after the thirtieth day
4 after the date of enactment of this Act.

Mayor WASHINGTON. In order to provide a proper background for the committee, I believe it is important to review the events leading to the proposal you are considering today.

As far back as February 1971, representatives of the police and fire employees met with the staff of our personnel office to explore possibilities of District support for salary increases.

These discussions in the beginning could be termed more as "meet and confer" than as true collective bargaining.

However, both sides believe that the most effective way to approach the Congress was to reach as close an accord as possible so that this committee would not be placed in the uncomfortable and inappropriate position of arbitrator.

We believe we have accomplished that, and we are as close as we believe we can be, and we come to you this morning with that background.

We also recognize the need to face realistically the ability of the city to pay for any increase to which it might agree at the negotiating table.

This "ability to pay" ultimately became the only real area of dispute in the negotiations which lasted almost a year.

I must emphasize, however, that bargaining started prior to the President's freeze and continued through the freeze period of August 15 to November 14.

Tentative agreement was reached in December 1971—a time when the freeze was lifted but a ceiling had been imposed.

I am pleased to report that the Federal Pay Board on May 8, 1972, found and concluded that the proposed increases in wages and salaries would not be inconsistent with the criteria established by the Pay Board under the Economic Stabilization Act of 1970, as amended.

As a result, all of the proposals contained in our draft legislation have been allowed by the Board.

I think the associations, the chiefs, and our people are really to be commended for that effort.

It was a joint effort, and a good effort to bring this matter before the Board, who have allowed the items that we will be discussing.

The scope of our bargaining with the associations was broad and included numerous issues other than salary.

However, Mr. Chairman, we believe that our police and fire employees have increased and improved the vital public service which they provide the community to such an extent that their performance should be an inspiration to police and fire forces in other cities as well as to employees in all levels of our government.

The decrease in the crime rate and the improvement of fire service without an increase in the firefighting force is by itself, very fair quid pro quo for our agreement hammered out at the bargaining table.

If you also consider:

- (1) that the cost of living in Washington has increased 10.6 percent since August 1969;
- (2) that all of the local jurisdictions in this area pay more to their police and fire privates than does the District of Columbia;
- (3) that every major city in the country has had two or three salary increases since 1969;

(4) that District classified employees' salaries have been increased by 17.4 percent since 1970 and District blue collar employees 19.2 percent since 1969;

Then the proposed salary increases appear to be both justifiable and equitable.

In the original transmittal we made to the Congress, we proposed a two-phase salary increase consisting of a \$9,500 starting salary as of date of enactment and a \$10,000 starting salary beginning on July 1, 1971.

Because of the passage of time, we are now calling for an immediate increase to \$10,000.

This salary would, we feel, both make whole what has been lost through inflation since 1969, and establish a competitive position with salaries being paid police and firemen both locally and nationally.

The other provisions negotiated, such as total service credit longevity and educational incentive pay, will serve to stabilize the force and increase its competence.

As you are aware, the complexity of demands upon today's police force require use of the most sophisticated equipment and techniques, and the men and women of our uniformed forces cannot be less sophisticated in the performance of their responsibilities.

In order for our salary levels to be meaningful several conditions must be satisfied:

1. Rates of pay for policemen and firemen must be in a favorable competitive position with the rates of pay of major cities having over 500,000 population, especially with those cities in the Eastern half of the United States.

In the past this area has constituted the primary labor market for recruitment of District of Columbia policemen and firemen.

In addition, Washington, D.C., by reason of its national and international prominence and the need for a reputation for excellence, should rank at least in the top quarter of the other major cities in salaries paid policemen and firemen.

2. Rates of pay for policemen and firemen should be in reasonable alinement with rates of pay for classified employees of the Federal and District Governments not only on the basis of comparable duties and responsibilities, but also with due consideration of the hazards inherent in large urban police and fire activities and the special problems of large cities.

3. Rates of pay for District policemen and firemen should be higher than the rates of pay for policemen and firemen in other parts of the Washington metropolitan area.

This is essential if the District government is to successfully compete with the surrounding jurisdictions who use the difficulties of the city as a basis to entice police and fire candidates to the suburban areas.

I might point out, Mr. Chairman, that we are not debating that. We are just stating a fact.

At the present time the District government is unable to comply with any one of these three principles with respect to pay for its policemen and firemen.

I would like to elaborate on the points I have raised which indicate the need for a salary increase at this time.

First is the impact of classified pay raises on police and fire salary levels.

The District government has never used the parity concepts to establish salary levels for its various employee groups as is done in other major cities such as New York or Philadelphia.

The District has followed the precept that each pay group must stand alone and justify its own levels.

In 1970 the District Personnel Office at the request of the chairman of the Senate District Committee surveyed over 30 benchmark or key uniformed police jobs ranging from police private in salary class I to chief of police in salary class II.

These positions were described and evaluated, and a GS rating assigned.

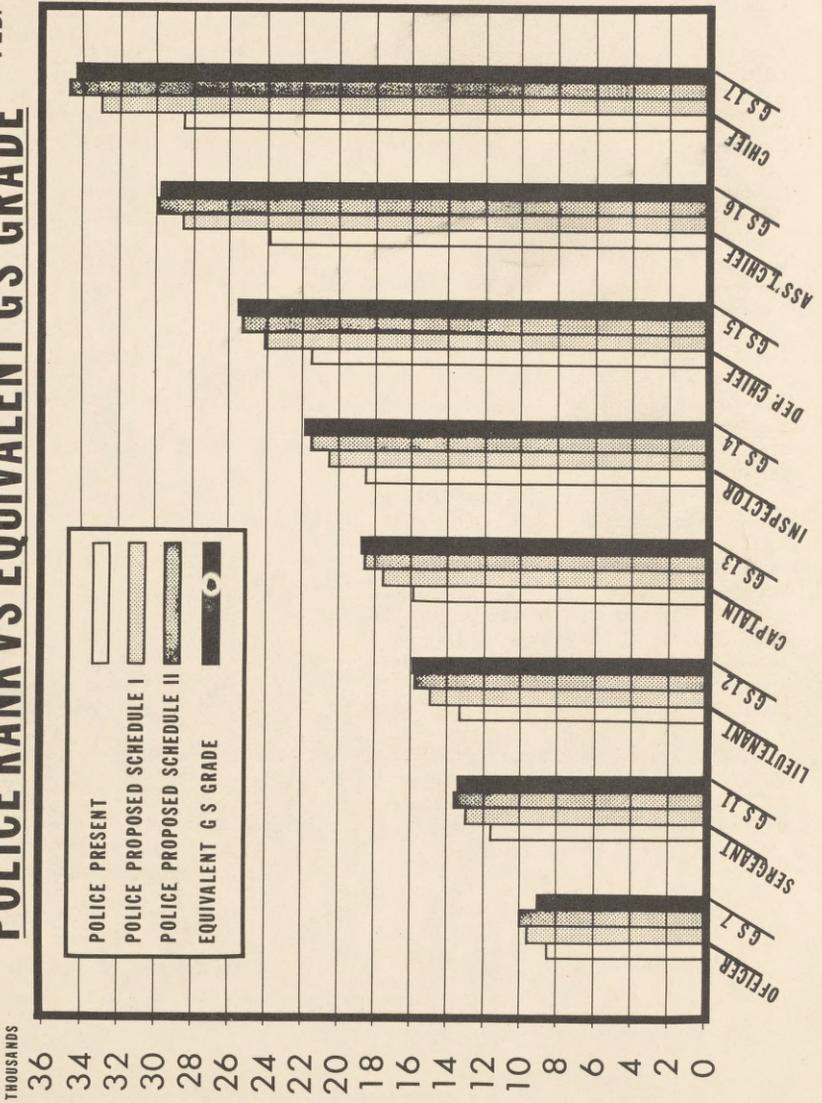
We have a number of charts, to which we will be referring. I ask that these charts be made a part of the record.

The CHAIRMAN. It is so ordered.

(The charts follow:)

SALARY COMPARISON
POLICE RANK VS EQUIVALENT GS GRADE

CHART NO 1
 FEB. 1972



MINIMUM AND MAXIMUM SALARIES PAID POLICE PRIVATES
BY 25 CITIES OVER 500,000 POPULATION CHART
No. 2A

<u>Cities</u>	<u>Minimum</u>	<u>Rank</u>	<u>Maximum</u>	<u>Rank</u>
Atlanta	\$8316	18	\$10248	19
Baltimore	8199	21	10419	17
Boston	8300	20	10301	18
*Buffalo	8510	15	11080	12
Chicago	10524	4	13680	2
Cincinnati	9666	10	10836	15
*Cleveland	9969	8	11470	10
Dallas	8157	23	9180	23
Denver	8448	17	11160	11
*Detroit	9000	12	12750	4
Houston	8585	14	9882	20
Indianapolis	7350	24	8505	25
Kansas City, Mo.	8988	13	12612	5
*Los Angeles	11292	2	13296	3
*Milwaukee	9893	9	11663	9
New Orleans	6570	25	9504	21
*New York	10699	3	12150	7
*Philadelphia	10328	5	10850	14
Pittsburgh	9563	11	10500	16
St. Louis	8190	22	9464	22
San Antonio	8304	19	9036	24
San Diego	10140	7	12324	6
*San Francisco	13332	1	13932	1
Seattle	10176	6	11700	8
WASHINGTON, D. C. (Present)	8500	16	10965	13
WASHINGTON, D. C. (Proposed I)	9500	12	12255	7
WASHINGTON, D. C. (Proposed II)	10000	8	12900	4
Mean (Except D. C.)	\$ 9271		\$11106	
Median(Except D. C.)	\$ 9044		\$10965	

SOURCE: Unpublished survey data from survey conducted by D. C. Personnel Office,
 Pay Systems & Labor Relations Division

* Cities contemplating salary increases on or before July 1, 1972.

May 1972

CHART No. 2B

MINIMUM AND MAXIMUM SALARIES PAID FIRE PRIVATES
IN 25 CITIES OVER 500,000 POPULATION

<u>Cities</u>	<u>Minimum</u>	<u>Rank</u>	<u>Maximum</u>	<u>Rank</u>
Atlanta	\$ 7344	25	\$ 9048	23
Baltimore	8199	22	10419	18
Boston	9286	12	11520	9
*Buffalo	8510	17	11080	11
Chicago	10524	4	13680	2
Cincinnati	9666	10	10836	15
*Cleveland	9969	7	11470	10
Dallas	7680	23	9180	22
Denver	8448	20	11004	12
*Detroit	8953	13	12668	5
Houston	8585	16	9882	21
Indianapolis	8505	18	8505	25
Kansas City, Mo.	8813	14	10198	20
*Los Angeles	11292	3	13296	4
*Milwaukee	9506	11	11860	7
New Orleans	7675	24	10615	17
*New York	12099	2	13550	3
*Philadelphia	10328	5	10850	14
Pittsburgh	9713	9	10650	16
St. Louis	8685	15	10338	19
San Antonio	8244	21	8952	24
San Diego	9900	18	12024	6
*San Francisco	13332	1	13932	1
Seattle	10176	6	11700	8
WASHINGTON, D. C. (Present)	8500	19	10965	13
WASHINGTON, D. C. (Proposed I)	9500	12	12255	7
WASHINGTON, D. C. (Proposed II)	10000	7	12900	5
Mean (Except D. C.)	\$ 9393		\$ 11136	
Median (Except D. C.)	\$ 9120		\$ 10927	

SOURCE: Unpublished survey data from survey conducted by D. C. Personnel Office, Pay Systems & Labor Relations Division

* Cities contemplating salary increases on or before July 1, 1972.

COMPARISON OF ENTRANCE SALARIES FOR POLICE
PRIVATE BETWEEN 1969 AND 1972 FOR 24 CITIES OVER
500,000 AND FIVE LOCAL JURISDICTIONS

CHART
No. 3

<u>Cities</u>	<u>Min. Salary</u> <u>1969</u>	<u>Min. Salary</u> <u>Present</u>	<u>Percent</u> <u>Increase at</u> <u>Min. Since</u> <u>1969</u>	<u>Number of</u> <u>Increases</u> <u>Since 1969</u>
Baltimore	\$ 7104	\$ 8199	15.4	4
Boston	6344	8300	30.8	1
*Buffalo	7400	8510	15.0	3
Chicago	8316	10524	26.6	4
Cincinnati	7744	9666	24.8	4
*Cleveland	7934	9969	25.6	3
Dallas	6504	8157	25.4	4
Denver	6600	8448	28.0	2
*Detroit	7500	9000	20.0	3
Houston	7202	8585	19.2	3
Indianapolis	6800	7350	8.1	2
Kansas City, Mo.	6384	8988	40.8	4
*Los Angeles	8580	11292	31.6	3
*Milwaukee	7700	9893	28.5	6
New Orleans	6222	6570	5.6	3
*New York	9499 /1	10699 /1	12.6	2 /1
Philadelphia	7807	10328	32.3	5
Pittsburgh	7763	9563	23.2	4
St. Louis	6604	8190	24.0	3
San Antonio	6000	8304	38.4	2
San Diego	8148	10140	24.4	3
*San Francisco	11196	13332	19.1	4
Seattle	8340	10176	22.0	4
WASHINGTON, D. C.	8500 /2	8500 /2	0.0	0

Local Jurisdictions

Alexandria	\$ 7345	\$ 9100	23.9	2
Arlington County	7342	8575	16.8	2
Fairfax County	8112	9069	11.8	3
Montgomery County	7283	9021	23.9	5
Prince George's Co.	7384	8653	17.2	3

/1 New York is negotiating with the Patrolmen's Benevolent Association on an increases retroactive to January 1, 1971.

/2 Retroactive to July 1, 1969. Starting salary prior to July 1 was \$8000.

*Cities contemplating salary increase on or before July 1, 1972.

Source: Survey conducted by D. C. Police Association December 1971 and unpublished data from survey by D. C. Personnel Office.

May 1972

POLICE AND FIRE MINIMUM AND MAXIMUM SALARIES

PAID PRIVATES IN 5 JURISDICTIONS IN THE WASH. D.C. METRO. AREA

JURISDICTIONS	POLICE							
	MINIMUM	RANK	THOUSANDS				MAXIMUM	RANK
		8	9	10	11	12	13	
Alexandria	\$9100	1	—————				\$11060	5
Fairfax	9069	2	—————				12126	1
Montgomery Co.	9021	3	—————				12093	2
Prince George Co.	8653	4	—————				11669	3
Arlington	8576	5	—————				11494	4
Wash. D.C. PRESENT	8500	6	—————				10965	6
Median EXCEPT D.C.	9021		—————				11669	
Mean EXCEPT D.C.	8884		—————				11688	
Wash. D.C. PROP. SCH. 1	9500	(1)	.....				12255	(1)
Wash. D.C. PROP. SCH. 2	10000	(1)	.....				12900	(1)

JURISDICTIONS	FIRE							
	MINIMUM	RANK	THOUSANDS				MAXIMUM	RANK
		8	9	10	11	12	13	
Alexandria	\$9100	1	—————				\$11060	5
Montgomery Co.	9021	2	—————				12093	1
Prince George Co.	8653	3½	—————				11669	2
Fairfax	8653	3½	—————				11565	3
Arlington	8575	5	—————				11494	4
Wash. D.C. PRESENT ^Δ	8500	6	—————				10965	6
Median EXCEPT D.C.	8800		—————				11576	
Mean EXCEPT D.C.	8653		—————				11565	
Wash. D.C. PROP. SCH. 1	9500	(1)	.....				12255	(1)
Wash. D.C. PROP. SCH. 2	10000	(1)	.....				12900	(1)

^Δ MAXIMUM SHOWN IS REACHED AFTER 7 YEARS; MAXIMUM AFTER 16 YEARS WILL BE \$13680 AND \$14400, PROPOSED PHASE I AND II RESPECTIVELY

SOURCE: UNPUBLISHED SURVEY DATA FROM SURVEY CONDUCTED BY DC PERSONNEL OFFICE

CHART NO. 4
FEBRUARY 1972

Mayor WASHINGTON. Chart No. 1 on the easel before you indicates the disparity between current GS levels and salaries presently paid to police personnel whose duties and responsibilities equate to the GS grade levels shown.

The second consideration is our competitive salary position with major cities over 500,000 population and local jurisdictions.

Although the extent of recruiting new police officers has slackened somewhat due to the department's ability to substantially fill its expanded 5,100-man force, the ability of other law enforcement agencies to proselyte experienced police personnel is disturbing and reflects part of the 16 percent annual turnover of uniformed police personnel in the District.

Mr. Chairman, the frightening aspect of turnover is that in 1971 there were 635 resignations in the police department in classes 1 through 4 with a total of 898 uniformed personnel leaving the department for various reasons including retirements.

In the first half of fiscal year 1972 it cost \$928 to recruit each officer. This cost increases to \$4,887 when the cost of training and uniforms are added.

The amount of loss is estimated at \$3,103,245 for the 635 policemen who resigned in 1971.

Chart 2A shows that currently the District ranks in 16th place for the entrance salaries paid police privates and 13th for the maximum in comparison with 25 cities over 500,000 population.

Chart 2B shows 19th place for the minimum and 13th place for the maximum for the fire private.

As you will note by the asterisks 8 cities contemplate higher salaries on or before July 1.

If you use these data as a gage, we fall far short of being competitive. I believe that it is important to be competitive with cities in the eastern half of the United States.

However, the District ranks below Chicago, Cleveland, Cincinnati, New York, Philadelphia and Pittsburgh in minimum salaries paid and below the median (16th place) when compared to the 25 cities over 500,000 population.

Several of these cities have been fruitful recruiting areas for policemen in the past.

Locally the District is vulnerable in its ability to compete, as shown by the chart No. 4.

Every local jurisdiction which is contiguous to Washington pays higher entrance salaries to their police and fire privates than does the District.

Currently the District government is almost out of the labor market in its ability to employ highly qualified police candidates.

Chart No. 3 before you indicates that since 1969 all of the 24 cities of over 500,000 population and all of the local jurisdictions have increased salary levels for police.

The significant aspect of the chart reveals that most jurisdictions increased salaries several times between 1969 and 1971.

Police salaries have been increased an average of three times since 1969 in the surrounding jurisdictions, thereby placing the District in a position of continuously falling behind.

With the July 1969 increase the District ranked in first place, locally, for minimum police salaries offered.

The District is now in last place. As performance demands on our policemen and firemen have increased, their economic status has diminished and this condition is now causing a hardship.

Comparisons of only minimum and maximum salaries can be misleading, but there must be the expectation of monetary growth which will allow a policeman or fireman to plan a reasonable standard of living for his family and himself.

In order to professionalize public safety and make it a meaningful career, a policeman or fireman cannot look only at the short salary range which moves him to the maximum quickly but then leaves him with a bleak monetary outlook at a period of time when financial need increases with family growth.

In addition to the salary increases proposed, the legislation includes the following other major features.

It would:

1. Remove the longevity steps currently found in the schedule and establish longevity differentials based on continuous service payable at 15, 20, 25, and 30 years to active members and on a prospective basis to those retiring after December 31, 1971.

2. Establish an educational incentive pay system for uniformed members who successfully complete educational course work leading to a degree in police or fire science or administration.

The additional compensation would be paid at the rate of 2 percent of step 1 of salary class I (\$9,500) for each block of 15 credits earned not to exceed 16 percent.

3. Amend the Policemen's and Firemen's Retirement and Disability Act to allow the crediting of unused sick leave at time of optional retirement to the same extent as such unused sick leave is credited to District and Federal classified employees and to District teachers and school officers.

The total full-year cost of the proposed legislation would be \$19,763,500. In order to provide sufficient financing for these additional costs, it is proposed, in title III of the bill, to increase the District of Columbia sales and use tax rates as follows: from 4 percent to 5 percent in the general sales tax rate; from 5 percent to 6 percent in the rate of room rentals, alcoholic beverages, and restaurant meals; and from 2 percent to 5 percent on laundry, cleaning, and nonprescription drugs.

The total income to be derived from these increases in the sales tax rates, on an annual basis, is estimated at \$17,200,000.

We have to realize, Mr. Chairman, and I would pause a moment to say that these taxes we have recommended here are difficult for us.

No one wishes to be in a position to tax, but we have found that we had to finance this package, and we proposed this as the best that we could do under the circumstances.

We know in these industries that there are problems, but again, Mr. Chairman, I say to you, and even appeal that these represent the best that we could come forward with at this time recognizing that the tax base in practically every major city is eroding.

It is eroding to the point that we are faced with this kind of problem, and I do not believe that we should relate the tax problem, particularly to the matter of the police and the firemen, and what they are doing, but this is only a matter that we feel in all candor that we have to do, because the total income to be derived from these increases we know is \$17,200,000.

The unfunded portion of the costs of the police and firemen salary increases—\$2,563,500—will be absorbed by the respective Departments in their operating budgets, and I think everyone should understand that.

I think those who are in the industry should understand that there is not only a single tax here, but that also the Departments are being asked to absorb \$2,563,000.

The CHAIRMAN. What is the breakdown, Mayor, between the Police Department and Fire Department insofar as how much will be absorbed by each?

Mayor WASHINGTON. I think we can give you that.

The CHAIRMAN. A rough estimate is satisfactory, Mayor.

Mr. WEINBERG. We will be glad to bring that in to you, Mr. Chairman.

We will supply that for the record.

The CHAIRMAN. I presume it is on a proportional basis?

Mayor WASHINGTON. Yes. It will be about three to one.

The CHAIRMAN. May I ask, Chief Wilson, do you know the area in which you will cut your own budget in order to absorb this?

Chief WILSON. It will be in personnel. We anticipate during the coming fiscal year having to carry approximately 150 vacancies in order to meet our anticipated budget requirements.

The CHAIRMAN. What is the authorized level in the District and how close to that authorization are you in terms of numbers?

Chief WILSON. The authorization is for 5,100, but around the first of the month we had about 50 vacancies. Because of the anticipated need of carrying 150 vacancies during the coming year, we will gradually drop down to that. We anticipate reaching that level by the end of August. Then we would anticipate operating at an effective average rate of 4,950 men during the year.

The CHAIRMAN. Chief Mattare, will you absorb your portion of that \$2.5 million in terms of reducing manpower?

Chief MATTARE. Mr. Chairman, I believe it will be a little more difficult for the Fire Department, because we are required by law to operate with minimum personnel.

I feel though that we possibly can do it. I will make every effort to abide by this.

The CHAIRMAN. You are required by law to not go below a certain level of employment?

Chief MATTARE. Yes, sir.

The CHAIRMAN. And you are at that level now?

Chief MATTARE. Yes, sir, with reference to the number of men who man our apparatus.

The CHAIRMAN. Pardon me, Mayor, please continue.

Mayor WASHINGTON. Mr. Chairman, I am just delighted you stopped me at that point.

You do now have a full understanding of how tight we are, because we are not only very tight in the tax area, but we are asking the Departments to go back from their levels that they are operating under. It is really a belt-tightening process. You have put your finger right on what I think is the very pertinent point to understand that this is not simply a unilateral tax matter, it is something that we too are

undergoing at some sacrifice with regard to deficiency of the Department, possibly except that these two great Chiefs are going to overcome that and keep the same level of efficiency with whatever they have to cut. They have assured me of that, but it is a very important point. I would say, in concluding, that I strongly urge that full financing be provided for any pay raise increase.

I believe it would be imprudent and fiscally irresponsible to propose these pay increases without also recommending enactment of the means of financing.

Without additional revenues the District government could not finance these pay raises.

You must also realize, Mr. Chairman, that within my own budget structure, I had a limit this year of \$190 million in Federal payment, and the Council was gracious enough to give me an additional 12 cents in real estate taxes. This means I am confronted with a very serious and structured pay problem which can only be solved by the way I have suggested. We believe that the tax package is viable. It has some problems within the industry, but I believe we have come to a point in this city where we all have got to pull together in order to get for the city what it needs.

Mr. Chairman, in our submission to the Federal Pay Board we concluded by stating that the increases supported by the District government are intended to meet the challenge of a continuing professionalization of public safety in the District of Columbia.

Equally important, it reestablishes economic security lost through inflation and provides several incentives toward reducing turnover and making public safety a complete career.

We believe that the prime requirement for good government is to have the ability to focus on today's problems with the best talent possible rather than try and solve today's problems with yesterday's techniques.

Enactment of the District's proposed bill by the Congress will be a major step in accomplishing this objective.

At this time I would like to place in the record a table showing the cost for the full fiscal year and also our letter to the Pay Board and the decision of that Board.

The CHAIRMAN. It is so ordered.

COST
FULL FISCAL YEAR

Pay Increase		\$ 11,911,000
Longevity Provision		1,030,000
Education Incentive		1,920,000
Overtime, terminal leave and holiday pay		750,000
Helicopter Pay		25,500
Plainclothes Allowance		127,000
Retirement Equalization	TOTAL	4,000,000
		<u>\$ 19,763,500</u>
15% Absorption		- 2,563,505
		<u>\$ 17,200,000</u>

GOVERNMENT OF THE DISTRICT OF COLUMBIA
EXECUTIVE OFFICE

April 6, 1972

Mr. George H. Boldt
Chairman, Pay Board
P. O. Box 1498
Washington, D. C. 20013

Dear Chairman Boldt:

The District of Columbia Government has for submission to the Congress of the United States draft legislation which would increase salaries and certain benefits for policemen and firemen by amending the District of Columbia Police and Firemen's Salary Act of 1958.

This prenotification is believed necessary because of the Cost of Living Council's denial of our request for an exemption of Pay Board regulations (CLC Release No. 69 February 2, 1972) even though the salaries of such employees are statutory. The terms and conditions contained in the draft legislation are the result of negotiations with Local 36, International Firefighters Association, and the D. C. Policemen's Association covering 7670 employees including 416 U. S. Park Policemen employed by the U. S. Department of the Interior and 742 members of the Executive Protective Service (formerly White House Police Force) employed by the U. S. Department of the Treasury. For purposes of this submission only the unit composed of 5100 District of Columbia Policemen and 1435 uniformed members of the D. C. Fire Department are submitted. Since the U. S. Park Police and Executive Protective Service are clearly Federal the respective organizations submit individually.

Attached is the completed PB-1 form as well as other material used in support of the position by the District Government and the Associations.

Since the last statutory pay action was effective July 1, 1969 and since Congress uses a two year cyclic period for purposes of enacting District police and fire salary increases the appropriate base year or "contract year" is considered to be the period July 1, 1971 thru June 30, 1973.

The effective date for the first year increase is to be determined by the Congress of the United States and the second year increase is being recommended to the Congress as July 1, 1972, the beginning of the second contract year.

I. Basis for Exception

In accordance with rules and regulations issued by the Pay Board the parties jointly making this submission request an exception to the general 5.5 percent guideline on the following grounds -

A. Tandem relationship based on increases given Federal and District Government employees.

B. High turnover of essential employees.

C. Need for a 'catch-up' increase because the aggregate increase during the last three years has been less than the sum of 7 percent per year.

D. Productivity increases in the reduction of crime in the Nations Capital as well as the increase in fire service.

E. Poor competitive position of the employees involved in comparison to salaries paid policemen and firemen in the local Washington Metropolitan area as well as nationally.

F. The serious impact inflation has had on the real wages of District policemen and firemen since 1969.

II. Basis for the District's Legislative Recommendations

The reasons for recommending the exception are several but if there is one overriding feature of this request it is the recognition of the "new professionalism" required of the policeman and fireman today. If the decade of the '60's can be termed the decade of education, the '70's can be considered as the era of public safety.

The last increase for District of Columbia policemen and firemen took place June 30, 1970, retroactive to July 1, 1969. The increase contained in Public Law 91-297, although retroactive, was based on the District's competitive pay position in 1969. The need for a salary adjustment for District policemen and firemen is reaching a critical point and the following facts and circumstances constitute the basis for this concern:

1. Between the periods of August, 1969 and February 1972 the cost-of-living for Washington, D. C., has risen by 10.6 percent thereby substantially reducing the real earnings of District policemen and firemen.

2. Salaries for District and Federal classified employees have been increased an average 17.4 percent as a result of increases granted in January 1970, June 1971, and January 1972. It should also be noted that the District's 8,000 "blue collar" employees have received increases averaging 19.2 percent between the period November 1969 and November 1971.

3. Competitively District police and fire privates rank in last place for both minimum and maximum salaries paid in comparison with the six local jurisdictions in the Washington Metropolitan Area and in thirteenth place (below the median) in comparison with 23 other cities of over 500,000 population for entrance salaries offered police and fire privates.

4. The Bureau of Labor Statistics reports that the average annual rate of increase in cities over 100,000 for policemen and firemen for the last five years ending in 1970-71 was 7.6 percent while for District policemen and firemen the average during this same period was 6.6 percent.

5. The Worker Family Budget issued in the Spring of 1970, although not as accurate as the Consumer Price Index, showed that a family of four (husband, age 38, a wife not employed, and two children ages 8 and 13) required a budget of \$11,047 in 1970 to maintain an intermediate standard of living.

The seriousness of the District's poor competitive position locally as well as in the national labor market attests to the need for an exception and subsequent legislative action by the Congress.

III. Proposed Economic Adjustments

In addition to providing salary adjustments, the proposed legislation also provides other key proposals which will aid both the Police and Fire Departments in keeping pace with the fast moving economic trends in the public safety field.

1. Title I of the bill would accomplish the following:

- a. Establish a two phase salary increase which would adjust salaries and benefits approximately 9.3 percent as calculated on the PB-1 on the first day of the first pay period which begins on or after date of enactment and an additional 4.84 percent salary increase to become effective on the first day of the first pay period on or after July 1, 1972 under Pay Board rules. New starting salaries for police and fire privates at salary class 1 would be \$9,500 and \$10,000 respectively.
- b. Remove the longevity steps currently found in the schedule and establish longevity differentials based on continuous service at 15, 20, 25, and 30 years applicable to active members and those retiring after December 31, 1971, on a prospective basis. This increase is reflected in the 9.3 percent increase shown in 1a above and the PB-1. The value is calculated at 1.3 percent.
- c. Establish educational incentive pay for uniformed members who successfully complete educational course work leading to a degree in police or fire science or administration. The additional compensation would be paid at the rate of 2 percent of step 1 of salary class 1 (\$9,500) for each block of 15 credits earned not to exceed 16 percent. This has no impact on the first contract since it will not take effect until the second contract year.

2. Title II of the bill would amend the Policemen and Firemen's Retirement and Disability Act to allow the crediting of unused sick leave at time of optional retirement to the same extent as such unused sick leave is credited to District and Federal classified employees and District teachers and school officers. This provision would cost only \$7,600 for FY 1973. Currently the expenditure for individuals taking sick leave prior to retirement is far greater.

3. Title III of the bill relates to revenue sources necessary for funding the proposed legislation.

IV. Factors Establishing the Need for an Exception for District Policemen and Firemen.

1. Tandem relationship of Classified Pay Raises on Police and Fire Salary Levels.

Classified or "White Collar" employees in the District Government are covered for pay purposes by the same statute as Federal Government employees. Since 1970 District Classified employees have received increases totaling 17.4 percent. Congress recognized the relationship between salary levels of Classified and District policemen and firemen in House Report 91-1061 dated May 7, 1970 shown as abstracted in appendix 1.

If parity with the classified system had been the sole determinant, a salary increase of 17.4 percent would be supportable for policemen and firemen effective January 1, 1972. The fact that some of the factors which influence Federal classified pay also influence salary levels for District policemen and firemen cannot be overlooked.

In 1970 the District Personnel Office at the request of the Chairman of the Senate District Committee surveyed over 30 benchmark or key uniformed police jobs ranging from police private in salary class 1 to Chief of Police in salary class 11. These positions were described and evaluated, and a GS rating assigned. Chart No. 1 attached hereto indicates the disparity between current GS levels and salaries presently paid to police personnel whose duties and responsibilities equate to the GS grade levels shown.

We must hasten to add that during the period 1969 and 1971 District and Federal wage employees ("Blue Collar") received increases totaling 19.2 percent.

The tandem relationships between the salaries for classified employees and District policemen and firemen have been recognized by both the Senate and House of Representatives in their setting of police and fire pay. However the disparity which now exists between these two categories requires bold action by the Pay Board to restore reasonable balance.

2. Exception for Essential Employees

The recruitment of new police officers is a continuing problem as shown by Table 1 below:

Table 1

Turnover of Metropolitan Police
Personnel 1969-1971

	<u>1969</u>	<u>1970</u> /1	<u>1971</u>
<u>Resignations:</u>			
Privates (1-3 yrs)	228	388	605
Privates (over 3 yrs)	13	18	23
Above Private		1	7
Terminations & Disqualifica- tions	20	82	91
Transfer to Executive Protective Service	21	29	7
Deaths in Service	9	3	10
Retirements	<u>164</u>	<u>117</u>	<u>155</u>
Total	455	638	898

/1 In 1970 the Metropolitan Police Department expanded from 4100 to 5100.

To further expand on this point, exit interviews of policemen leaving the Department since May 1970 through November 1971 were analyzed. It was found that of 400 individuals leaving approximately 100 left to

accept jobs with other law enforcement agencies and approximately 75 left to further their education. An interesting sidelight to this analysis disclosed that most of the individuals leaving to accept jobs in other law enforcement agencies had served in the Metropolitan Police Department for more than one year. Those officers leaving to further their education were generally in their probationary period.

Attached are Charts No. 2A and No. 2B, which clearly demonstrate the unfavorable competitive position of District policemen and firemen by showing the District's minimum and maximum salaries paid police and fire privates in relation to other major cities and the other municipalities in the Washington Metropolitan Area.

It is important to be competitive with cities in the eastern half of the United States. However, the District ranks below Chicago, Cleveland, Cincinnati, New York, Philadelphia, and Pittsburgh in minimum salaries paid and below the median (16th place) when compared to the 23 cities over 500,000 population. Several of these cities have been fruitful recruiting areas for policemen in the past. Locally the District is vulnerable in its ability to compete, as shown by the attached Chart No. 4. Every local jurisdiction which is contiguous to Washington pays higher entrance salaries to their police and fire privates than does the District. Currently the District Government is almost out of the labor market in its ability to employ highly qualified police candidates.

The adjustment proposed is a "catch-up" increase and reflects the loss of economic status of policemen and firemen because of inflation since 1969. If salary levels for policemen and firemen had been tied to an escalator or cost-of-living provision which would have automatically increased salary levels as the consumer price index advanced, the salary levels would have increased by the 10.6 percent. This exceeds the 9.3 percent requested in the first phase. The 4.84 percent requested in the second phase will offset the pay disparity which resulted from the January 1972 pay increases to classified employees and the loss of competitive position as a result of increases given policemen and firemen locally and nationally.

The attached Chart No. 3 indicates that since 1969 all of the 23 cities of over 500,000 population and all of the local jurisdictions have increased salary levels for police. The most significant aspect of the

chart reveals that most jurisdictions increased salaries several times between 1969 and 1971. Police salaries have been increased an average of 3 times since 1969 in the surrounding jurisdictions, thereby placing the District in a position of continuously falling behind.

With the July 1969 increase the District ranked in first place, locally, for minimum police salaries offered. The District is now in last place. As performance demands on our policemen and firemen have increased, their economic status has diminished and this condition is now causing a hardship.

3. Exception for Productivity

A factor which cannot be overlooked is the increase in productivity of District policemen and firemen since 1969.

Chart No. 5 and No. 6 indicate a 22 percent decrease in crime in Washington, D. C. between 1969 and 1971. It is our understanding that the Pay Board intends to consider productivity in determining acceptable wage increases for state and local government employees. We believe that increased service to the public such as an increase in the level of public safety should be given substantial consideration.

There has also been an increase in level of service by the D. C. Fire Department.

Table 2 below indicates the workload of the Department since 1968 with no increase in firefighting complement.

Table 2
Scope of Service by
D. C. Fire Department
(Fiscal Years)

	1968	1969	1970	1971
Fire Alarms (thousands)	26.3	31.2	35.7	32.4
Actual Fires (thousands)	10.3	10.9	10.7	10.4
Fire Loss (thousands of \$)	\$4,225.6	4,033.7	5,444.7	8,369.4
Ambulance Responses (thousands)	40.0	50.5	55.7	54.7
Engine Companies	32	32	32	32
Truck Companies	17	17	17	17
Rescue Squads	3	3	3	3
Fire Department Ambulance	8	9	9	9

Source: D. C. Fire Department

The only increase in manning since 1959 has been the addition of two ambulance units while the number of alarms was a third of what they were in 1971 and there were only 5,000 actual fires in 1959 as compared to 10,400 in 1971.

We believe that our policemen and firemen no longer have an equitable position with regard to either their local competitive position or their position to deal effectively in the market place with other competing occupations with less risk and more pay.

The Bureau of Labor Statistics recently reported that men who were employed on their primary job as teachers or as protective service workers (policemen, firemen and guards) had the highest multiple job holding rates. In addition, the International Association of Chiefs of Police noted in their report on the District of Columbia Metropolitan Police Department that "a policeman's salary should provide an adequate living standard without resorting to outside employment, either by himself or his wife".

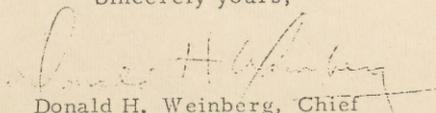
V. Conclusion.

In the last few years District policemen and firemen have been subjected to taxing and severe mental, emotional, and physical pressures. Public safety responsibilities in the urban setting are predictably difficult and complex. However, when there is added to the usual situations the May Day demonstrations and the massive outpourings from both the left and the right, it is hard to overstate the degree of excellence with which District policemen and firemen have carried out their duties. "Police work" no longer can be considered only as a contest between the policeman and the criminal. All of the aspects of crime today, including juvenile delinquency, racial antagonisms, drugs, complex laws, and other social disorders require the best in our public safety officers.

The proposed legislation which the District Government supports is intended to meet the challenge of a continuing professionalization of public safety in the District of Columbia. Equally important, it re-establishes economic security lost through inflation and provides several incentives toward reducing turnover and making public safety a complete career. The prime requirement in order to keep pace is to have the ability to focus on today's problems with the best talent possible rather than try to solve today's problems with yesterday's techniques.

We do not believe the wage and fringe benefit provisions to be "unreasonably inconsistent" with stabilization objectives and request the Pay Board to clear the District Government's proposed legislation to the Congress.

Sincerely yours,



Donald H. Weinberg, Chief

Pay Systems & Labor Relations Division

Attachments

DECISION
 EXECUTIVE OFFICE OF THE PRESIDENT
 PAY BOARD
 WASHINGTON, D.C. 20503

MAY - 8 1972

Application of
 District of Columbia Government and
 D. C. Policemen's Association and
 Local 36, International Firefighters Association, AFL-CIO

Employer : District of Columbia Government

Employee Unit: 5,100 policemen represented by D. C.
 Policemen's Association and
 1,435 firemen represented by Local 36,
 International Firefighters Association,
 AFL-CIO

PB Case No. : 5566

Category : I

The District of Columbia Government, D. C. Policemen's Association and Local 36, International Firefighters Association, AFL-CIO propose to submit to the U. S. Congress draft legislation providing wage and salary increases for 5,100 policemen and 1,435 D. C. firemen. Because of the unique relationship between the District of Columbia Government and the Federal Government, the Pay Board accepted this matter for review despite the fact that legislation providing for wage and salary increases for the employees involved has not yet been acted upon by Congress. This matter was referred to the Pay Board

Cases and Appeals Panel for an evaluation of the proposed increases in light of the Economic Stabilization Act of 1970, as amended.

The proposed wage and salary increases would be made in two steps, the first taking place upon a date specified by Congress and the second taking place on July 1, 1972. After the filing of a Form PB-1, the staff was in contact with the parties as to the handling of the matter. Representatives of D. C. Government made an oral presentation to the Panel at its meeting on May 4, 1972. At this meeting, the Panel considered the matter and subsequently made its recommendations to the Chairman of the Pay Board as to the appropriate disposition of the matter. Acting pursuant to the resolution concerning the Cases and Appeals Panel adopted by the Pay Board on April 13, 1972, and on the basis of the submissions by the parties, the staff's analysis thereof and the Panel's recommendations the Chairman of the Pay Board issues the following findings and conclusions:

1. That the appropriate employee unit involved is paid pursuant to a pay practice whereby prospective wage and salary increases are determined for a period of 12 months or more beginning on July 1. The first control year for the employee

unit involved is November 14, 1971 through June 30, 1972 and the second control year is July 1, 1972 through June 30, 1973.

2. That the pay practice pursuant to which employees in the employee unit involved would be paid is subject to the provisions of Section 201.10 and 201.11 of Pay Board regulations and is not a pay practice previously set forth within the meaning of Section 201.14 of the regulations.

3. That the proposed increases in wages and salaries for the first and second control years, respectively computed in accordance with Pay Board regulations would be in excess of the general wage and salary standard of 5.5% and for the first control year in excess of the maximum permissible annual aggregate increase (7%) permitted for exception pursuant to Section 201.11(a) and (b).

4. That the aggregate percentage of wage and salary increases in the employee unit involved in the preceding three years has been sufficiently less than the sum of a percentage increase of 7% for each of the three years to enable D. C. Government to pay in the first control year an annual aggregate increase of 7% pursuant to subsections 201.11(a)(3) and (b) of the regulations.

5. In consideration of the terms of the particular and unique retirement plan for D. C. police and firemen, it is concluded that the equitable position of the employees involved within the meaning of Section 201.11(d) would be sufficient to permit the increase in wages and salaries required as the result of payments to present retirees and annuitants under such retirement plan to be treated in the same manner as contributions to qualified benefit plans. It is, therefore, concluded that in each of the first and second control years, D. C. Government could under Pay Board regulations pay to employees in the employee unit a 0.7% increase in wages and salaries attributable such retirement payments without such increase being included in the computation of wage and salary adjustments for purposes of applying the general wage and salary standard. To the extent that such increase in wages and salaries attributable to such retirement payments exceeds 0.7% of base compensation in each control year, the increase attributable to such retirement payments should be included in the computation of wage and salary increases for purposes of applying the general wage and salary standard in the first and second control years, respectively.

*Pay's
retirement
package*

6. That upon the evidence contained in the submissions it is found that: a) despite intensive and continued recruiting efforts, D. C. Government has been unable to hire a sufficient number of police and fire personnel to fill authorized and funded positions; b) D. C. Government has experienced a high rate of voluntary separation from service attributable in part to current compensation levels; and c) the compensation of D. C. police and firemen is substantially below the compensation of police and firemen in cities of comparable size and in the local jurisdictions which surround D. C. In consideration of these facts it is concluded that the equitable position of the employees involved and the necessity to prevent localized shortages of labor within the meaning of Section 201.11(d) would be sufficient to permit an exception to the general wage and salary standard and to approve the full amounts of the increases in wages and salaries for the employee unit the first control year.

OKay's first period

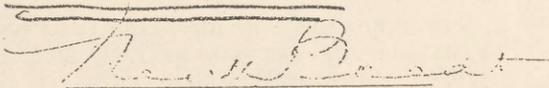
7. That upon consideration of the evidence contained in the submissions, including the fact that the proposed increase in payments to present retirees and annuitants under the particular and unique retirement plan involved is the only factor which would cause what would otherwise be an increase within the

general wage and salary standard of 5.5% to exceed such standard, the equitable position of the employees involved within the meaning of Section 201.11(d) would be sufficient to permit an exception to the general wage and salary standard and to permit payment of the full amount of the proposed increase in wages and salaries for the second control year.

*Okman's
Second period*

8. In further consideration of the facts set forth in paragraph 6 it is concluded that the equitable position of the employees involved within the meaning of Section 201.11(d) would be sufficient to permit payment of the wage and salary increases for the first control year to be made retroactively so long as the effective date of such increases for the first control year is no earlier than November 14, 1971.

Now, therefore, it is found and concluded that the proposed increases in wages and salaries for the first and second control years would not be unreasonably inconsistent with the criteria established by the Pay Board under the Economic Stabilization Act of 1970, as amended. The circumstances of this particular matter are unique and nonrecurring, and the Pay Board's disposition of this matter shall not be deemed a precedent.


George H. Boldt
Chairman

Mayor WASHINGTON. As in the past, Mr. Chairman, we appreciate the support that this committee has given our policemen and firemen and we again ask that support.

The CHAIRMAN. Thank you, Mayor.

You mentioned that the 1969 pay increase, in terms of neighboring jurisdiction, put the District No. 1. Was that true, in both police and fire in 1969?

Mayor WASHINGTON. Yes, sir.

The CHAIRMAN. If the Congress authorizes the pay increases that you recommend, in schedule 2 because of the lapse of time, would that put the District of Columbia No. 1 once again in the metropolitan area?

Mayor WASHINGTON. That is correct, sir, in the metropolitan area of Washington, D.C.

The CHAIRMAN. It would be \$10,000 for beginning policemen, and likewise for the firemen, a \$10,000 beginning salary. The next closest jurisdiction would be Alexandria with \$9,100 for the police, and \$9,100 for the firemen.

Is it expected in terms of any conversations that you may have had with administrators in neighboring jurisdictions, that they are contemplating police and fire increases?

Chief WILSON. We have had some indication of that, Mr. Chairman.

Mr. WEINBERG. Yes, Mr. Chairman, there are discussions going on for the next year for increases in police salaries.

The main thing about police salaries right now is they are the fastest moving salary areas in the country.

If the decade of the sixties could be the decade for teachers salaries, then the seventies' salary increases for policemen and firemen seem to be the fastest moving in the public sector. The whole question of comparability is the key.

Mayor WASHINGTON. I think, Mr. Chairman, the other chart which shows the number of increases is an interesting one.

Some of them have gone as high as six. Four seems to be rather consistent.

The number that relates to our situation, because in that timeframe, we have no increases since the 1969 period.

The CHAIRMAN. In your proposal to raise \$17,200,000, the first item is that the general sales tax rate be increased from 4 to 5 percent.

For the record: What is the general sales tax; what does it cover; and what are the exclusions from the general sales tax?

Mayor WASHINGTON. Mr. Back, our tax expert, can answer that.

Mr. BACK. We have actually three rates in effect in the District of Columbia.

The general rate covers all taxable items except the ones that are not at that rate, and the transient accommodations, restaurant meals, and alcoholic beverages are taxed presently at the 5 percent rate.

The general rate is 4 percent. Laundry, dry cleaning, and non-prescription drugs are taxed at the 2 percent rate.

Groceries are taxed at 2 percent.

The CHAIRMAN. Groceries are 2 percent?

Mr. BACK. Yes.

The CHAIRMAN. In your proposal do you leave groceries at 2 percent?

Mr. BACK. Yes, sir.

The CHAIRMAN. But you would increase laundry, dry cleaning, and nonprescription drugs to 5 percent and make them part of the general sales tax?

Mr. BACK. Yes, sir.

The CHAIRMAN. The general sales tax increase would bring in \$13 million. Room rentals, alcoholic beverages, and restaurant meals would go from 5 to 6 percent and bring in \$2.8 million. The rate on laundry, dry cleaning, and nonprescription drugs would be increased from 2 to 5 percent, bringing in a total of \$17.2 million.

Is that correct, Mr. Mayor?

Mayor WASHINGTON. That is correct, Mr. Chairman.

The CHAIRMAN. Now, the bill presently reported out of the House committee in two regards is similar, but in one respect is different.

They go along with the increase in general sales tax from 4 to 5 percent, bringing in the \$13 million, and they go along with the room rentals, alcoholic beverages, and restaurant meals, going from 5 to 6 percent, but instead of the laundry, dry cleaning, and nonprescription drug increase from 2 to 5 percent, they impose a cigarette tax increase from 4 to 6 cents a pack, which we are told will bring in \$1.6 million.

What is your preference as to your original recommendation on laundry, dry cleaning, and so forth, versus cigarettes?

Mayor WASHINGTON. Mr. Chairman, we are standing behind our bill as originally submitted four-square, not only in that aspect, but with all of the other features which we have negotiated, and which we stand by.

We think we have got a good clean bill. We know there are problems in any tax. We believe, after careful study of this, that we have a financing package, which is not only reasonable under the circumstances, recognizing that it is a tax and that there are problems in any industry, I am cognizant of that, but our position is that we stand behind our own submittal as being the best that we can come up with.

The CHAIRMAN. All right.

It is my understanding that there are other differences in the House bill as contrasted with the original recommendations of the Mayor.

I am told for instance that the House had deleted the education incentive pay. Is that correct?

Mayor WASHINGTON. That is correct, sir.

The CHAIRMAN. Chief Wilson, do you consider that to be an important ingredient in the bill?

Chief WILSON. Absolutely, Mr. Chairman.

It is a proposal which the Department and the Policemen's Association has proposed both in this and in a previous pay bill, and I think it is important that it be in the bill.

The CHAIRMAN. Mr. Weinberg, do you have a price tag on the education incentive pay? What would it cost?

Mr. WEINBERG. Yes, sir. It is about \$1.9 million, Mr. Chairman.

The CHAIRMAN. I am also told there has been a change in the House bill with respect to computation for retirement am I correct?

Mayor WASHINGTON. That is correct.

The CHAIRMAN. What is the difference between your original proposal and the House committee bill reported out?

Mr. WEINBERG. On the question of the longevity features?

The CHAIRMAN. Computation for retirement.

Mr. WEINBERG. We have nothing proposed, Mr. Chairman. The change has been in a plan that under current provisions of law has retirement computed on the salary being received at the time of retirement.

It is our understanding the change now being made would be a formula based on the average high three consecutive salaries the man was making at the time of retirement, plus a provisional revision.

The CHAIRMAN. Would the House District Committee reported bill increase one's retirement or reduce it?

Mr. WEINBERG. That is a difficult question to answer, because there is a conditional provision in there, but it would have the effect of reducing it eventually.

The CHAIRMAN. Presently you compute it on the last year's salary, which theoretically in 99 cases out of 100 would be a policeman or a fireman's highest salary, but they want to compute it on the last 3 years in which the average would be somewhat lower than the last single year?

Mr. WEINBERG. There is a condition which says you take the salary that the man was making prior to the effective date of the act, and add 17 percent to that, and if that is above that, and if that equates to what he was making, if it is not lower, he would get that.

If the average three were lower, he would get the higher of the two.

It would have the effect of not really having a significant impact right now, but eventually it could.

The CHAIRMAN. In terms of the forthcoming fiscal year, have you computed what would be the difference in what your bill recommends, and what the House District Committee recommends, insofar as the retirement computation is concerned in dollars?

Mr. WEINBERG. Mr. Chairman, we have not because of the change that is being proposed, but it would not impact the retirements immediately because of the conditional effect.

The CHAIRMAN. Finally, I take it that there is a change in the total service credit for longevity?

Mr. WEINBERG. That is correct.

The CHAIRMAN. What are the differences?

Mr. WEINBERG. The main difference on that, Mr. Chairman, is that the longevity provision would not apply at the time an active member retires.

He would only get it while he is active, and at such time as he may retire, then that is lost, and his annuity would be based on the high three principal without the inclusion of the longevity.

The CHAIRMAN. Would the essence of that then call for a smaller payment to the retiree, or a larger payment?

Mr. WEINBERG. It would be, in effect, a smaller payment to the retiree.

The CHAIRMAN. Have you computed what effect that might have on the fiscal affairs of the District in the forthcoming fiscal year?

Mr. WEINBERG. Well, the longevity provision applies only to those with 15 years or over.

We would think that it could have an impact, and this is just at least an initial analysis of this thing, that if on the basis of our proposal, it is only given to those that are leaving, the initial impact would not be great the first year.

We can try to get an actuarial computation for you on that.

The CHAIRMAN. Insofar as the first year is concerned it would have only negligible effect.

Mr. WEINBERG. Yes, sir.

Most of the retirements are disability, and we would hope that this is going to change the thrust of the retirement to more optional retirement.

The CHAIRMAN. How would a general sales tax of 5 percent compare with other States in the United States?

Mr. BACK. Mr. Chairman, we think a more appropriate comparison would be with other cities.

Some cities have sales taxes as well as State sales taxes, and of the 25 larger cities, 15 have a general sales tax over 4 percent.

The CHAIRMAN. When you put in the State and city together?

Mr. BACK. That is right. Ten of the 25 cities have a sales tax general rate of 4 percent or less. So the majority of the 25 cities do have sales taxes higher than 4 percent or 5 percent and higher.

The CHAIRMAN. What is the highest percentage in the country that you know of?

Mr. BACK. New York City.

The CHAIRMAN. What is it there?

Mr. BACK. Seven percent.

The CHAIRMAN. Seven percent?

Mr. BACK. According to my latest figures.

The CHAIRMAN. That is the State of New York sales tax and the city of New York sales tax added together to make 7 percent?

Mr. BACK. Yes, sir.

The CHAIRMAN. Of the 25 largest cities, what is the lowest?

Mr. BACK. Indianapolis.

The CHAIRMAN. What is that rate?

Mr. BACK. Two percent.

The CHAIRMAN. Mayor, do you feel we are reaching the outer limits insofar as what can be derived financially from an increase in the sales tax?

Mr. BACK. I think we are very close to it, Mr. Chairman.

Frankly, we struggled with this over a period of months. I think we are nearing that point which you referred to as the outer limits. I think we are going to have to look to some help. I have discussed with you, and members of the committee, another little tax which I always like to refer to as a reciprocal tax. It is commonly known as the commuter tax.

The CHAIRMAN. Is there not a difference between a reciprocal income tax and a commuter tax?

Mayor WASHINGTON. There is a great difference between them.

I only refer to that because we are at the point that you referred to. We are very close, and our analysis shows we are very close. This was an agonizing process to come with this package of taxes, and I think the unfortunate part of it relates to a group of employees, and really it is not quite fair that it should relate to it, it only comes about because we do have to finance a package, and we had no room in the budget to do so, but I think that I am here, as I have said, before this committee once before, and said that revenue in most cities as you know is deteriorating. At this time the Conference of Mayors indicated that they have just about taxed out the cities—some say they have

taxed everything that moves, and everything that does not move.

I think that we are at that point, and, really, it is a serious one in order to continue to have the city competitive with its jurisdictions, in the broader tax area, and I come here with all humility on this point.

I am straining to really find some other method of financing pay increases that really are not related to the employees, but beyond that, I am at that straining point.

The CHAIRMAN. In 1969, part of the pay increase bill related to teachers?

Mayor WASHINGTON. Yes, sir.

The CHAIRMAN. They are not part of this bill?

Mayor WASHINGTON. No, sir.

The CHAIRMAN. What do you anticipate with respect to salaries of teachers?

Mayor WASHINGTON. We have not at this point, having just received some material from the school board on their increase, decided anything. We are now struggling to see how close we can come, we have not finalized our deliberations as of this time, and I really point out the fact that we worked with police and fire for a year, and now within a matter of a couple of weeks, we are being asked to put together another package, and it is rather difficult in terms of financing another package.

We are going to do something. We believe the teachers are entitled to an increase. We are working with it under some very close timeframes, and I am not prepared to say this morning just exactly where we will come out, but I suspect we will be about in the same bind that we are here with the financing package.

The CHAIRMAN. Senator Mathias?

Senator MATHIAS. Thank you very much, Mr. Chairman.

Mayor, you said in your statement:

The Federal Pay Board on May 8, 1972, found and concluded that the proposed increases in wages and salaries would not be inconsistent with the criteria established by the Pay Board under the Economic Stabilization Act of 1970, as amended.

Does that mean we have no guideline problems?

Mayor WASHINGTON. We have no guideline problems, and that, Senator Mathias, I think is a great feat.

Because the 5.5 that we had to deal with was a problem. We had to face that. But in the negotiations with the associations, the chiefs participating, we went together to the Pay Board, and not only submitted our proposal, but talked about the things that we talked about this morning in terms of catchup. We were sustained by the Pay Board, as you pointed out, these matters, all of them being within their guidelines, and so we do not have a Pay Board guideline problem.

We have cleared that with good cooperation of everyone.

Senator MATHIAS. In your statement you referred to 16 percent annual turnover of uniformed police personnel in the District.

Perhaps either you or Chief Wilson might like to comment on what you feel is the reflection of the pay problem in the greater turnover, if that be it?

Chief WILSON. Our studies, Senator Mathias, have shown over the years, as our salaries tend to lose comparability with other jurisdictions, unfortunately this tends to happen since we get into the cycle of Government raises, and then the police and fire raises, they are always

trying to catch up, our experience has been that we tend to lose men during these periods when the salaries are low, simply because the men at the bottom of the low pay scale cannot afford to live on the salaries we pay them as basic police officers. They go either to other employment or to other jurisdictions.

Senator MATHIAS. In this connection, somewhat related, I note that if this pay raise is enacted, the starting pay will be nearly \$10,000, as I would read it, and comparable to the suburban areas?

Chief WILSON. I believe that is correct, Senator.

Senator MATHIAS. Well, while we want to help you to maintain stability in your Department, we do not want to create any instability in the suburban areas either.

Chief WILSON. Our experience has been that we have never tended to attract very many officers from suburban departments, simply I think because most would recognize that police work in the city is much more active and demanding than in many suburban jurisdictions.

We have never had any great inflow of men from suburban departments. On the other hand, we do have a problem with outflow, and, of course, I would stress that when we do get the raises, they are usually a year behind, and we find ourselves getting a raise that should have been enacted 6 months ago, and we are only a few months ahead of the Government's planning another raise. So on the short term we do need action on this bill. I appreciate the committee recognizing this fact, and holding this exceptional hearing, and also in the long run something needs to be done to tie them directly to the classified salaries, so we do not always find ourselves a year behind.

Senator MATHIAS. Let me say here, I am not at all unfriendly.

I look very sympathetically on that kind of problem. I have seen it in Government pay raises. I have seen it in social security benefits.

By the time the Congress completes the political process of achieving the increase, the cost of living may have continued to rise, and so that all you have done at the time of the increase is to catch up with what you have fallen behind, and you never really keep up with the accelerated pace of your cost problems, so you are almost locked into being behind at the end of the parade.

Chief WILSON. This has been our experience.

Mayor WASHINGTON. I think too, Senator, that there should be brought up the fact that in neighboring jurisdictions there has been at least two, and in some cases five pay increases since the last one that our own forces have received. You know, we were first in 1969, and we are last now.

Senator MATHIAS. I think the Chief has made a good point here, that taking the average, you are not that far ahead. When you move, you are on a zigzag track, really, where you add for a while, and then you are behind. While it may not be an ideal position, your average comes out pretty close to a parity.

Mr. WEINBERG. If you break down the increases, Senator, the first part of that which we propose is approximately 11 percent.

The 11 percent did nothing more but make good what was lost through inflation from 1969.

Senator MATHIAS. That is a catchup.

Mr. WEINBERG. And the 6 percent was actually an increase to provide at least some buffer for what we at the time have found was the increase in the cost of living in this area.

Plus the fact that on the question of losing people, we made a survey of some 400 people leaving the Department. This was between November of 1970 and 1971. A hundred of those went to other jurisdictions.

Seventy-two of them went back to school again, so there is a tie-in between what we are proposing for educational benefits, and also to try to hold what we have.

Senator MATHIAS. Mayor, I assume that perhaps we ought to explore for the record that you have given consideration to every other method of raising revenues?

Mayor WASHINGTON. I have, Senator, without any question, and I think that our fiscal situation is so wide open that anybody could see it.

It is not, you know, something that we have got in our pocket.

We have only four sources of income: the Federal payment, our own extension of our sales tax, the property tax, and, of course, personal income tax.

We have just raised our personal income tax, and that is really at the tipping point.

I could not see us moving with that. The real estate tax has been ground into the budget. You could not even consider that now, even legally, in terms of the time that you have to enact, which left us with the extension of sales taxes. I was prohibited of course by the nature of the Federal payment from considering anything in the form of a reciprocal tax law, and so this is where I am.

You know, it is an open book. It is a dismal looking book, but it is an open book in terms of where I can turn. All of these taxes, of course, are progressive, and leaves us with that problem. I would say, Senator that if anyone could come forth with any other areas for us to look at that we have not considered, it has got to be a pretty good distance away. I do not know what it could be.

Senator MATHIAS. I followed with interest your colloquy with the chairman, that you are really on the outer bridges in these areas, both in terms of the progressive nature of the sales tax, which bears most heavily on the bottom of the economic scale, and the competitive position, the fact that taxation does ultimately reach a point where it discourages economic activity.

Mayor WASHINGTON. You are absolutely right. It gets to that point, and, of course, you have got a delicate balance between your suburban jurisdictions and your inner city in terms of how far you can go, and still be competitive, and not drive essential businesses out of the city for that purpose. I am fully aware of that.

I am far more aware of it than some of the industries even believe. I know there is that delicate balance that we must look at on a broad citywide basis in relation to the suburban jurisdictions and even other cities, and we are really right down to the wire. We are at that point.

Senator MATHIAS. Because if you look at the health of the community as a whole, all of the factors that are leading to outflight in every big major city in the country, and you add economic problems to all of the others, it is difficult. I wish that I had some magic formula I could give you, but it is something we will wrestle with.

Mayor WASHINGTON. I think one of the things coming out of the Conference of Mayors' meeting in New Orleans, and of course I could not attend, because this is far more important to me, being here with

my problems, but one of the things coming out of that, Senator, was testimony after testimony, where without a taxing opportunity, cities have had to even cut the school year down, or they have had to go to all kinds of means of absorption within essential services to reach out to accommodate certain required increases or necessary increases in order to be competitive. I do not know if there is any city in the Nation that has not had to face this in one way or the other, and, of course, we have only the one trust within the city which is the Congress, we do not have a State, where States can help the cities, but we must work within that framework. That is why I say we are wide open to what we have. I commend our people for just coming up with what they have, and they realize too that we are at that cutting edge.

Senator MATHIAS. Thank you, Mayor.

Mayor WASHINGTON. Mr. Chairman, the chairman of our City Council came to join us. He wanted to show some solid support in this area, and if he might just add a few words to those already expressed, we would greatly appreciate it.

The CHAIRMAN. Please proceed, Mr. Nevius.

Mr. NEVIUS. Thank you, Mr. Chairman.

First, I would like to fully associate myself with the Mayor's remarks on the subject this morning. In my opinion, the most compelling factor is the simple fact that our near neighbors are paying more to their police and fire forces than the District is paying. Due to the density of population in the center city, the D.C. work in the public safety areas is much more difficult, and the danger of losing our quality personnel is very great.

It is manifested by the turnover in the last year of over 10 percent.

I feel that this raises the essential point that we must maintain the level of quality in the public safety personnel who are serving the Nation's Capital, and the competition between the suburban and the center city departments. They are in the same economic market, the same cost of living market, and I feel that is the most important factor.

Mr. Chairman, you pointed out Indianapolis is at the low end of the sales tax level, with the 2-percent figure, I think the record should reflect that is not altogether a good comparison, because Indianapolis is one of those few cities in the Nation which enjoys the benefit of metropolitan area city government. The 2-percent tax is applied to the suburban purchasing power in Indianapolis, which that city sales tax would not apply to the suburban purchasing power in the District's budget.

Mayor WASHINGTON. I would just like to insert a figure that you were inquiring about, if I may, in terms of absorption. The police would have to absorb under this plan \$1,922,625.

The Fire Department would have to absorb under this plan \$640,875, which makes it \$2,563,000.

The CHAIRMAN. Thank you very much, gentlemen.

Mayor WASHINGTON. Thank you for the opportunity, Mr. Chairman.

The CHAIRMAN. Our next group of witnesses will be from the Policemen's Association of the District of Columbia, and they are represented by Sgt. Everett L. Cooper, president, Sgt. George Dunphy, chairman, legislative committee, and Mr. Robert D. Gordon.

Welcome to the committee, gentlemen.

STATEMENT OF THE POLICEMEN'S ASSOCIATION OF THE DISTRICT OF COLUMBIA, REPRESENTED BY SGT. EVERETT L. COOPER, PRESIDENT; SGT. GEORGE DUNPHY, CHAIRMAN, LEGISLATIVE COMMITTEE; AND ROBERT D. GORDON

Sergeant DUNPHY. Thank you very much, Mr. Chairman.

On behalf of the Policemen's Association of the District of Columbia, we would like to thank you for volunteering to go along with these hearings, in spite of your not having received a bill from the House.

Sergeant Cooper will present his statement first to you.

Sergeant COOPER. Mr. Chairman, Members of the committee, we appreciate this opportunity to appear before you in support of H.R. 12710, a bill to provide salary increases for the members of the Metropolitan Police Department, the U.S. Park Police, the Executive Protective Service and the District of Columbia Fire Department.

It is our intention to present to you facts and figures which clearly show that the police officer who is daily locked in a battle with crime is fighting an equally difficult battle to provide his family with a decent home, adequate food and clothing, and the barest of necessities. These facts and figures will also clearly show that, while the police officer is slowly but surely winning his battle with crime, he is rapidly losing his battle for financial security.

We are here today to speak for this police officer, and because we speak for him, we would like to tell you something about him.

He is young, he is dedicated, he has a family. You will find him in a scout car, a helicopter, on a motor scooter or on foot. He is a man of patience, well acquainted with verbal abuse, accusations and insults. He is the natural target of rocks, bottles, and bullets. Wherever he goes his constant companion is death.

He is responsible for the protection of the lives and property of those who live and work in our Nation's Capital, as well as the hundreds of thousands of visitors who annually stream in and out of this city. Foreign embassies and visiting dignitaries are another area of his many and varied responsibilities.

In addition to being a police officer, he is from time to time called upon to be a judge, a diplomat, an arbitrator, a doctor, a lawyer, a psychiatrist, a social worker, a sage, and of course, a genius.

Between February 1970 and December 1971, this officer has coped with 68 major demonstrations. It is a matter of public record that both the President of the United States and the U.S. Senate have commended this officer for the manner in which he performed his duties during the so-called May Day demonstrations.

Since July of 1969 eight members of the Metropolitan Police Department and one member of the U.S. Park Police have been killed in the line of duty. The "national crime statistics" released in December 1971, by the FBI show that Washington, D.C., is the only major city in the United States to have a decrease in overall crime. The FBI compiled these statistics. This officer wrote them with his dedication, his bravery and, all too often, his blood.

I. How many police officers have been killed in the line of duty since July 1969?

A. Metropolitan Police Department:

1. Cody, Michael J., July 14, 1969.
 2. Hawfield, David C., July 14, 1969.
 3. Nairn, Allan L., November 29, 1969.
 4. Rose, David H., February 20, 1971.
 5. Fisher, Glenn P., March 20, 1971.
 6. Young, Jerard F., May 21, 1971.
 7. Sigmon, William L., May 25, 1971.
 8. Morris, Jerry W., December 4, 1971.
- B. U.S. Park Police: 1. Hawkins, Raymond L., February 15, 1972.
- C. Executive Protective Service: None.
- II. How many assaults have been made on police officers in the District of Columbia since July 1969?
- A. Total, 877:
1. 99 assaults with a gun.
 2. 41 assaults with knives.
 3. 283 assaults with fists.
 4. 154 assaults with hands.
 5. 2 assaults with razors.
 6. 298 assaults with other weapons.
- III. How many demonstrations since July 1969?
- A. From February 20, 1970 to December 28, 1971, there were 68 demonstrations, in which the prisoner control center was used.

Sergeant DUNPHY. Mr. Chairman, members of the committee, for the record, my name is George W. Dunphy, I am a detective sergeant with the Metropolitan Police Department and the chairman of the legislative committee of the Policemen's Association of the District of Columbia.

In past years, it has been the unfortunate burden of Congress to be placed in the position of arbitrator between the police and fire organizations and the District Government. In order to avoid this problem, the Policemen's Association of the District of Columbia and the firefighters began negotiations with the District Government in February of 1971. These negotiations continued through November 1971 and into December, and resulted in a memorandum of understanding signed by all parties in December of 1971.

The memorandum brought the association and the District of Columbia government into full accord on all issues. Shortly thereafter, the District of Columbia government advised that it could not honor the January 1, 1972, effective date of the pay bill. The District of Columbia government then stated that it supports the bill in all other respects but due to its financial problems, would have to request an effective date as of enactment of the bill. Also included in our testimony is a letter dated February 7, 1972, wherein the government assured the association that it is moving with all speed to send the negotiated bill to the Office of Management and Budget and have promised to appear before the Congress to urge it to give prompt attention to the legislation and to work for early enactment.

The need for such a salary increase is imperative. The last increase for District of Columbia police and fire personnel took place June 30, 1970, and was retroactive to July 1, 1969 (Public Law 91-297). Al-

though retroactive, this increase was based on our competitive pay position in 1969, and was, for all intents and purposes, out of date when it became effective.

Between August 1969 and November 1971, the cost of living in the Washington, D.C., area has risen 10.6 percent. Present indications would lead us to believe that the figures due out this month will show an increase of approximately 13 percent since August 1969.

Between November 1969 and November 1971, the District's 8,000 "blue collar" employees have received increases averaging 19.2 percent. District and Federal classified employees have, since January 1970, received increases averaging 17.7 percent.

Rates of pay for District policemen and firemen must be in a favorable competitive position with those major cities having over 500,000 population. Presently we rank last in both minimum and maximum salaries paid in comparison with the six local jurisdictions in the Washington metropolitan area and in 13th place (below the median) in comparison with the 23 other cities having over 500,000 population for entrance salaries.

The fact that our competitive position is so low has greatly affected our ability to recruit new members. In addition, the need for recruitment has increased due to loss by attrition of seasoned members of these departments who find the road to their professional future a dead end street.

In the 2-year period from July 1969 to July 1971, 1,042 men resigned from the Metropolitan Police Department. This figure does not include terminations during probationary year, terminations due to disciplinary action, or disability and optional retirements.

Gentlemen, the worker family budget issued in the spring of 1970 showed that a family of four (father, mother unemployed, and two children) required a budget of \$11,047 to maintain an intermediate standard of living. It is now 1 year later, and it is obvious that the budgetary needs of that family of four have not diminished, but have most assuredly increased.

Thus, one cannot exclude economics as a major reason for the large number of resignations.

We come before you today seeking a two-phase salary increase. The first phase would increase our starting salary to \$9,500 per annum; the second phase would bring this starting salary up to \$10,000 per annum, an amount that is still over more than \$1,000 below the required budget needed to maintain an intermediate standard of living in 1970!

We believe that Washington, D.C., by reason of its national and international prominence, as well as its need for excellence, should rank at the top of the other major cities in salaries paid to policemen and firemen.

We believe that there should be a reasonable alinement in the rates of pay for policemen and firemen with the rates of pay for classified employees of the Federal and District governments, not only with regard to duties and responsibilities, but with consideration of the dangers involved in urban law enforcement and firefighting.

We believe the pay rate for District of Columbia policemen and firemen should be above the pay rates for the surrounding jurisdictions if we are to successfully compete in the areas of recruitment, as well as the retention of experienced personnel.

For example, comparing the entrance salaries for police privates between 1969 and 1971, in the 23 other major cities having a population over 500,000 we find that the police officers in these cities have received an average of three salary increases in that period; their average percentage of increase of starting salary in that period is 22 percent.

By the same token, between 1969 and 1971, in the five other jurisdictions, their police officers received an average of three salary increases and the average percentage of increase of starting salary for this period was 18.5 percent.

If you are wondering where the District of Columbia policemen and firemen fit into this picture, it is very simple; between 1969 and 1971, we received no increases, with a percentage of increase at starting salary of 0 percent.

The legislation before you gives, in our opinion, fair, equitable, and necessary salary increases to the members of the Police and Fire Departments.

There are some areas of this legislation which we would like to cover in some detail.

Title I, section 112(b) provides a clothing allowance of \$300 per year for those officers assigned in plainclothes. In the recent past no provision has been made for those officers who wear their own clothes while on duty. Needless to say, \$300 per year will not totally cover the cost to the individual officer. Further, many surrounding jurisdictions provide this type of allowance for their officers. Therefore, we believe it is only fair to provide our officers with this clothing allowance.

Within section 106(c) of H.R. 12710, there is an error, which can only be attributed to oversight on our part. This section contains a provision for additional compensation in the amount of \$500 per annum for each officer assigned as a detective sergeant prior to the effective date of this legislation. Officers on the current detective sergeant promotional list should also be included. The additional compensation is not new, but the situation is. Once those officers on the current promotion list are promoted to that rank, no future promotions to detective sergeant will be made and the rank itself will be phased out. Therefore, it is only just that the officers on the promotional list should receive the same additional compensation as those attaining that rank prior to the effective date of this legislation.

The additional \$500 does not increase the cost of the pay bill because these men are currently receiving this additional compensation pursuant to Public Law 91-297.

Title II, section 201(a)(3) of this legislation would amend the Policemen's and Firemen's Retirement and Disability Act to allow the crediting of unused sick leave at time of optional retirement to the same extent as such unused sick leave is credited to District and Federal classified employees and District teachers and school officers. This then would bring policemen and firemen completely in line with regard to all sick and annual leave laws applicable to the aforementioned employees.

You will find that in title I, section 110, amending section 401(a), the present "longevity steps" have been eliminated in favor of the establishment of longevity differentials based on continuous service at 15, 20, 25, and 30 years. This provision is applicable to active members only.

The present longevity steps are, on the most part, unattainable. Each time an officer receives a promotion the road to that "longevity step" becomes longer. It is somewhat like taking one giant step forward and two steps backward. However, longevity differentials based on service in the department will provide an incentive for recruitment, and most important, an incentive to remain in the department. In addition, the cost of recruitment and training, which is extremely high, can be reduced. The need to search out recruits will be diminished by potential members seeking us out, and the need to replace those lost by attrition will be sharply reduced.

Therefore, we believe that this longevity differential is essential to a strong, dedicated, and professional department. Des this longevity differential come within the scope of the equalization clause, title 4, section 518 of the District of Columbia Code. We do not believe it does.

The fair intendment of title 4, section 518, D.C. Code, is to insure that retired members may benefit from salary increases given to active members. Sometimes referred to as the "equalization clause," this section automatically increases the pension or retirement compensation in a specified ratio.

It becomes apparent upon a reading of this section that by "salary increases" it contemplates salary increases given by Congress to all active members. Thus, when blanket salary raises are given, the terms of this clause become effective.

The purpose of the proposed section 401 (a) is to recognize long and faithful service. It is to act as a reward for specified years of active service and to serve as an inducement for a member to continue in his employment. Thus, it is clear that this section can only be applied to active members and cannot be seriously considered as a "salary increase" within the contemplation of title 4, section 518. The reasons why this proposed section must be read in this way are that (a) it is not a "blanket" pay increase; (b) each officer or member has it within his sole power (excluding retirement for disability) to increase his own pay by staying on the job the required years; (c) this section provides that the longevity compensation shall remain constant for purposes of determining that portion of the pension relief allowance; (d) not all active members will be entitled to the longevity compensation, since the first step accrues at 15 years—hence, a very large part of the various departments will not be getting a "salary increase."

To illustrate the effect of this section, consider the officer whose basic scheduled salary rate is \$10,000. If he has 20 years of service his longevity differential would be \$1,000. If he then retires, his retirement annuity is based on a figure of \$11,000. If, thereafter, there is a scheduled rate pay increase which would raise the basic salary of an active member in the same class as the retired man to \$11,000, the retired man's increase under the equalization clause would be based upon the \$11,000 scheduled rate instead of a \$12,000 figure. Thus, the retired man does not receive any additional benefits by reason of longevity differential.

Clearly, then, longevity differential does not do violence to the equalization clause as it is not an increase in salary.

Title I, section 113(a) deals with education incentive pay.

Professionalism being the ultimate objective of the police service, we feel this section to be one of the most important provisions contained in this bill. Professionalism cannot be attained without education. The two are inseparable.

Recognition of the principle that education is essential to professionalism is clearly evident in police departments throughout the Nation.

As proof of this recognition, a recent survey conducted by the District of Columbia government reveals that:

Thirty-three cities grant specific pay increases for college work.

Twenty cities provide higher starting salaries for college work.

Fourteen cities require continuing college work as a basis for receiving incentive pay increases.

Sixty-eight cities give credit for college work on promotional examinations.

Two hundred seventy-eight cities pay a large percentage or all of the tuition costs.

Four hundred forty-eight cities arrange working hours to avoid conflict with school work.

Locally, four of the six local jurisdictions, that is, Montgomery County, Arlington, Falls Church, and Alexandria provide educational incentive pay similar to that being proposed here.

In the past 8 years, participation in college level courses by members of the Metropolitan Police Department has increased twentyfold. The emergence of our department as one of the model municipal police departments in the Nation must be correlated to this phenomenon.

All members, regardless of age or length of service, have had ample opportunity to avail themselves of the educational program. Those police officers who have taken the initiative to improve themselves and broaden their educational horizons have done so at great personal sacrifice. Their endeavors in this area have not only been of benefit to the officer but have also contributed to the professionalism of the department which, in turn, has resulted in better service to the community which it serves. We sincerely believe that these officers are highly deserving of this small additional compensation.

We earnestly urge that the committee give favorable consideration to this provision of the bill.

Title I, section 202, concerning helicopter pilots, requests additional compensation in the amount of \$2,100 per year. Due to an oversight on our part this figure is in error. The figure we support is \$3,000 per year. We feel this to be fair and equitable compensation as based on a survey of other police departments with comparable helicopter programs.

Gentlemen, the police officer we represent here today asks for very little.

He asks for a decent salary, the ability to provide adequately for his family, and the knowledge that, in the event of illness or injury, his family will not suffer financially.

In return, this officer offers his knowledge, ability, dedication, and if necessary, his life.

Thank you.

In February 1971, we eagerly entered into negotiations with the District government in the firm belief that to come before the Congress in agreement would expedite the passage of this much-needed pay legislation into law. Not only did we come to Congress in agreement with the District government, but with the blessings of the Pay Board, only to be met with frustrations and delays.

We firmly support H.R. 12710 as submitted, which contains every

area agreed upon with the District government, and approved by the Pay Board. We are totally committed to H.R. 12710 and believe every request contained in this legislation to be just and equitable.

We do want to call to your particular attention the areas of major importance in H.R. 12710.

1. The concept of the adjusted pay scale, together with total service longevity, as set forth in H.R. 12710, has been designed to create a system by which each officer and member has an equal opportunity for job and salary advancement. To make arbitrary adjustments in this longevity system destroys its intent.

2. The education incentive program contained in H.R. 12710 is one of the most important features of this legislation. The Federal Government for a number of years has been advocating and working for educational advancement in the field of law enforcement. The battle against crime is no longer a physical fight; it requires intelligence and knowledge in abundance, and education has now become a factor of major importance. In our search to recruit men of high caliber, we find ourselves in a noncompetitive position with four of our neighboring police jurisdictions which already offer outstanding educational opportunities.

Also contained in H.R. 12710 is a provision giving additional compensation to officers and members assigned as helicopter pilots. This additional compensation is in conformity with other jurisdictions having helicopter units.

In addition, we believe that those officers assigned to bomb demolition be included in this additional compensation. The inclusion of officers assigned to bomb demolition was not a part of our negotiated agreement with the District government, as their request for inclusion was not received until after the agreement with the District government had been reached.

H.R. 12710 also contains minor amendments to the Retirement and Disability Act. The first is the crediting of sick leave for retirement purposes. This provision is standard in the retirement programs of Federal and District classified employees, and certainly should be available to our officers and members.

A minor amendment has been offered regarding the lump-sum payment of \$50,000 to the survivor of a member who dies in the performance of duty. If a member has no wife or children, this amendment makes it possible for that member's parent or sibling, who received one-half of his support from that member, to be eligible to receive the lump-sum payment.

Negotiations with the District government commenced in February 1971, resulting in a signed memorandum of understanding in December 1971. This memorandum of understanding contained all the provisions set forth in H.R. 12710, including an effective date of January 1972.

On April 6, 1972, the negotiated pay bill was presented to the Federal Wage Board. The Board's report, dated May 8, 1972, gave approval to the entire pay request. In addition, the Board stated retroactivity was justified back to November 14, 1971. A copy of this report is contained in our testimony.

Gentlemen, we believe we negotiated with honesty and in good faith. We believe that what pay increase and benefits we have requested are more than justified. We ask only for your fair and honest consideration.

MEMORANDUM OF UNDERSTANDING

Article I

The parties to this Memorandum of Understanding acknowledge that the proposed amendments of the District of Columbia Police and Firemen's Salary Act of 1958 attached to this memorandum and summarized in Article II below, were prepared following discussions in which all the parties were free to express views on all proposals presented by any of them for consideration. They further acknowledge that the proposals resulting from these discussions represent a meeting of the minds on what should be contained in the legislation to be proposed for Congressional action.

Article II Items of Agreement

The following represent the major areas of agreement:

1. A first stage increase of approximately 11 percent effective the pay period which begins on or after January 1, 1972. A second stage increase of approximately 6 percent effective the beginning of the first pay period after October 1, 1972. However if a salary increase is approved for Federal and District classified employees effective January 1, 1972 the city shall support a July 1, 1972 effective date for the second stage increase.
2. Removal of the current longevity step provisions and establishment of a formula which would work as follows:
 - a. 5% of the first step of the grade a member holds for 15 years of creditable service.
 - b. 10% of the first step of the grade a member holds for 20 years of creditable service.
 - c. 15% of the first step of the grade a member holds for 25 years of creditable service.
 - d. 20% of the first step of the grade a member holds for 30 years of creditable service.

Such longevity provision shall apply to active members only and those members who retire after the provision is effective shall have such longevity amount fixed at the amount due the member at the time of retirement.

3. Removal of technicians rating from pay schedule and establishment of flat rate to be used for retirement computation, sick and annual leave computation, overtime, promotions, etc. (\$635 & \$680)
4. Establishment of flat rate of \$500 for Detective Sergeant until such time as those currently receiving the differential leave, retire or are promoted out of the rank.
5. Special rate of \$175 for Helicopter Pilots. Such rate would be applicable for purposes of retirement computation only.
6. Crediting of unused sick leave at time of optional retirement similar to that now provided for classified employees and teachers.
7. Establishment of educational incentive pay for police and fire uniformed personnel education directly related and successfully completed acceptable to the Police and Fire Department which will lead toward a degree in Police/Fire Science Administration.
 - a. 2% of service step 1 of class 1 based on blocks of 15 credit hours each.
 - b. Maximum of 16 percent.
 - c. For all ranks except Chief of Police or Fire Chief and Assistant Chiefs.

Article III

The parties agree to cooperate to seek approval of these proposals by the Mayor, Council and Office of Management and Budget for presentation to Congress as a legislative proposal of the District of Columbia Government.

Article IV

Recognizing that a unified position before Congress is desirable, the parties agree they will not seek to amend or add any additional proposals to this bill or to seek introduction of any legislation on matters within the scope of this bill, unless such actions are first agreed to by all parties to this Memorandum of Understanding.

Article V

The parties also agree that if the proposals submitted for approval are substantially modified before submission to Congress, they shall meet again to reconsider their agreement to support such legislation.

Dated December 1, 1971

Pay Systems and Labor
Relations Division, D. C.
Personnel Office

Policemen's Association
of the District of Columbia

Fire Fighters Association,
D. C., Local 36,
IAFF, AFL-CIO

Samuel H. Henry
Division Chief

Joseph R. Davis
President
Chairman Keys Comm.

Donnie Kitching
First Vice President
Edward J. Burns
Legislative Committee

GOVERNMENT OF THE DISTRICT OF COLUMBIA
EXECUTIVE OFFICE



PERSONNEL OFFICE

REPLY TO:
400 PENNSYLVANIA AVENUE, N. W.
WASHINGTON, D. C. 20001

February 7, 1972

Sargeant Everett Cooper, President
Policemen's Association of the
District of Columbia
1241 Pennsylvania Avenue, S. E.
Washington, D. C. 20003

Dear Sargeant Cooper:

Reference is made to the Memorandum of Understanding which the Associations jointly presented concerning the amendments to the Police and Firemen's Salary Act of 1958.

In your memorandum you ask the following:

1. The District of Columbia agrees that it will vigorously proceed to take all steps necessary to obtain speedy passage of the pending amendments to the District of Columbia Police and Firemen's Salary Act of 1958 and shall provide in its testimony before Congress the advantages to early enactment of said legislation.
2. In the event that Phase I of the proposed amendments to the Salary Act of 1958 does not have an effective date prior to July 1, 1972, then and in that event, the District of Columbia Government agrees that, in addition to Phase I and Phase II becoming effective on the first day of the first pay period on or after July 1, 1972, it shall actively and vigorously support and sponsor a 5.5% pay increase effective on the first day of the first pay period on or after January 1, 1973.
3. Notwithstanding the effective date of the proposed amendments, any individual whose retirement was effective from and after December 31, 1971; shall be entitled to the benefits established by the longevity differentials provided for in said amendments, provided, however, that such individuals shall not receive any increase in their pension allowances to the effective date.

These items were thoroughly discussed with both the Mayor and the Deputy Mayor. After all due consideration the following reflects the District's position.

With regards to the first demand, the District Government is now moving with all speed to send the proposed bill to the Office of Management and Budget. You can assure your membership that at such time as hearings are called the City will urge the Congress to give prompt attention to this legislation and work for early enactment.

Although we well understand your disappointment regarding the change in the Phase I effective date the District Government cannot comply with your second condition. As you are well aware the financing of the proposed legislation is a critical matter and any future financial obligation on our part is impossible.

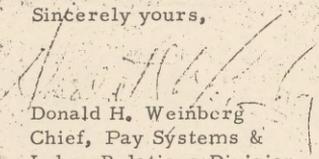
We believe that to comply with your request for a January 1973 increase would require elimination of other agreed to provisions in order to finance the \$3 million additional cost. Weighing this against the benefits now contained in the proposal we are reluctant to make such a trade.

In your last condition you ask that entitlement of the longevity differentials be provided those members who retire from and after December 31, 1971 but that such individuals shall not receive any increase in their pension allowance prior to the effective date.

After discussion with you regarding the reasons for the request we support the change and will amend the District's proposal to allow for this provision.

The District Government is convinced that joint support of the proposed legislation will be a very effective force in its passage. We therefore hope that your association will continue to join with us to move this important piece of legislation to its final enactment.

Sincerely yours,


Donald H. Weinberg
Chief, Pay Systems &
Labor Relations Division

MAY 3, 1971

TO THE FORCE:

THE PRESIDENT HAS PERSONALLY ASKED ME TO COMMUNICATE TO EACH OF YOU HIS COMMENDATION FOR THE MANNER IN WHICH YOU HAVE PERFORMED YOUR DUTIES DURING THE DEMONSTRATION IN THIS CITY IN THE PAST TWO WEEKS.

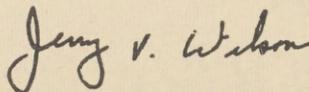
THE PRESIDENT HAS ASKED THAT I ALSO ADVISE YOU OF HIS PERSONAL DESIRE, AS WE FACE THE POTENTIALLY TRYING TIMES OF THE NEXT SEVERAL DAYS, THAT EACH OF US CONTINUE TO PERFORM OUR POLICE DUTIES IN A PROFESSIONAL MANNER, DEALING FAIRLY—BUT FIRMLY—WITH VIOLATORS OF THE LAW, TO THE END THAT ALL CITIZENS WHO LIVE, WORK AND VISIT OUR NATION'S CAPITAL WILL BE AFFORDED PROTECTION OF THE LAW.

THE DESIRE OF THE PRESIDENT IS THAT THIS CITY BE OPEN FOR BUSINESS THIS WEEK. OUR RESPONSIBILITY IS TO INSURE THAT GOAL.

MAY 8, 1971

TO THE FORCE:

THE PRESIDENT THIS MORNING HAS ASKED ME TO INFORM EACH OF YOU OF HIS PERSONAL APPRECIATION, AND OF THANKS ON BEHALF OF THE CITIZENS OF THIS CITY AND OF THE NATION, FOR YOUR SERVICE IN KEEPING THIS CITY AND THE GOVERNMENT OPEN THIS PAST WEEK WITH A MINIMUM OF PROPERTY DAMAGE OR INJURIES. THE PRESIDENT STANDS BEHIND US ONE HUNDRED PERCENT.



JERRY V. WILSON
CHIEF OF POLICE

In the Senate of the United States

May 10, 1971

Whereas the Chief of the Metropolitan Police Department of the District of Columbia, Jerry V. Wilson, and the officers and members of the Metropolitan Police force serving under him, together with the officers and members of the United States Park Police force, the Executive Protective Service, the Capitol Police, the United States military personnel, and all others involved in assisting the aforementioned, have continually distinguished themselves by consistent, just, calm, and efficient action under strenuous conditions during the recent demonstrations in the Nation's Capital;

Whereas Chief Wilson and the others engaged in law enforcement have handled a difficult and potentially extremely dangerous situation with exemplary professionalism;

Whereas the leadership displayed by Chief Wilson has been a primary reason that disorder and damage to public and private property was held to a minimum, and stands as an inspiration to his own men and the men of other units assigned to maintain order; and

Whereas the community of the District of Columbia and the Nation as a whole owe Chief Wilson and the others a deep debt of gratitude: Now, therefore, be it

Resolved, That the sense of the Senate of the United States is, that Chief Jerry V. Wilson and the officers and members of the Metropolitan Police Department, as well as the other officers and members of other units, including military personnel, involved in handling the situation arising out of the aforementioned demonstrations, should be highly commended for their service to the District of Columbia and to the United States of America.

Attest:

Francis R. Valles

Secretary

Mr. GORDON. Mr. Chairman, members of the committee, for the record, my name is Robert D. Gordon. I am executive director of the International Conference of Police Associations, an organization which represents more than 150,000 police officers throughout the United States and Canada. Included in our membership are the Metropolitan Police Department, the Executive Protective Service, and the U.S. Park Police.

The International Conference of Police Associations unanimously endorses H.R. 12710 introduced by Congressman McMillan, raising the pay of the Metropolitan Police Department, Executive Protective Service, and the U.S. Park Police.

There is indeed no sense in my detailing the reasons why the aforementioned police departments of this city need a pay raise. However, as a recent resident and a retired police officer from the State of New York, I would like to make the following comments:

I believe it is indeed unique that these three departments and fire department are the only departments in the United States that have to present legislation to the Congress of the United States for a pay raise. I am sure you are aware of the everyday working conditions and actions of these departments who have too long been taken for granted in our everyday encounter. If we pause for a few moments and consider what these departments are asked to do and who they have to protect, I am sure each and every one of you would agree that no other departments are required to protect the President of the United States and his family every day of the year. No other departments are required to service and protect Senators and Congressmen, Supreme Court Justices, members of the Cabinet, Ambassadors and diplomats, or to control the many demonstrations which are held in this city because it is the Capital of the world. They are asked to perform these duties with the finesse of a diplomat; and the pay, in many areas, less than that of many adjacent police departments. For too many years, policemen have received plaudits from citizens for doing an outstanding job under very trying conditions; however, when it comes to paying a minimum salary commensurate with other police departments on the local and national level, it becomes another story.

It is my belief, and the belief of our association, that your police department should not only be first in the metropolitan area, but should indeed be the leader in the country in pay and fringe benefits considering the stature of the people they protect.

We are all aware of the supreme sacrifice paid by 125 of our comrades last year protecting the citizens of this country. We have already this year lost 12 more brother officers. It would indeed be ridiculous for me to suggest that a \$1,000 or \$10,000 pay raise would stop the slaughter of police officers in this country. However, in giving these men a decent living wage, you will instill in them and their families the knowledge that you, the elected Members of Congress, are truly concerned with their everyday problems of supporting their families, and that plaudits alone are not enough to support a family.

Testimony has already been given as to the plight of police officers in this city and throughout this country. We cannot and will not attract young men to replace our fallen comrades with a starting salary of \$8,500 with fringe benefits of being called pigs, fuzz, racist, and assaulted daily. To some this may seem like a fair salary. However, we are not living in a community of 30,000 people where there is

little crime, little poverty, and no racial problems, where \$8,500 would indeed be a fair but not a great salary. Our survey shows that the average young police officer with a wife and one child cannot even qualify to obtain a loan for a home where his average yearly take-home pay after taxes amounts to approximately \$6,800. Is it any wonder why over 1,042 police officers have left the Metropolitan Police Department over the past 2 years, having only completed 1 to 2 years of service?

I have just recently retired from the Freeport, N.Y., Police Department where I was a member of the negotiating team to obtain a fair and equitable contract for the members of my department.

Upon completing our negotiations, our department and city fathers signed a contract for our association. My point in bringing forth this case is that the District government and the Policemen's Association of the District of Columbia have entered into an agreement whereby an equitable and fair pay bill was accepted by both parties only to find that some Members of the House have now found fit to delete three most important sections of this pay bill.

Nowhere, to my knowledge, is there any police department in the United States who are subjected to this type of labor negotiations.

Three short weeks ago, the police officers of this city received the plaudits of the Federal and city government for the outstanding job they performed during the peace demonstrations.

We now find 3 weeks later some of the same Members of the House who commended these police officers, find it appropriate to delete the aforementioned sections of this bill.

In closing, may I again urge this committee to render a favorable decision for a just and fair pay raise which would attract the outstanding caliber of men and women necessary to make these departments the finest of the Nation.

The CHAIRMAN. Thank you very much, gentlemen, for some very fine statements.

We appreciate your testimony very much.

Our next group of witnesses is from the District of Columbia Firefighters Association, and they are represented by Capt. Joseph R. Granados, president of Local 36, AFL-CIO, and Mr. Al Raeder, retired battalion chief.

Gentlemen, welcome to the committee.

STATEMENT OF CAPT. JOSEPH R. GRANADOS, PRESIDENT OF LOCAL 36, AND AL RAEDER, RETIRED BATTALION CHIEF, DISTRICT OF COLUMBIA FIREFIGHTERS ASSOCIATION

Captain GRANADOS. Mr. Chairman, for the record, my name is Joseph R. Granados, president of Local 36, and am also a member of the International Association of Firefighters.

I have with me today our legislative representative, retired battalion chief, Mr. Al Raeder.

Mr. Chairman, we preface our remarks by reminding you of one significant and overriding factor. The city agreed to every single substantive point covered by H.R. 12710; the Pay Board approved it, in toto. Given these two circumstances, in every other city in the United States, this would have meant instant implementation. In other years,

the Congress has acted as an arbitrator between two diverse positions. Of late we have made every effort to reconcile all differences with the city so that the Congress would not have to assume the role of umpire; this is the chief reason our negotiations were so protracted.

To our dismay, we now find that the length of our negotiations has acted as a barrier to our best interests. Negotiations with the city were begun in February 1971 looking toward a July 1, 1971, date, 2 years after our last increase. An effective date of July 1, 1972 will mean that the city has escaped scot free from its responsibility to provide equitable salaries for its firefighters during the whole of fiscal 1972. H.R. 12710 proposed retroactivity to January 1, 1972, which we feel is concession enough. This is the one feature that the city now disagrees on because of its use of an increased sales tax as a means of funding but the city had begun negotiations with us in February 1971 and thus can hardly plead unawareness. More important, a signed memorandum of understanding with the city as of December 1, 1971 agreed to a January 1, 1972, date.

Everyone is aware of the regularity and frequency of salary increases, both in the private and public sectors. July 1, 1972 will mark the end of a 3-year period of static salaries for Washington firefighters. Our remarks on H.R. 12710 as submitted for the record, indicate clearly our dollar loss over the past 3 years while Federal and District classified employees have been getting their regular increases automatically and without strain. We urge that you carefully examine table IV of our report submitted for the record.

In addition, two other key features of the negotiated agreement have been dropped or modified.

1. Educational incentives—After long and arduous separate negotiations between the city and both associations on this one topic, these provisions were included as an integral part of H.R. 12710. We believe such provisions are necessary to raise the caliber and expertise of our members. The future trend will undoubtedly demand an increased academic background of high-level officers in both Departments. This clause has been deleted in its entirety.

2. Longevity factor—One which provided credit for total service in department, as distinguished from service in class, was a signal and novel feature of our negotiated package. It rectifies the inherent inequities which crop up on the occasion of every promotion when the member must lose some part of his prospective step-increase; it also provides a relief against the bleak nonfuture of the oldtimer who remains in the rank of firefighter and who presently has come to the end of the financial road after 16 years. And lastly, we believe it was a strong inducement to continuation in the service. It was intended to become an integral part of our pay package and as such includable for pension purposes. The House District Committee has included it, but only while the member remains on active duty.

In addition, to our extreme distress, one prize feature of our retirement system (not included in any phase of the legislation) was changed. Since time immemorial, we have retired on the basis of our salary at time of retirement. The House District Committee saw fit to change this hallowed benefit to one whereby the pension base is obtained by averaging out the last 3 years. This is the system used by the Federal Government, which formerly used the last 5 years for aver-

aging. Thus, as their policy has been liberalized, it is proposed that ours retrogress.

A change of this nature is completely at odds with the American treatment of the workingman. Is it not undeniable that benefits gained in any sector (pay, pensions, hours) are held and are never bartered away in exchange for a benefit in another field? Must we then sacrifice part of our retirement program to get a salary increase? Secondly, a change in our retirement laws is hardly relevant to a salary increase measure. Thirdly, there was no hearing, no open discussion, no opportunity for rebuttal. Does not such a drastic change in a key benefit merit a full hearing? And last, if a man takes a job with certain express benefits, is it fair to tell him 30 years later that the rule has been modified downward?

In sum, we felt that we had done what the Congress desired. We now find that our acceding to the express wish of the Congress has resulted in an unconscionable delay with a concomitant financial loss to our members. We also believed that ironing out our differences with the city before legislation was introduced would be tantamount to speedy approval without drastic change. In addition, this time we had to gain the approval of the Pay Board, which we did. The extent of our disappointment, having done all we were required to do, is great. The one clear and unmistakable gainer in all this is the city.

H.R. 12710 is a bill designed to increase the salaries of firefighters (and police officers) to the degree required to make them competitive with the wages of firefighters in adjacent jurisdictions, firefighters in cities of like population groupings, and Federal and District government workers bearing equivalent duties and responsibilities. We earnestly seek its passage.

We feel that in this instance we must address ourselves first to the fact that the increases to be effected by the bill are, at first blush, contrary to the guidelines laid down by the Pay Board. Initially, let us affirm, without reservation, that we quarrel not with the economic game plan, as we understand it. Future pay increases to an annual maximum of 5.5 percent, coupled with optimum price increases of 2.5 percent yearly, and allowing for a productivity increase of 3 percent, seem to us, in our economic naivete, to be eminently acceptable. Such a plan however must be predicated on all facets of labor starting from the same point, within acceptable limits. Such is clearly not the case here. To support this statement, we offer evidence from two main sources.

First, let us examine our position versus the cost of living. Since Public Law 90-320 became effective on October 1, 1967, we have had increases in salary totaling 13.9 percent. Since 1967 however, the cost of living has risen in Washington, D.C. from 100 to 124.2 percent as of November 1971, or a total of 24 percent. Since our last increase, effective July 1, 1969, the cost of living has risen on the 1957-59 scale from 128.8 to 144.7 (the latter mark being also as of November 1, 1971), while our salary has remained static. Thus, although most increases include not only a segment to compensate for the increased cost of living but also a productivity factor, our wages have signally failed to keep pace even with the cost of living.

Second, a dramatic and disturbing difference in our salaries in comparison with salaries in cities of comparable size, points out the need for a sizable adjustment.

TABLE I.—SELECTED COMPARISONS IN DOLLAR DIFFERENCE

	Minimum salary		Net change
	1969	Now	
Buffalo.....	-\$1,100	+\$10	\$1,110
Chicago.....	-184	+2,024	2,204
Cincinnati.....	-756	+1,166	1,922
Cleveland.....	-566	+1,469	2,035
Philadelphia.....	-693	+1,828	2,521
Pittsburgh.....	-737	+1,063	1,800
Seattle.....	-160	+620	820
Washington, D.C.....			0

Captain GRANADOS. We have selected only those cities in which firefighters were receiving less at appointment than the District in 1969, and are making more now. (Table I.) Every city of the 25 in our population grouping improved its position vis-a-vis Washington, D.C. While we have received no increase, Milwaukee has received six, Philadelphia five, and Chicago, Cincinnati, Kansas City, Mo., Pittsburgh, and San Francisco, four. Thus, while our salary increases are limited to at most one per 2-year congressional term, other cities have recognized at regular and short intervals the plight of the public safety servant. Public Law 91-297 placed us in sixth position as to minimum salaries and second place as to maximum; currently we are in 15th and 11th place, respectively. (See table II.)

We believe that the evidence, relative to our losing battle with the cost of living and the retrogression of our pay position with cities of like size, is a persuasive argument indeed against the necessity of our adherence to the Pay Board guidelines.

In that light, let us examine other justifications for passage of H.R. 12710, turning first to the happenings in the private sector. On July 18, 1969, just after our last increase, the hourly union wage of a bricklayer in the District was \$5.95. On October 1, 1971, it had reached \$8.35. Six other principal trades in Washington, D.C., have experienced similar wage increases, averaging 33 percent over that time, span. (See table III.)

We call your attention to the salaries of firefighters in contiguous jurisdictions. We now rank in sixth, or last place in comparison with our neighbors both as to minimum and maximum salaries. This, mind you, in spite of the fact that our neighbors average number of responses to fires, per company, is not comparable to ours—that hostility toward, and harassment of, firefighters is a phenomenon restricted to the District—that false alarms, as a vehicle of harassment, are almost unknown in the suburbs—and finally that the use of arson on a large and rapidly increasing scale, is a practice virtually confined to the inner city. The passage of H.R. 12710 will place us back in the position we occupied after the passage of Public Law 91-297, in the first rank of all six neighboring communities. Considering the disadvantages of working in the inner city, no other rank is tenable for the District, assuming a desire on the part of the District to recruit top rank personnel.

We believe that, in every sense of the word, our productivity has increased over yesteryear; that is, the amount of work performed per unit of time. In the timespan 1967-71 inclusive, our alarms have increased from 23,105 to 31,532, with false alarms escalating from 6,853

to 12,796 (1964 less than 3,000). The astonishing increase is in dollar loss which has risen from \$2.95 million in 1967 to \$8.39 million in 1971, despite a relatively constant number of real fires in the last 3 years. The increase is far beyond anything attributable to an increased cost. The inevitable conclusion, from the dollar loss alone, is that we are being menaced with an inordinate number of fires which must be labeled arson, or of suspicious origin. The increase in dollar loss follows because arson fires are generally ones where the fire is burning fiercely and/or in several places on arrival. Thus, our firefighters are responding to a far greater number of major fires, with a concomitant increase in the risk and injury factors.

Our worsening position relative to our GS, or classified, counterparts needs to be emphasized. Since the date of our last increase, classified workers have received cumulative raises of 18.7 percent; the blue collar force, 20 percent, with the inevitable price increases in this area as a consequence. Dating back to 1964, it was recognized that the officer ranks had equivalent responsibilities of, and required equal compensation for, certain corresponding GS grades.¹ Although parity was achieved at that time, this principle became eroded over the next few years, and the dollar gap between equivalent positions widened. Parity was reestablished in 1969 although the monetary loss in this 1964-69 era was not recovered. How this disparity cycle was repeated between 1969 and the present is illustrated in table IV. Once again, the wage scales in H.R. 12710 will equate our salaries to those of our counterparts for a time. The dollar loss however, is a sum lost forever. It seems to us that this is a most vital point; that without the maintenance of parity, the latter becomes just a word, not a fact. Parity is not achieved by its brief realization every few years, with a widening unfavorable gap in the interim. We need the passage of H.R. 12710 to reestablish the position of equity with our counterpart GS workers that was initiated in 1964 and reestablished in 1969. Having done that, we must seek means to maintain that relationship.

¹From H. Rept. 91-1061, to accompany H.R. 17138 of the 91st Cong., dated May 7, 1970, the following excerpt beginning at the bottom of page 5 is quoted. "Public Law 88-575, effective July 1, 1964, recognized the need to establish parity between the personnel in class 5 through class 11 of the Police and Firemen's Salary Act and the General Services Grade Salary Schedule. Cognizance was taken of the fact that senior classified employees of the District Government had recently been given exceptionally large pay raises as a result of the Federal program to achieve comparability between upper level classified employees and upper level private industry employees. The act of 1964 established the office of Chief of Police at approximately GS grade 17, the Executive Officer at approximately GS grade 16, and Deputy Chief of Police at about GS grade 15, Inspector at about grade 14, etc."

TABLE II.—MINIMUM AND MAXIMUM SALARIES PAID FIRE PRIVATES IN 25 CITIES OVER 500,000 POPULATION

	Minimum	Rank	Maximum	Rank
Cities:				
Atlanta.....	\$7,344	25	\$9,048	23
Baltimore.....	8,199	21	10,419	18
Boston.....	9,286	12	11,520	9
Buffalo.....	8,510	17	11,080	11
Chicago.....	10,524	4	13,680	2
Cincinnati.....	9,666	9	10,836	15
Cleveland.....	9,989	7	11,470	10
Dallas.....	7,680	22	9,180	22
Denver.....	8,448	19	11,004	12
Detroit.....	8,953	13	12,668	5
Houston.....	8,585	16	9,882	21
Indianapolis.....	7,350	24	8,505	25
Kansas City, Mo.....	8,813	14	10,198	20
Los Angeles.....	11,292	3	13,296	4
Milwaukee.....	9,506	11	11,860	7
New Orleans.....	7,675	23	10,615	17
New York.....	12,099	2	13,550	3
Philadelphia.....	10,328	5	10,850	14
Pittsburgh.....	9,563	10	10,650	16
St. Louis.....	8,685	15	10,338	19
San Antonio.....	8,244	20	8,952	24
San Diego.....	9,900	8	12,024	6
San Francisco.....	13,332	1	13,932	1
Seattle.....	10,176	6	11,700	8
Washington, D.C.:				
Present.....	8,500	18	10,965	13
Proposed I.....	9,500	12	¹ 12,255	6
Proposed II.....	10,000	7	¹ 12,900	5
Local jurisdictions:				
Alexandria.....	9,100	1	11,060	5
Arlington County.....	8,575	5	11,494	4
Fairfax County.....	8,653	3½	11,565	3
Montgomery County.....	9,021	2	12,093	1
Prince Georges County.....	8,653	3½	11,669	2
Washington, D.C.:				
Present.....	8,500	6	10,965	6
Proposed I.....	9,500	1	¹ 12,255	1
Proposed II.....	10,000	1	¹ 12,900	1

¹ Maximum shown is reached after 7 Years; maximum after 16 years will be \$13,680 and \$14,400 for proposed phases I and II, respectively.

TABLE III.—HOURLY WAGES OF SELECTED TRADES, WASHINGTON, D.C.

	July 1969	October 1971
Bricklayers.....	5.95	8.35
Carpenters.....	5.31	6.94
Electricians.....	6.15	7.95
Painters.....	5.48	7.05
Plasterers.....	5.07	6.61
Plumbers.....	5.81	7.83
Laborers.....	3.74	5.19

Note: Average increase 33 percent.

TABLE IV.—TABLE OF COMPARISON BETWEEN KEY RANKS OF FIREFIGHTERS AND THEIR GS COUNTERPARTS

	July 1, 1969	Jan. 1, 1970 to Jan. 1, 1971	Jan. 1, 1971 to Jan. 1, 1972	As of Jan. 1, 1972	Total dollar loss to Jan. 1, 1972	Monthly dollar loss after Jan. 1, 1972
GS-8	\$8,449	\$8,956	\$9,493	\$10,013		
Firefighter	8,500	8,500	8,500	8,500		
Dollar loss		456	993		\$1,449	\$126
GS-12	13,389	14,192	15,040	15,866		
Lieutenant	13,300	13,300	13,300	13,300		
Dollar loss		892	1,740		2,632	214
GS-13	15,812	16,760	17,761	18,737		
Captain	15,800	15,800	15,800	15,800		
Dollar loss		960	1,961		2,921	243
GS-14	18,531	19,643	20,815	21,960		
Battalion chief	18,500	18,500	18,500	18,500		
Dollar loss		1,143	2,315		3,458	288
GS-15	21,589	22,885	24,251	25,583		
Deputy chief	21,500	21,500	21,500	21,500		
Dollar loss		1,385	2,751		4,136	340

Note.—The total dollar loss shown by the table is the total amount of moneys lost by each rank, from July 1, 1969, to Jan. 1, 1972. The last column, monthly dollar loss simply indicates the difference between our current salaries and the Jan. 1, 1972, GS scale, placed on a monthly basis. This monthly sum multiplied by the number of months involved will have to be added to the total dollars irretrievably lost unless the legislation is made retroactive to Jan. 1, 1972. The mutually agreed upon wage scales in H.R. 12710 (phase II) reestablish that parity.

City	Population	Starting pay	City	Population	Starting pay
Anchorage, Alaska	65,000	\$10,820	Winnetka, Ill	14,000	\$9,900
Antioch, Calif	30,000	9,504	Zion, Ill	18,000	8,600
Ashland, Calif	30,000	9,618	East Chicago, Ind	55,000	10,320
Castro Valley, Calif	50,000	9,618	Fort Wayne, Ind	175,000	9,087
Burlingame, Calif	26,000	10,092	Hammond, Ind	111,000	9,180
Claremont, Calif	24,000	9,504	Hobart, Ind	22,500	8,605
Clovis, Calif	16,000	8,520	Mishawaka, Ind	37,400	8,512
Contra Costa County, Calif	350,000	9,864	Portage, Ind	19,000	9,450
Culver City, Calif	35,000	10,680	Montgomery County, Md		9,021
Fresno, Calif	165,000	10,608	Prince Georges County, Md		8,653
Fresno County, Calif	46,000	9,000	Arlington, Mass	53,000	8,798
Kern County, Calif	300,000	9,624	Boston, Mass	641,000	10,918
Bakersfield, Calif	70,000	9,276	Brookline, Mass	55,000	9,620
LaHabra, Calif	45,000	9,216	Cambridge, Mass	105,000	9,210
Los Angeles, Calif	3,000,000	10,126	Chelsea, Mass	25,000	8,786
Los Angeles County, Calif		10,104	Everett, Mass	41,000	9,600
Milbrae, Calif	20,500	10,272	Framingham, Mass	68,000	8,664
Mountain View, Calif	55,400	9,852	Gloucester, Mass	27,000	8,758
Oakland, Calif	358,486	11,724	Malden, Mass	55,000	11,550
Ontario, Calif	65,000	9,108	Medford, Mass	65,000	9,441
Petaluma, Calif		9,048	New Bedford, Mass	105,000	9,300
Redlands, Calif	37,000	9,156	Quincy, Mass	89,000	9,340
Salinas, Calif	58,500	8,658	Randolph, Mass	28,000	8,717
San Bernardino, Calif	115,000	9,568	Reading, Mass	22,500	8,626
San Bruno, Calif	38,000	9,948	Revere, Mass	42,600	9,050
San Diego, Calif	712,000	9,900	Salem, Mass	40,000	9,000
San Francisco, Calif	710,000	13,324	Saugus, Mass	27,000	8,670
San Jose, Calif	430,000	10,222	Watertown, Mass	40,000	8,700
Santa Clara County, Calif			Wayland, Mass	14,000	8,566
Santa Cruz, Calif	30,000	8,796	Worcester, Mass	180,000	8,932
Santa Monica, Calif	90,000	10,398	Allen Park, Mich	47,000	10,505
Santa Rosa, Calif	50,000	9,144	Ann Arbor, Mich	103,000	9,700
Stockton, Calif	113,500	9,852	Birmingham, Mich	27,500	10,512
Torrance, Calif	136,000	11,304	Dearborn Heights, Mich	80,000	10,282
Union City, Calif	16,000	9,516	Detroit, Mich	1,493,000	9,172
Bridgeport, Conn	156,000	8,892	Ecorse, Mich	17,500	10,850
Stamford, Conn	107,000	9,932	Flint, Mich	185,000	9,755
West Hartford, Conn	75,000	8,544	Garden City, Mich	45,000	9,000
Willimantic, Conn	16,000	8,844	Grand Rapids, Mich	198,000	9,686
Fairfield, Conn	58,000	8,563	Grosse Point Park, Mich	16,000	9,700
Dade County, Fla	1,500,000	8,712	Hamtramck, Mich	26,750	9,229
Miami, Fla	300,000	8,736	Harper Woods, Mich	20,000	11,115
Aurora, Ill	74,200	8,620	Harrison Township, Mich	18,000	9,220
Chicago, Ill	3,200,000	10,524	Inkster, Mich	39,000	10,738
Elgin, Ill	55,691	9,156	Jackson, Mich	50,000	9,053
Franklin Park, Ill	21,800	9,275	Pontiac, Mich	85,000	10,212
Harvey, Ill	35,000	10,098	River Range, Mich	15,500	11,166
Joliet, Ill	85,000	9,768	Royal Oak, Mich	85,000	11,420
Lockport, Ill	24,000	9,100	Southfield, Mich	70,000	11,275
Peoria, Ill	130,000	9,048	Southgate, Mich	33,700	10,214

City	Population	Starting pay	City	Population	Starting pay
St. Clair Shores, Mich.....	90,000	\$9,500	East Cleveland, Ohio.....	34,000	\$8,964
Sterling Heights, Mich.....	63,000	9,254	Fairborne, Ohio.....	34,000	8,580
Taylor, Mich.....	70,000	11,240	Fairview Park, Ohio.....	25,000	8,727
Waterford Twp., Mich.....	59,800	10,466	Garfield Heights, Ohio.....	38,000	8,950
West Bloomfield, Mich.....	28,000	10,000	Hamilton, Ohio.....	75,000	9,047
Wyandotte, Mich.....	42,000	10,456	Maple Heights, Ohio.....	35,000	9,152
Albert Lea, Minn.....	19,800	8,714	Norwood, Ohio.....	30,000	8,548
Austin, Minn.....	28,000	8,632	Palmer, Ohio.....	110,000	9,413
Fridley, Minn.....	29,000	9,060	Palmer Heights, Ohio.....	30,000	8,700
Minneapolis, Minn.....	434,400	9,180	Stow, Ohio.....	22,000	8,520
Richfield, Minn.....	49,700	9,180	Toledo, Ohio.....	390,000	9,945
South St. Paul, Minn.....	311,000	10,080	University Heights, Ohio.....	17,500	8,925
St. Louis Park, Minn.....	50,000	8,836	Warren, Ohio.....	69,000	9,000
St. Paul, Minn.....	311,000	10,143	Cleveland, Ohio.....		10,970
Las Vegas, Nev.....	125,000	9,192	Erie, Pa.....	150,000	8,561
No. Las Vegas Nev.....	45,000	9,024	Philadelphia, Pa.....	1,925,000	10,328
Camden, N.J.....	101,000	8,575	Pittsburgh, Pa.....	520,000	9,713
Elizabeth, N.J.....	108,000	9,700	Swissvale, Pa.....	15,600	8,524
Harrison, N.J.....	15,000	9,500	Memphis, Tenn.....	620,000	8,544
Hoboken, N.J.....	50,000	9,300	Houston, Tex.....	1,295,000	8,572
Hoboken, U.F.A., N.J.....	50,000	9,300	Fairfax County, Va.....	500,000	8,652
Irvington, N.J.....	65,000	10,000	Arlington, Va.....		8,575
Newark 1860, N.J.....	420,000	9,500	Alexandria, Va.....		9,100
Newark 1846, N.J.....	370,000	9,500	Bothell County, Va.....	5,500	8,640
North Bergen, N.J.....	47,500	10,000	Dumomish, Wash.....		8,905
Wehawken, N.J.....	14,000	8,850	Everett, Wash.....	50,000	8,700
West New York, N.J.....	40,000	9,000	Kelso, Wash.....	10,000	8,760
West Orange, N.J.....	50,000	8,664	Kent, Wash.....	16,500	8,520
Buffalo, N.Y.....	471,000	8,510	Richland, Wash.....	27,000	8,532
Eastchester, N.Y.....	37,000	9,016	Seattle, Wash.....	585,000	9,120
Harsdale, N.Y.....	16,000	8,800	Shoreline, Wash.....	50,000	9,624
Mamaronek, N.Y.....	18,000	9,776	Tacoma, Wash.....	151,000	9,468
Mt. Vernon, N.Y.....	75,000	9,000	Tukwila, Wash.....	3,149	8,838
Nassau County, N.Y.....	30,000	9,728	White Center, Wash.....	55,000	8,502
New Rochelle, N.Y.....	80,000	9,250	Brookfield, Wis.....	33,000	8,958
Niagra Falls, N.Y.....	83,000	9,035	Brown Deer, Wis.....	12,500	8,700
Port Chester, N.Y.....	35,000	9,926	Cudahy, Wis.....	25,000	9,246
Rochester, N.Y.....	300,000	9,138	Greendale, Wis.....	15,000	9,019
Rye, N.Y.....	16,000	9,099	Madison, Wis.....	179,000	9,254
White Plains, N.Y.....	50,000	9,000	Greenfield, Wis.....	30,000	8,535
New York City, N.Y.....	7,867,000	10,800	Milwaukee, Wis.....	707,000	9,506
Akron, Ohio.....	275,000	9,318	Oak Creek, Wis.....	14,500	9,938
Bedford, Ohio.....	18,000	8,653	Racine, Wis.....	90,000	9,601
Berea, Ohio.....	22,000	8,556	Shorewood, Wis.....	17,000	9,140
Brook Park, Ohio.....	34,000	8,640	West Allis, Wis.....	80,000	9,029
Cincinnati, Ohio.....	450,000	9,666	West Milwaukee, Wis.....	5,000	9,000
Cuyahoga Heights, Ohio.....	950	9,620			

Cities exceeding \$8,500 starting salary:

All cities.....	192
Cities in population range 100,000-500,000.....	37
Cities over 500,000.....	15
Cities receiving \$10,000 or over starting salaries.....	39

Source: 53d Annual Fire Department, Salaries and Working Conditions Survey, compiled by the Research and Education Department, International Association of Fire Fighters.

Captain GRANADOS. Mr. Chairman, if I may add, I would like to ask consideration of one factor, the long process of these negotiations that we must enter into with the city, and then followed by the long and slow process we have to submit to in the congressional movement of our bill has simply become an unworkable situation for our members.

We hope that you and other members of the District Committee would consider some means, as suggested by Chief Wilson earlier, of allowing us to receive our pay increases more like all other District and Federal employees. On a more automatic basis, so that we are not constantly having to catch up, and constantly having to ask for retroactive pay, which is always a hard thing to get in order to make us whole with the rest of the surrounding work area in this community.

The CHAIRMAN. Thank you, Captain.

Mr. Raeder?

Mr. RAEDER. In the interest of time, I have no statement.

The CHAIRMAN. Thank you, gentlemen, for your excellent presentation and for your appearance before us this morning.

The next group is the Retired Policemen's Association of the District of Columbia, represented by John L. Sullivan, chairman of the Legislative Committee, and Mr. H. Walter Starkloff.

STATEMENT OF THE RETIRED POLICEMEN'S ASSOCIATION OF THE DISTRICT OF COLUMBIA, REPRESENTED BY JOHN L. SULLIVAN, CHAIRMAN, LEGISLATIVE COMMITTEE, AND H. WALTER STARKLOFF

Mr. SULLIVAN. Thank you very much, Mr. Chairman.

Mr. Chairman, and members of the committee, for the record, my name is John L. Sullivan, retired inspector of the Metropolitan Police Department and chairman of the Legislative Committee for the Association of Retired Police of the District of Columbia. I have with me today, Inspector H. Walter Starkloff, retired inspector of the Executive Protective Force, and Lt. Samuel Stickley, retired lieutenant of the Metropolitan Police Department.

Mr. Chairman, and members of the committee, we approve H.R. 15580 and recommend its adoption.

While, as is always the case, we are conscious of the fact that everything we desire is not included in the bill, because of the necessity of our policemen to receive their salary increases as soon as possible, we would recommend the passage of this bill.

We would like to call to your attention, however, page 19, line 8, through page 20, line 22. This deals with computing a retiree's salary based on an average of 3 years highest pay. While I cannot speak for the active men, I do feel that I should speak on the behalf of the widows and survivors of policemen. Therefore, we would recommend that when a policeman is retired on disability, or killed in the line of duty, his survivors annuity should be computed at the salary he was receiving at the time of his retirement.

Thank you Mr. Chairman, and members of the committee, for allowing me to express my views on H.R. 15580. We appreciate the quick action that your committee has taken on this pay bill, and I am very hopeful that the bill will become law by July 1.

I would like to make one additional statement, Mr. Chairman.

First, I am sorry the executive secretary of the International Conference of Policemen's Association, Mr. Gordon, forgot to include us as members into the international conference. I, myself, am the vice president of the International Conference of Policemen's Association.

I would like to say one other thing, if I may, Mr. Chairman, we have no objection to any incentive for education or anything else along that line, but we do object to part of the mayor's bill where it excludes the retired men from annuity under the law as it now exists. In part of his testimony, he went back to December 31, I think, of 1971. If there is any longevity or retroactive, as long as it is incentive pay, we have no claim to any longevity, but if it is a salary for retroactive pay, the retired men are entitled to it under the law, and we respectfully ask to be continued in that category.

The CHAIRMAN. Thank you very much, Mr. Sullivan.

Mr. Starkloff?

Mr. STARKLOFF. Not at this time. Thank you very much, Mr. Chairman.

The CHAIRMAN. We appreciate your appearance here this morning and your cooperativeness in the interest of time.

(Subsequent to the hearing the following letter and article was received.)

ASSOCIATION OF RETIRED POLICEMEN,
Washington, D.C., June 26, 1972.

HON. THOMAS F. EAGLETON,
U.S. Senate,
Committee on the District of Columbia,
Washington, D.C.

DEAR SENATOR: As Chairman of the Legislative Committee representing the retired policemen who number more than 2100, I wish to say that we support H.R. 15580. Because of the necessity of our policemen to receive their salary increases as soon as possible, we would recommend the passage of this Bill. However, we are conscious of the fact that everything we desire is not included in the Bill.

We would like to call your attention, however, Page 19, line 8, through Page 20, line 22. This deals with computing a retirees pension based on an average of 3 years highest salary. While I cannot speak for the active men, I do feel that I should speak on behalf of the widows and survivors of policemen. Therefore, we would recommend that when a policeman is retired on disability, through no fault of his own, or killed in the line of duty, his survivors annuity should be computed at the salary he was receiving at the time of his retirement or death.

We oppose any section, or part of any section, of any Bill the D.C. Government may recommend which excludes any retired member or widow from receiving full benefits of any increase in their salary, longevity, retroactive or survivors benefits.

In reference to the Educational Program which has been a continuing controversy since 1951 and to date has failed to produce any real benefits, we submit the following information:

The District Government has stated that the cost of education incentive for fiscal year 1973 would amount to \$1,920,000. The question we must ask is, do we pay 90% of the cost of education of members of the departments, as well as giving them time off to attend certain colleges etc., and then turn around and give them additional credits for promotion, as well as extra compensation? A private is eligible to take the examination for Sergeant after 3 years service (6 years previously), Lt. after 5 years and Capt. after 7 years. A policy has been set in the department that unless a member has college credits, the member will not receive top efficiency for promotional examinations. This, of course, is in conflict with the Civil Service laws and certainly must create a morale problem to those men who have experience, in addition to their high school education, in service training and special courses that would make them just as capable to become supervisors and commanding officers. I am of a strong opinion that this is enough compensation for education. (See attached)

We feel that the members of the Sub-Committee in the House of Representatives, in considering H.R. 15580, took into consideration our retirement act of 20 years at 50% of their salary, 30 years at 80% and disability from 66% to 80%. Therefore, we feel that H.R. 15580 is a just Bill and an equitable solution.

We have noted with interest the Mayor's testimony before your Committee on June 22nd in which he stated the cost of his proposal would be \$19.2 million. Proposal H.R. 15580 shows an estimated cost of \$15.2 million.

I have attempted to convey the feelings of the retired members, as well as many active members as to our thoughts on H.R. 15580. Thank you, and the members of your Committee, for the wonderful contributions made over the years to our Nation's Capital, and to the Police and Fire Departments of the District of Columbia.

Sincerely,

JOHN L. SULLIVAN,
Chairman, Legislative Committee,
Retired Policemen's Association of the District of Columbia.

[From the Police Chief, June 1972]

HIGHER EDUCATION FOR POLICE—SOME OPERATIONAL DIFFICULTIES

(By Lt. Thomas A. Constantine*)

Certain images in American life are considered almost immune to criticism. One of the most recent additions to this list is the concept of college education for the police. Any critic of higher education for the police may quickly find himself categorized as antediluvian. It would be redundant at this point to restate all of the positive benefits of programs that increase the educational level of the police. Those principles are well represented in texts, reports and professional journals. However, it is becoming increasingly apparent that, like many of the so-called miracle drugs, academic programs designed to provide these educational opportunities are exhibiting some negative effects. If these problems are articulated and then remedied, the possibility of endangering the potential of the educational concept will be minimized.

In an effort to improve the effectiveness of the criminal justice system by increasing the educational levels of its personnel, the Law Enforcement Education Program (LEEP) has been providing fiscal resources in the form of grants and loans since 1968. Grants in the amount of \$300 per semester are limited to police, correction and other in-service personnel while loans up to \$1800 per year of full-time study are available to pre-service as well as in-service students.¹ Due to a modification of LEEP policies, it is now possible for eligible individuals to receive veterans assistance funding as well. This freedom from financial hardship, coupled with the increased availability of improved criminal justice programs, has led to an upsurge in the number of in-service personnel attending college. Reports indicate that as many as 50,000 in-service students were enrolled in the 1969-1970 academic year across the country.² The current enrollment is undoubtedly even higher.

TOO MUCH, TOO SOON

What could possibly be negative about a successful program striving towards such a noble objective? The first problem area concerns the limited physical and mental endurance of the participants. Human energy resources are not infinite and the pressures of being a full-time police officer while simultaneously attending college can be very taxing. Present requirements for LEEP loans are predicated on an all or nothing basis. If the student is unwilling to carry a full 12-hour credit load, he is eligible for LEEP grants but not loan assistance and must be willing to assume many of the financial hardships incumbent upon his student status. This problem is particularly significant since the alternative to allotting time for education is often the more immediate financial reward of "moonlighting." The realization that a 12-hour credit load should include at least 24 hours of home study means a 76-hour week exclusive of any normal family commitments. Although many officers have been able to properly maintain their professional responsibilities while simultaneously earning above-average academic grades, there are those who cannot manage this rigorous schedule. The policeman who uses "company time" to do his homework or maneuvers himself into an easy "berth" position in order to complete his studies does more damage to the concept of increased education for the police than its most vociferous critic. Conversely, the policeman who puts little or no effort into his educational experience, satisfying himself with "snap" courses or minimal performance, is cheating himself and eroding the basic concept. The solution to this negative side effect ultimately rests with the ability of the individual officer to select a program that is man-

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¹ LEAA—1970. Report, Law Enforcement Assistance Administration, 1970, Washington, D.C.: Superintendent of Documents, p. 53.

² William E. Caldwell, "LEEP: Its Development and Potential," *The Police Chief*, August, 1970, p. 30.

ageable. However, the monetary incentives that induce a policeman to carry more than his optimum academic load should be reviewed. It may be more beneficial to consider modified LEEP loan requirements that would allow a student-officer to receive a diminished percentage of loan funds if he is enrolled for less than 12 credit hours. A graduate scale of payments similar to the one presently used by the Veterans' Administration in calculating educational benefits may provide a feasible alternative.

WORK PERFORMANCE

A second operational difficulty is presented by the apparent decrease in performance levels by some officers who are attending school. The genesis as well as the solution to this problem may be a twofold responsibility. First, relying solely on statistical measures of performance may be dysfunctional, especially in these cases. The nucleus of many innovative police theories is the identification of alternative responses to police interventions.

The implementation of such discretionary diversions offers one explanation for what may appear to be substandard job performance. As such techniques become widely accepted it will be the responsibility of the agency to reevaluate its performance criteria. The present criteria with its reliance on arrest statistics may well be expanded to include quantitative ratings for more positive relationships such as the accomplishment of the agency service objectives. However, we must still face the problem of officers whose performance has deteriorated because school rather than work has become their primary interest. To afford immunity from existing departmental controls and regulations solely because the offender is attending college would be a disservice to the public as well as other employees. Unfortunately the precedent of the more traditional violator, "the moonlighter," approaching his police occupation as one of secondary importance, has long been established in some departments. Thus application of internal discipline must be equally applied to the two types of offenders.

INTRA-AGENCY RELATIONSHIPS

There are signs of a growing and abrasive rift between the advocates of higher educational standards and those who oppose any form of preferential treatment that is based on academic accomplishments.³

This conflict exists at virtually every level but perhaps most disturbing is the area of peer group relationships. This is especially significant at the middle management level where academic credentials are increasingly being considered as an asset in promotional decisions. Obviously candidates who have not availed themselves of educational opportunities or did not have educational opportunities available to them are threatened by such changes. This tension can be further aggravated when programs rewarding education through the use of financial incentives or promotional preference are instituted without sufficient lead time to allow every employee the opportunity to meet the established standard.

Perhaps it may not be necessary to establish rigid educational standards for promotion. If the educational experiences have been valuable the college man should gravitate upwards in an evolutionary manner without benefit of special assistance. This does not mean that management when appraising candidates for promotion who are apparently equally qualified should not consider a candidate's educational achievements. This is especially true when one considers the motivational factors involved in acquiring a college education while concurrently fulfilling professional responsibilities. While the student-officer spends countless hours in the classrooms deferring to some future goal, his colleagues are free to have dinner with their family, go bowling, attend movies or garner the immediate financial rewards of a second occupation. Hopefully, the educational levels of police will continue to increase and this problem of disparate educational levels will be a negative effect of short duration.

ROLE CONFLICTS

Inasmuch as many of the academic programs in which police officers are now enrolled have major concentrations in the social and behavioral sciences, it is not difficult to understand why we hear them claim to be suffering from

³ Arthur Neiderhoffer, *Behind the Shield*, Garden City, N.J.: Doubleday and Company, 1970, p. 26.

"role conflict." The very nature of these academic disciplines is one of critical examination and dissent. When contrasted with the disciplined military structure of most police agencies the officer unfortunately finds himself caught in the crush of opposing philosophies. If he creates an impression of being a dissenter, questioning existing departmental policies, he may find himself categorized as a troublemaker. On the other hand, if he defends the system in the presence of faculty or students dedicated to believing myths about law enforcement, he will quickly be labeled a fascist. In dealing with the first situation, it is important that the officer initially focus his resources so as to assist management in the solution of normal operational problems that may be particularly susceptible to his talents. After establishing himself as an individual who is able to blend academic credentials into a real-world setting, he should find less resistance to his more innovative suggestions. The latter conflict of the classroom confrontation is usually best handled by forthright and considered responses to obviously distorted statements. This response may bring with it the potential for retaliatory action on the part of unethical faculty members. In order to diffuse this potential one of my cohorts utilized a strategy of making it known to the class that his response might in fact jeopardize his grade but, nevertheless, he felt it his duty to set the record straight. Although there is still a certain amount of risk involved, this strategy has perhaps helped to prevent the perpetuation of myths which would be ultimately damaging to professional law enforcement.

LOYALTY

The final negative side of educational programs concerns the loyalty of the individual to his sponsoring agency. In that many of those officers who originally participated in part-time educational programs have also been successful in departmental promotional procedures, some opportunists have begun to look at education as the new "route" to promote. What is often not considered is that, until recently, the promotional process and the educational experience have been for the most part mutually exclusive of one another. The opportunistic officer may seek academic credentials with the expectation that he will be promoted no matter what his work record may reflect. Obviously, when such an individual realizes that he is still evaluated on a performance level, he tends to become cynical and disillusioned.

What about the officer who is not opportunistically motivated but, nevertheless has been able to continue his education due to scheduling adjustments and similar latitudes allowed by his agency? Does this officer have a debt to continue in his agency upon completion of his academic requirements? It would seem to be loyalty in its finest sense for such an individual to stay and apply his newly refined abilities rather than succumb to the temptation of leaving for more lucrative positions. This sense of individual loyalty does not relieve the agencies from a responsibility to provide an environment so challenging that officers, feeling their efforts are worthwhile, are willing to remain and assist in the development of solutions to existing problems. Nor should this sense of loyalty minimize the present and long-overdue trend towards lateral entry.

As a benefactor of part-time education, it is sometimes painful to point out the possible negative effects of such programs. However, the long-range objectives of police work as a profession demands honest self-criticism. I fully support the concept of college education for all police officers but not at the price of sacrificing operational responsibilities. The mere fact that the negative side effects are made visible is a forward step, yet much more must be done if the danger is to be minimized. Top-echelon administrators must take an objective look at present policies. Although explicit support of the educational concept is good policy and excellent public relations, more attention must be paid to future implications of college-educated police. They must realize that the survival of the agency depends more than ever before on the proper exploitation of brain power.⁴

The primary message here is intended for the "new breed," college-educated policeman. If he allows himself to take the easy route and not fulfill his professional obligations in order to obtain academic credentials, his efforts will be self-defeating. If he allows himself to be frustrated because his newly acquired education does not bring about immediate changes, it is doubtful that he truly understands the dynamics of large bureaucratic organizations. If he pictures

⁴ Warren Bemis, *The Planning of Change*, New York, N.Y.: Holt, Rinehart and Winston, Inc., 1969.

himself as an elite member of the organization, looking down on noneducated colleagues, it is doubtful that the educational experience has achieved its intended purpose of developing his interpersonal skills. It is the duty of the agency administrators and college faculty to recognize and remedy these negative effects. Their failure to do this will only serve to perpetuate resistance to the educational concept and jeopardize chances for future professionalism.

The CHAIRMAN. We have four witnesses scheduled that represent different associations.

I will call those witnesses as a group when we return from the roll-call vote that is now in process, so the committee will stand in recess for 15-20 minutes.

(Whereupon, the committee was in short recess.)

AFTER RECESS

The CHAIRMAN. The committee will come to order.

I call the following witnesses to come up as a group.

Washington, D.C., Retail Liquor Dealers Association, represented by Mr. Hilliard Schulberg, executive director.

United States Brewers Association, represented by Mr. Bernard F. Maloy, vice president and general counsel.

Tobacco Trade Associations, represented by Mr. Jay Martin, president, Capital Cigar and Tobacco Co.

And United Licensees Beverage Association, Inc., represented by Mr. William O. Woodson, executive secretary.

We will start off with Mr. Schulberg.

STATEMENT OF HILLIARD SCHULBERG, EXECUTIVE DIRECTOR, WASHINGTON, D.C., RETAIL LIQUOR DEALERS ASSOCIATION

Mr. SCHULBERG. Mr. Chairman, my name is Hilliard Schulberg, executive director of the Washington, D.C. Retail Liquor Dealers Association, which is an organization of those licensees which sell alcoholic beverages for off premises consumption in the District of Columbia.

As I indicated to the staff member yesterday, when called about this meeting, I have no prepared statement.

The notice we all agree was somewhat short, but I do have some remarks which I believe are cogent to the issue, and which I would like to present to you.

We are certainly not opposed to a pay raise for our police and firemen of the District of Columbia.

In fact, we endorse it, we think it is something that has been long overdue, and we have nothing but the highest of compliments and laudatory phrases to express our appreciation for the services performed by these two departments, but coming back to our own problem, while we recognize that one could not give pay raises without having the money available for it, and we recognize the difficulties of the Mayor and his staff in coming up with ideas to achieve the moneys necessary, we in the beverage industry say fine, we would like to run with the pack, not be ahead of the pack.

We have been ahead of the pack now for 2 years. The tax on alcoholic beverages has been 1 percent higher than anything else with the exception of possibly of course the room rents of hotels.

The neighboring State of Maryland, which is our closest competition, has a sales tax of 4 percent.

The CHAIRMAN. That includes alcoholic beverages?

Mr. SCHULBERG. Yes, sir. Our neighboring State of Maryland has a gallonage excise tax of \$1.50 per gallon.

Our gallonage tax is \$2.

Now, the record shows, and you cannot argue with the record, it clearly indicates that as we predicted when we last appeared before this committee, when our excise taxes were raised approximately 2½ years ago, and when our sales tax was raised approximately a year or so ago, the gallonage figures were dropped.

Our sales were dropped, and the record clearly bears that out.

Let me give you these figures, Senator. In 1969, spirit sales in the District of Columbia was 6,125,172 gallons. In 1970, when we had both the excise and the sales tax increases, it dropped to 5,722,447 gallons, and in 1971, we had a further drop to 5,715,658 gallons.

Our beer by barrels in 1969, 582,452 barrels. In 1970, it dropped to 573,306 barrels, and in 1971, a further drop of 563,036 barrels.

Now, our friends in the Sales Tax Department in the District Government, they say let's increase the sales tax, and we will pick up a few dollars here, but they forget to tell you, sir, of the lower excise tax in Maryland, where we have \$2 as an excise tax.

They forget to tell you of the personal property tax figures which will drop, and they forget to tell you about the loss of income taxes in these periods if we go out of business.

The economy of the District of Columbia is going to be affected, at least the economy, not only the District generally, but the economy of our industry is being harmed.

We are losing sales constantly, we are losing revenues, we are losing income, and if one balances out, the figures, then there will be no more money for the District, there will be less, and if history teaches us anything, I think these figures are a good cogent part of history.

Now, let's look at the Maryland liquor sales, how they have gone up.

In 1966, the Maryland liquor sales were 6,509,000 gallons. In 1967 they went up to 7,031,000 gallons. In 1968, they went up to 7,618,000 gallons, which is an increase of 17 percent. From that time until the end of 1970, they increased another 14.4 percent. That is our competition. That business is no longer here. We are getting hurt, and we are getting hurt badly. You are not going to help the financial situation of the District by burdening us with this additional 1 percent, which would be a 50-percent increase in the difference already existing between the sales tax in the District of Columbia and Maryland, which is our nearest competition. Even in Virginia, the sales are up, and we call Virginia a monopoly State.

The CHAIRMAN. You gave the figures for Maryland of a 4 percent sales tax being applicable to alcoholic beverages.

What taxes are in existence in Virginia?

Mr. SCHULBERG. I am frankly not aware of it. I think it is 4 percent. I am sure this can be ascertained.

The CHAIRMAN. Four percent?

Mr. SCHULBERG. It is three and one. Three State and apparently one local—4 percent.

I would further suggest that in Maryland we also run into this problem too, that the Maryland excise tax on whiskey is only \$1.50 per gallon, and their minimum wage is only \$1.60. In the District it is \$2. We are faced with all of these competitive situations, and to further bury us will not produce the objectives sought by the District government.

Now, as I said, we have no objection to running with the pack, but why should we be singled out to be the leaders.

I am of the Hebrew faith, and they say we are supposed to be a chosen people. I don't know what we were chosen for, but nevertheless I do not want the industry to be the chosen people here.

Senator, in the movie version of "Fiddler on the Roof," if you will recall, the leading character in the movie was the father of this family in this small town, and he had four daughters, and do you recall when his horse went lame, and he had all of these afflictions, and he turned to the Lord, and he said, "I know you have chosen me, but can't you choose somebody else once in a while?"

That is how we feel. Why must our industry always be out front. We are producing revenue for the District, and we are probably the largest taxpayer in the District of Columbia, aside from the real estate tax. We are a legal industry in every State, and we want to be treated like everybody else.

Why can't we have that privilege? That is all we are asking for. Why single us out and sock it to us?

Actually you are hurting the whole community when you do it. Today it is an item which is used by most families in one form or another, it is part of the American way of life.

It is a legal industry, so why should we be so distinguished that we have to lead the pack in all taxes?

Is that the only way?

The Mayor does a great job, and he is a wonderful person, and we are fortunate to have him, but are there not other industries in this community that receive police and fire protection, that can afford to pay something toward this for the services they receive?

Why must advertising, which is not part of the presenting of the news to the people, we are not talking about the freedom of the press here, but why should ads which appear on radio and TV, or in the newspaper, why should they be exempt?

That is not part of freedom of the press. Our friends in those industries receive the same police and fire protection that the rest of the community does, why should not they pay part of it?

Why should not the services, and there are a great many services, and I hate to finger other industries from a defensive point of view, but there are many banking services which are not taxed, which could be subject to taxes here, and perhaps raise the money that you need.

I cannot see any reason why everybody cannot pay their proper amount of taxes, after all, the police and fire protection is provided for all of the citizens, not just a few.

I think it is about time that perhaps a reexamination of the sources, and perhaps your staff could make that study, and not just single out a few industries and sock it to them.

All I can say in closing is we certainly do not object to being treated in the same way as other industries are treated, but we do not want

unfair treatment. We hope that your committee, when it makes its study of this problem, will come up with other sources of revenue which can provide the necessary funds for this most deserving raise. But we believe that if the additional sales tax is placed upon the beverage industry, it will be a retrogression rather than a progression, and it will not produce the revenue that the District says it will, and, in addition, it will be harmful to the economics of our industry, which in turn could affect employment and the other taxes which I have alluded to.

Thank you for listening to me.

The CHAIRMAN. Thank you, Mr. Schulberg, for your interesting presentation.

Mr. SCHULBERG. Thank you for the opportunity, Mr. Chairman.

The CHAIRMAN. We will now hear from the United States Brewers Association, represented by Mr. Bernard F. Maloy, vice president and general counsel.

**STATEMENT OF BERNARD F. MALOY, VICE PRESIDENT AND
GENERAL COUNSEL, UNITED STATES BREWERS ASSOCIATION**

Mr. MALOY. Thank you very much, Mr. Chairman.

I too was unaware until late yesterday that this hearing would be held.

I would like the opportunity if I might to file within the next few days a more formal statement, and in the interest of time today, I would just like to hit a few highlights of a statement that we made to the House committee with respect to this matter.

The CHAIRMAN. Your formal statement will be made a part of the record when you submit it.

(The statement follows:)

UNITED STATES BREWERS ASSOCIATION, INC.,
Washington, D.C., June 23, 1972.

Re Proposed increase in the District of Columbia retail sales tax on malt beverages from 5 percent to 6 percent.

To: Members of the United States Senate Committee on the District of Columbia.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE: At the hearing conducted by the United States Senate Committee on the District of Columbia on June 22, 1972, in the matter of proposed increases in the District of Columbia Retail Sales Tax, I expressed the concern of the United States Brewers Association, Inc. over the proposal to increase the Retail Sales Tax on beer from 5% to 6%. I suggested that the proposal was discriminatory, inequitable, regressive and ill-timed.

Attached is a statement of our position.

Respectfully,

BERNARD F. MALOY.

PREPARED STATEMENT OF BERNARD F. MALOY, VICE PRESIDENT-GENERAL COUNSEL
UNITED STATES BREWERS ASSOCIATION, INC. TO THE UNITED STATES SENATE
COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. Chairman and Members of the Committee, my name is Bernard F. Maloy. I am Vice President-General Counsel of the United States Brewers Association, Inc., a national trade association of American brewers and of suppliers to brewers. The United States Brewers Association, Inc. is incorporated in New York State. Since September 1970 its principal office has been located at 1750 K Street, N.W. in Washington, D.C. The President of the United States Brewers Association, Henry B. King, lives in the District of Columbia. I too live in the District, as do several other USBA employees.

Founded in 1862, the United States Brewers Association is the oldest continuous incorporated trade association in the United States. Its brewer members produce about 90% of American beer. The vast majority of the brands of beer sold at retail in the District of Columbia are represented by USBA.

My purpose in this Statement to the Committee is to respectfully express on behalf of USBA and the overall local brewing industry complex of distributors, retailers and suppliers, our serious concern over the proposal to impose additional retail sales tax on beer sold to consumers in the District of Columbia. It is my understanding that the purpose of this tax increase and other pending proposed increases is to provide revenue to raise the salaries of policemen and firemen in the District of Columbia. At the outset, I wish to make it clear that the USBA is not opposed to the proposal to provide deserved and necessary salary increases to the District policemen and firemen. Personally, as a former municipal Police and Fire Department administrator in a leading city—and, as a present resident of the District of Columbia, I recognize the urgency of equitable pay scales for these departments.

However, because taxes on beer have proved to be “quicksand” type taxes from which there is no relief nor escape once imposed and because, as far as I know, the explanation of the proposed tax legislation presented by the city does not fully explain the present tax contribution record nor the bleak sales record of beer in the District, I am constrained to respectfully call to your attention the following matters:

1. It is my understanding that at hearings held before the House and the Senate Committees on the District of Columbia, relating to sales tax proposals in 1969, representatives of the Alcohol Beverage Industry, including the malt beverage industry, were under the impression that the proposals then under consideration would raise the sales tax from 4 to 5% only on alcohol beverages sold in hotels and restaurants, and not on sales for off-premise consumption. Industry representatives were subsequently surprised to learn that the Government of the District of Columbia intended to and did apply the tax raise to sales by package stores for consumption off the premises as well as to on-premise sales. Thus, there was an apparent misunderstanding over the 1969 increase from 4 to 5%, which was applied to all sales of alcohol beverages, and which placed the District sales tax rate on beer among the highest in the nation.

2. The present proposal would raise the District retail sales tax rate on all beer from 5% to 6%. This would put beer sold at retail in the District into the second highest single retail sales tax rate bracket in the nation. Only Pennsylvania, which has a state sales tax of 6% (no local sales tax), and Connecticut, which on July 1, 1972 will increase its state sales tax from 6.5% to 7% (no local sales tax) would be equal to or higher than the District in single sales tax rates.

The combined rates—state sales tax and local sales tax—in only one state (New York—state 4%, local 3%) are higher than the present District of Columbia proposal. The combined rates in only two states (Alabama—state 4%, local 2%; and Colorado—state 3%, local 3%) are equal to the D.C. proposal.

Therefore, if the proposed 6% sales tax rate is adopted for the District of Columbia beer consumers, the District rate will equal the second highest retail sales tax rates in the nation.

3. Beer consumption in the District already presents a bleak and forlorn record. During recent years, from 1966 through 1971, overall total beer consumption has increased in each of the 50 states over the 1966 figure but has decreased in the District of Columbia. A few states have recorded a temporary one-year decline during this period but when we compare 1966 and 1967 figures with 1971 data, we find substantial increases in all 50 states while consumption in the District of Columbia has dropped. District consumption has steadily declined as follows:

Barrels

Calendar Years			
1966	612, 015	1969	587, 207
1967	595, 433	1970	577, 006
1968	592, 550	1971	567, 641

Beer sold in the District of Columbia carries the Federal excise tax of \$9.00 per barrel, a District excise tax of 52.25 per barrel and a retail sales tax of 5%. While beer sales have been increasing substantially at the national level and in each of the 50 states, beer sales have been dropping steadily in the District—from 612,015 barrels in 1966 to 567,641 barrels in 1971—a loss of 44,374 barrels (the equivalent of approximately 610,000 cases of 24 12-oz. containers). To the Federal Government this loss of 44,374 barrels means that beer sold at retail in the District of Columbia contributed almost \$400,000 less in Federal excise taxes in 1971 than in 1966.

We respectfully suggest that in light of this dangerous decline in District beer sales—the worst record in the nation over the last five years—that the imposition of an additional tax could accelerate that decline and worsen an already dismal sales record. The problem of beer consumption in the District is not merely a failure to grow, consistent with the experience of the 50 states, but rather it is its unique and dangerous decline. It is encouraging to note that for the first three months of 1972 District sales-consumption figures indicate a slight increase of approximately 3.3% over the comparable period of 1971. However, this current improvement is far from a significant reversal of the trend of the last five or six years. It is too early to know if this slight improvement will be reflected during the balance of calendar 1972.

4. Beer is an alcohol beverage of moderation and a food beverage. It is the traditional drink of the workingman. A high sales tax is regressive and imposes a disproportionate and inequitable burden on the low-income consumers who are its basic customers.

We submit that beer is a mass-consumed food item and taxwise should be treated as a food and not a luxury. It is served by two-thirds of the families in the United States and is exceeded in popularity only by milk, coffee and soft drinks. Beer is not a luxury but a staple of the moderate income family's market basket. Beer is actually considered a part of their daily diet. This fact has been recognized by the Bureau of Labor Statistics which has included beer along with other staples to compute its Cost of Living Index. Any tax on beer has the same effect on the low and moderate income family as would a tax on many other foods.

Gentlemen—our industry does not seek to avoid our recognized obligation to bear our fair share of the tax burden. However, we suggest that we are already meeting that obligation to the Federal Government and to the District Government. Beer already pays excise taxes to both Governments, and a retail sales tax on beer is a tax on taxes.

Therefore, we respectfully urge that a retail sales tax proposal which imposes a heavier burden on malt beverages than on other commodities is discriminatory, inequitable, regressive; and, in the light of beer's bleak current sales and consumption record in the District, ill-timed.

The CHAIRMAN. We will next hear from the Tobacco Trade Associations represented by Mr. Jay Martin, president of the Capital Cigar & Tobacco Co.

STATEMENT OF THE TOBACCO TRADE ASSOCIATIONS, REPRESENTED BY JAY MARTIN, PRESIDENT, CAPITAL CIGAR & TOBACCO CO.

Mr. MARTIN. Thank you very much, Mr. Chairman.

My name is Jay Martin, and I am president of the Capital Cigar & Tobacco Co., and I am representing the tobacco producers of the District of Columbia.

We support the District request for increased salaries for police and firemen.

We also support the mayor's exclusion of cigarette tax money to finance the salary increases. We feel that if the House version as voted out were enacted to increase the cigarette tax by 2 cents, or 50 percent, the District of Columbia would actually receive less revenue than it presently derives from cigarettes.

The CHAIRMAN. What is the tax on cigarettes in the neighboring jurisdictions?

Mr. MARTIN. In the northern Virginia area, the State of Virginia tax is 25 cents per carton, and in the northern Virginia area of Arlington, Fairfax, add 50 cents to that, it is 75 cents there, and the Maryland tax is 60 cents.

In Alexandria, it is an additional 20 cents, and it is 95 cents in Alexandria.

The per capita consumption figures for the District are 213 packs per person per year as opposed to Virginia and Maryland, which are approximately 127 packs per year.

The CHAIRMAN. Can you give us the tax figure per pack in northern Virginia?

Mr. MARTIN. Per pack tax in northern Virginia is $7\frac{1}{2}$ cents.

The CHAIRMAN. $7\frac{1}{2}$ cents per pack in northern Virginia.

How much per pack in Maryland?

Mr. MARTIN. 6 cents.

Now, the per capita consumption figures are 42-percent higher than either in Maryland or Virginia. This is because of the tax disparity. Many people in Maryland and Virginia come into the District to buy cigarettes. They also pay sales tax on those cigarettes. Prior to the tax being 4 cents in the District, the District collected approximately \$1.5 million per penny of tax. At that time northern Virginia did not have a tax, and the price on cigarettes at this time was $2\frac{1}{2}$ cents per pack in Virginia.

As a result, the revenue decreased at the time the District raised their tax to \$1.2 million per penny of tax collected.

When northern Virginia imposed 50 cents per tax, or 5 cents per pack increase, the District revenue increased to the \$1.6 million per penny of tax imposed.

Now, that is 42-percent higher. We feel that if the tax is increased to 6 cents to a parity with Maryland, and the business flows back to Maryland, and also back to Virginia, and you only show a 35-percent decrease, so that the consumption rate would drop considerably, but our figures show it would still be higher than in Maryland and Virginia, but the District would receive \$170,000 per year less than it is already receiving now at the lower rate, and that is the reason we appear here today.

The CHAIRMAN. Thank you very much, Mr. Martin.

Mr. MARTIN. Thank you for the opportunity, Mr. Chairman.

(Subsequent to the hearing the following letters and statement was received for inclusion in the record.)

Laundry-Dry Cleaning Association
of Greater Washington

WILMER H. BALDERSON
EXECUTIVE VICE PRESIDENT

6917 ARLINGTON RD., NO. 206
BETHESDA, MD. 20014

654-4884

July 5, 1972

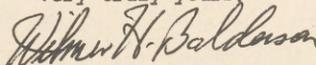
Mr. Robert Harris
Staff Director
Committee on
The District of Columbia
Washington, D. C. 20510

Dear Mr. Harris:

It is my understanding that a hearing was held on June 22 regarding ways and means of raising the necessary revenue to pay for the increase to District of Columbia employees such as policemen, firemen, teachers, etc.

When this matter was pending before the House District Committee, I testified in opposition to a proposed increase in the sales tax in our industry and since I was out of town when your hearings were held, I respectfully request that my statement before the House District Committee and letter to Representative Cabell be included in the record of your June 22 hearing.

Very truly yours,



Wilmer H. Balderson
Executive Vice President

Enc.

June 9, 1972

The Honorable Earle Cabell
House District Committee
Room 310
Longworth House Office Building
Washington, D. C. 20515

My dear Mr. Cabell:

During the course of my testimony before the House District Committee on the proposed increase in the sales tax on laundry, dry cleaning, uniform and linen rental services, you asked me if I could supply the Committee with statistical data on the estimated loss of commercial laundry, uniform rental, and linen rental volume by Washington, D. C. based plants to plants located outside of the city.

Upon returning to my office, I sent a questionnaire out to member plants seeking this information and submit for consideration of the Committee, the following data:

Annual Volume Loss Since September 1, 1970*

<u>Linen Rental</u>	<u>Uniform Rental</u>	<u>Commercial Laundry</u>
\$322,250	\$ 48,250	\$ 201,783
50,000	25,000	170,000
<u>200,000</u>	<u>12,000</u>	49,517
\$572,250	\$85,250	72,000
		30,840
		<u>105,000</u>
		\$629,140
	Total - <u>\$1,286,640</u>	

*This is the date the Minimum Wage for laundry employees went from \$1.60 to \$1.80 and thereafter to \$2.00 on January 1, 1971

While these figures may not seem large to the gentlemen on the Committee who deal in billions, it is very significant to a local industry whose payroll approximates 60% of sales. In other words, the loss of this volume has also resulted in the annual loss of payroll better than a half million dollars. In addition, in order to process this amount of work, you would need approximately \$400,000 worth of machinery.

We hope these statistics, together with our statement presented to the Committee will convince the members of the Committee that the industry should not be further burdened with an increase in the sales tax which has already received customer resistance.

Very truly yours,

Wilmer H. Balderson
Executive Vice President

STATEMENT OF
WILMER H. BALDERSON, EXECUTIVE VICE PRESIDENT
LAUNDRY - DRY CLEANING ASSOCIATION OF GREATER WASHINGTON
BEFORE THE HOUSE COMMITTEE ON THE DISTRICT OF COLUMBIA

May 31, 1972

MY NAME IS WILMER H. BALDERSON. I AM EXECUTIVE VICE PRESIDENT OF THE LAUNDRY-DRY CLEANING ASSOCIATION OF GREATER WASHINGTON, ON WHOSE BEHALF I APPEAR IN OPPOSITION TO A PROPOSED INCREASE IN THE SALES TAX ON LAUNDRY, DRY CLEANING AND LINEN RENTAL SERVICES IN THE DISTRICT OF COLUMBIA.

THE MEMBERS OF OUR ASSOCIATION EMPLOY APPROXIMATELY 3200 EMPLOYEES IN THE DISTRICT OF COLUMBIA. THEIR SALES ARE DIVIDED BETWEEN THREE JURISDICTIONS IN THE METROPOLITAN AREA - MARYLAND, DISTRICT OF COLUMBIA AND VIRGINIA WITH APPROXIMATELY 50-60% CONSUMMATED IN THE DISTRICT OF COLUMBIA. THIS, OF COURSE, REQUIRES THE MAINTENANCE OF SEPARATE RECORDS FOR EACH JURISDICTION.

WE APPEAR BEFORE YOU TODAY IN OPPOSITION TO ANY INCREASE IN THE SALES TAX ON LAUNDRY, DRY CLEANING, LINEN RENTAL, UNIFORM RENTAL, DIAPER RENTAL, RUG CLEANING OR ANY OTHER TEXTILE MAINTENANCE SERVICE. OUR MEMBERS SERVICE INDIVIDUAL RETAIL CUSTOMERS, HOTELS, MOTELS, BARBER SHOPS, BEAUTY PARLORS, RESTAURANTS, GASOLINE STATIONS AND OFFICES. YOU MIGHT ASK WHY WE ARE OPPOSED TO AN INCREASE IN THE SALES TAX WHEN IT IS ALL PASSED ON TO OUR CUSTOMERS. DURING THE PAST FIVE YEARS AND ESPECIALLY THE LAST TWO YEARS OUR CUSTOMERS HAVE BECOME EXTREMELY SENSITIVE TO ANY PRICE INCREASE, AND AN INCREASE IN THE SALES TAX IS A PRICE INCREASE - NO MATTER WHAT YOU CALL IT. THE INDUSTRY HAS DONE EVERYTHING WITHIN ITS POWER TO HOLD ITS COSTS DOWN AND THUS AVOID THE NECESSITY OF A PRICE INCREASE, BUT UNFORTUNATELY BEING LOCATED IN WASHINGTON, D. C. WITH THE HIGHEST MINIMUM WAGES IN THE AREA, WE HAVE HAD NO ALTERNATIVE BUT TO PASS THESE COSTS ON TO OUR CUSTOMERS. THIS HAS RESULTED DURING THE PAST TWO YEARS IN A SIZABLE REDUCTION IN TOTAL CUSTOMERS AND A SHRINKAGE OF THE AVERAGE RETAIL BUNDLE FROM 15 TO 25%. IN OTHER WORDS, OUR CUSTOMERS ARE FINDING OTHER WAYS OF MAINTAINING THEIR CLOTHES. THE NEW TEXTILES HAVE MADE IT EASIER FOR THEM TO PATRONIZE THE COIN OPERATED LAUNDRY AND DRY CLEANING MACHINE ON WHICH THERE IS NO SALES TAX AND CONVENIENTLY LOCATED IN EVERY APARTMENT HOUSE IN THE AREA.

MANY OF OUR COMMERCIAL AND LINEN RENTAL CUSTOMERS HAVE FOUND IT TO THEIR ADVANTAGE TO INSTALL THEIR OWN HOME TYPE WASHING MACHINES TO PROCESS THEIR WORK. THIS HAS BEEN ESPECIALLY TRUE IN MOTELS AND THE TREND IS MOVING INTO OTHER FIELDS SUCH AS BEAUTY PARLORS AND RESTAURANTS. IN OTHER WORDS, ANY INCREASE IN OUR COSTS RESULTS IN A REDUCTION IN VOLUME WITH A LIKE REDUCTION IN REVENUE TO THE DISTRICT OF COLUMBIA -- LESS INCOME TAX AS WELL AS LESS SALES TAX.

THE IMPACT OF THE SALES TAX ON OUR INDUSTRY IS EVIDENCED BY THE CLOSING OF SIX MAJOR LAUNDRY DRY CLEANING AND LINEN SUPPLY PLANTS SINCE THE LAST TIME WE APPEARED BEFORE THIS DISTINGUISHED COMMITTEE IN 1969, AT WHICH TIME WE PLEADED WITH YOU NOT TO IMPOSE THIS ADDITIONAL BURDEN ON AN ALREADY DEPRESSED INDUSTRY. INCIDENTALLY, THE CLOSED PLANTS EMPLOYED APPROXIMATELY 1000 EMPLOYEES, MANY OF WHOM WERE UNSKILLED AND UNDOUBTEDLY ENDED UP ON THE WELFARE ROLLS. THIS MAY BE ONE REASON WHY THE D. C. GOVERNMENT IS LOOKING FOR ADDITIONAL REVENUE. AS THE NUMBER OF JOBS DECREASE THE BURDEN ON OUR CITY TREASURY INCREASES.

IN ADDITION TO THE FOREGOING, WE OPPOSE THE PROPOSED UNCONSCIONABLE INCREASE ON OUR SERVICES FROM 2 TO 5% FOR THE FOLLOWING REASONS:

1. WHEN OUR INDUSTRY WAS FIRST CONSIDERED FOR SALES TAX PURPOSES, THE CONGRESS WISELY TOOK INTO CONSIDERATION THE CONDITION OF THE INDUSTRY AND MAINTAINED A DIFFERENTIAL OF 2%. THE CONDITIONS IN THE INDUSTRY HAVE NOT CHANGED TO WARRANT A DEPARTURE FROM THIS DIFFERENTIAL. AS A MATTER OF FACT, THE ADOPTION OF A STATUS QUO POLICY WOULD BE MORE IN LINE WITH PREVAILING CONDITIONS.
2. THE AVERAGE BUNDLE SIZE HAS DROPPED APPROXIMATELY 15-25% IN THE LAST TWO YEARS. WHEN THE SIZE OF THE BUNDLE DROPS IT TAKES FEWER EMPLOYEES TO PROCESS THEM.
3. AN INCREASED TAX ON OUR SERVICES WILL FORCE THE HOUSEWIFE AND BUSINESSES TO LOOK FOR A SUBSTITUTE - PAPER NAPKINS, PAPER TOWELS, PAPER TABLECLOTHS, PAPER DIAPERS AND MANY OTHER DISPOSABLE ITEMS. EVERY DISPOSABLE MUST BE BURNED OR FLUSHED DOWN THE SEWER WITH THE RESULTANT POLLUTION OF OUR AIR AND RIVERS.
4. THE PROPOSED INCREASE WOULD BE AN ADDITIONAL TAX ON CLEANLINESS AND HEALTH. WE DO NOT BELIEVE OUR CITY HAS REACHED SUCH A LEVEL OF FISCAL EMERGENCY.
5. THE PROPOSED INCREASE WOULD FORCE STILL MORE BUSINESS GOING TO THE SUBURBS OF MARYLAND AND VIRGINIA. WE DO NOT BELIEVE THAT

A LOCAL RESTAURANT COULD ABSORB A 3% INCREASE IN ITS LAUNDRY OR LINEN SUPPLY BILL WITH THE RESULT THAT FEWER AND FEWER PEOPLE WILL PATRONIZE OUR DOWNTOWN RESTAURANTS WHEN THEY CAN GET THE SAME QUALITY AND SERVICE FOR LESS ACROSS THE LINE.

6. THE PROPOSED INCREASE WOULD BE EQUIVALENT TO A PRICE INCREASE OF 3%. THERE ISN'T A PLANT IN TOWN THAT WOULD CONTEMPLATE SUCH AN INCREASE - EVEN IF IT COULD BE JUSTIFIED UNDER THE PRICE FREEZE. CUSTOMER RESISTANCE IS JUST TOO STRONG.

7. THE PROPOSED INCREASE WOULD BE A FATAL BLOW TO AN ALREADY DEPRESSED INDUSTRY THAT PROVIDES EMPLOYMENT TO THOUSANDS OF UN-SKILLED WORKERS IN THE CITY OF WASHINGTON.

ACCORDINGLY, WE RESPECTFULLY URGE THE COMMITTEE TO REJECT THIS RECOMMENDATION FOR RAISING ADDITIONAL REVENUE.

The CHAIRMAN. Is there anybody else who wishes to be heard?

Mr. O'DONNELL. Mr. Chairman, I am James O'Donnell of the Restaurant Beverage Association. I did call the committee this morning and said I would like to say a few words.

The CHAIRMAN. Go ahead, Mr. O'Donnell.

**STATEMENT OF THE RESTAURANT BEVERAGE ASSOCIATION,
REPRESENTED BY JAMES F. O'DONNELL**

Mr. O'DONNELL. Thank you very much, Mr. Chairman.

Mr. Chairman, there have been others who would have liked to have been here, but because of the short notice, they have not been able to arrange it.

The CHAIRMAN. If they have any prepared statements they would like to submit, we will make them a part of the record.

Mr. O'DONNELL. I would like to reiterate that we do have a problem which has been taking place, which has been talked about in terms of diminishing returns, and that problem goes to the restaurant industry also.

Here we have a proposal for the restaurants to be taxed on both meals and beverages, for which the tax will go from 5 percent sales tax to 6 percent at a time when in the District restaurants are suffering, and where we are faced with a comparable tax in Maryland and Virginia of 4 percent, and, of course, there is about a 50-percent differential, and also at a time when this month the Minimum Wage Board in its order set a minimum wage for the District in its order at \$2.25 per hour, which has been somewhat temporarily modified by the Cost of Living Council, but at the same time the same industry in Maryland and Virginia is paying \$1.60 per hour. I know that the chairman and staff and members of this committee know that some of our most successful restaurants have failed in the past few years. There have been virtually no new restaurants built in the last 3 or 4 years, whereas the previous 10 years I would estimate more new restaurants were built than in the previous 70 years were built in Maryland and Virginia. So as we see the trend of beverage laws of Virginia and Maryland liberalized, we see at this point that the District is increasing its taxes, so we get to the ability of the industry to pay the tax.

We are indebted to the police and firemen for their services, for without them we could not be in business. We could not quarrel with any increase they might request, but it is not a question of our unwillingness to head the pack, it is a question of our ability to pay and stay. While it may be said we do not pay a sales tax, but some restaurants do absorb the tax, but by and large they pass it onto the consumer. But when you add this differential, this 50-percent differential, plus the subway digging and everything else, I suggest to you we are about to close the doors on other taxpayers who then will pay no taxes.

I realize the Mayor's dilemma, always when you are asked to come up with supportive taxes, you turn to existing sources of revenue, but I think the city has got to face the problem of new sources of revenue. They have got to look at such things as the lottery. They have got to look at such things as some kind of real increase of building heights

in the downtown city to get some real incentive to build a tax base quickly, and not wait for the long haul of the traditional urban renewal approach which takes too long to build the tax base.

I know these solutions cannot be arrived at quickly, but I hope the committee will consider the dilemma that the Mayor faces, and how the solutions seem to be a good one, but may not be.

The CHAIRMAN. Thank you, Mr. O'Donnell, and we are pleased to have you with us this morning for your excellent presentation.

Thank you very much.

That will conclude the hearings on the District of Columbia Police and Firemen's Salary Act Amendments. We wish to thank all of you for your fine presentations.

The committee stands adjourned.

(Whereupon, the meeting was adjourned at 12:25 p.m.)



